

# **ANNUAL REPORT 2017**



## **THE PUBLIC SERVICE COMMISSION**

January - December 2017

## TABLE OF CONTENTS

	Page
I. INTRODUCTION	I
II. THE PUBLIC SERVICE	1
III. PRODUCTIVITY AND EFFICIENCY	4
IV. CHALLENGES AND LIMITATIONS:	5
V. ACTIVITIES	6
VI. GOVERNMENT LEASED HOUSING PROGRAM	6
VII. GOVERNMENT LIFE INSURANCE PROGRAM (IAC)	7
VIII. TRAINING & WORKSHOPS	8
IX. WAY FORWARD/CONCLUSION	9
X. RECOMMENDATIONS	10
XI. APPENDICES	12

## I. INTRODUCTION

Public Service Commission (PSC), upon acceptance and approval of the Constitution of the Republic of the Marshall Islands (RMI) by plebiscite in 1979, came into existence for two distinct purposes:

- (1) to organize the workforce of the government that is adequately trained and equipped to execute public policy for the benefit of the people of the Marshall Islands, and;
- (2) to assist the Government in the overall assessment of its efficiency in operations.

All of this responsibility is spelled out in Article VII of the Constitution and by the Public Service Commission Act of 1979. And by virtue of this authority so prescribed for the PSC, its principles of operation and the terms of reference as to its responsibility to the Cabinet, include among other things regulations and instructions for the workforce and the workplace, standard operating procedures, and evaluation of work performance by public servants. All of this reflect the mandate of the Public Service Commission, extending to and connecting the Office of the Chief Secretary and all offices of Ministerial Secretaries.

This report contains information on all government employees and budget costs of all ministries, including housing and group life insurance. Other related costs in this report include the cost of hiring expatriates, except that travel and repatriation costs are suggested in the ministerial budgets. Reporting of this cost will be explicit in the report for 2018.

On the basis of this review, a set of broad and specific recommendations are outlined in this report for the purpose of improvement on policies especially for the delivery of quality public services and programs for the benefit of the Marshall Islands.

In accordance with the Constitution of the Republic of the Marshall Islands (RMI), Article VII, Sections 1, 9 & 11, and the Public Service Commission (PSC) Act of 1979, the PSC is the employing authority of the government charged with the responsibility for developing, coordinating, regulating and administering all personnel matters relating to and affecting the Public Service.

In this regards, the PSC is required to conduct efficiency and economy reviews of all the ministries, agencies, and offices of the government. It is also required to report to the Cabinet at the end of each calendar year on the state of the public service, and on the works and activities carried out during each calendar year.

The Office of the PSC is generally made up of two main divisions: 1) The Division of Administration and Housing (DAH); and 2) The division of the Personnel and Training (DPT). In addition to the general administrative functions of the PSC Administration, the Division of Admin & Housing has the responsibility to oversee the RMI Government Group Term Life Insurance program. The Division of the Personnel and Training has the responsibility to oversee the management of personnel recruitment, personnel performance activities and training needs of the Government.

Reference to the PSC Mandates, with exception of the Ministry of Education/Public School System (PSS), most of the personnel administration of the ministries and agencies in the RMI Government are under the direct purview of the PSC. There are, however, statutory agencies whose personnel administrations are governed by their respective Board of Directors. These agencies include the National Telecommunication Authority, Marshall Island Marine Resource Authority, Public Safety, RMI-EPA, RMI Scholarship, Loan, and Grant Board, RMI Shipping Authority, Marshall Energy Company, RMI Seaport and Airport Authority, to name a few. Personnel information relating these agencies is not included in this report.

This Annual Report describes the activities carried out by the PSC during the Calendar Year 2017 . Such activities include joint coordination in streamlining of the Public Service institutional realignments necessary to be in harmony with the national and ministerial strategic objectives including those of PSC itself. It contains statistical information on personnel matters including hiring, promotion, reclassification, transfer, retirement, termination and so forth. It shows the size and the composition of all the ministries and agencies of the government, in terms of the number of employees, their nationalities, gender, and age groups. Other mandated activities of projects, whether of short or long terms with status outcomes, are being incorporated also to best articulate the public service human resource management and institutional development.

Serving in a number of ad hoc committees and actively participating in a few other taskforces<sup>1</sup> organized under the authority of the Cabinet, the Commission has decided also to incorporate in this report updates on various government initiatives of relevancy specifically with those for which PSC plays major key roles.

Finally, a set of broad and specific recommendations needing immediate attention are also contained in the conclusion. It is hoped that these would lead to the formulation of policy actions aiming at safeguarding the principles and values of delivering the required quality public service and improving program outcomes for the benefit of the people of Republic of the Marshall Islands.

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1 *National Strategic Plan Coordinating Committee Sub-Committee for Good Governance, National Budget Coordinating Committee, RMI Information Governance Task force, Public Financial Management Committee, and the Survey Board.*



## II. THE PUBLIC SERVICE

The Public Service of the Marshall Islands is a relatively young workforce. While its size and experience in the workplace are described in terms of data and statistics, these information do not necessarily describe its experience in terms of wisdom. However, over the years there has been progress made in capacity building and personnel confidence.

Table 1 outlines the Public Service Commission Profile Outlook for 2017. The total number of employees during the period was 1152 – total Marshallese was 1024 and 128 expatriate employees. Of this number, 671 or 58% comprised of male employees, while 481 or 42% comprised of female employees. Although the female employees were fewer in numbers compared to their male counter-parts, the female employees generally had a higher salary average (\$800). The total cost for employees' based salary during the period amounted to \$19.1 million<sup>2</sup>. As in previous years, the GRMI continued to pay higher average salaries for the retirees<sup>3</sup> (\$16,304) and expatriate employees (\$15,432) respectively.

CATEGORY	NUMBER	COST IN MILLIONS	PERCENTAGE	AVE.COST PER
FEMALE	481	\$8,227,275	43%	\$17,105
MALE	671	\$10,940,219	57%	\$16,304
RETIREES	217	\$4,005,950	21%	\$18,461
MARSHALLESE	1024	\$15,802,534	82%	\$15,432
EXPATRIATES	128	\$3,364,960	18%	\$26,289
ALL EMPLOYEE	1152	\$19,167,494	100%	\$16,638
<b>TABLE 1 PROFILE OF THE RMI PUBLIC SERVICE FOR 2017</b>				

During the year, there was a total of 128 expatriate employees working within the Public Service at different Ministries and Agencies with a total salary of \$3.3 million. Expatriate employees have a higher average salary and were paid 35% more than the Marshallese.

Ministry	MARSHALLESE		EXPAT		2017	
	# OF Emps	Total Amount	# OF Emps	Total Amount	# OF Emps	Total Amount
AUDITOR	18	\$381,895			18	\$381,895
CABINET	13	\$282,850			13	\$282,850
CABINET/NC	1	\$31,000			1	\$31,000
CIA	71	\$1,068,785	1	\$19,000	72	\$1,087,785
COI	4	\$75,095			4	\$75,095
FBPS	93	\$1,709,525	6	\$220,000	99	\$1,929,525
JUSTICE - AG	28	\$646,790			28	\$646,790
JUSTICE - PD	4	\$84,025	3	\$112,000	7	\$196,025
MISGLB	5	\$90,380			5	\$90,380
MOFAT	35	\$799,000	1	\$13,045	36	\$812,045
MOHHS	493	\$6,697,370	111	\$2,789,915	604	\$9,487,285
NITIJELA	26	\$422,430			26	\$422,430
NRC	30	\$405,036			30	\$405,036
OCS	17	\$422,620			17	\$422,620
OCS - EPPSO	9	\$193,045			9	\$193,045
OCS - OEPPC	4	\$84,380			4	\$84,380
OCS - WEATHER	10	\$273,000			10	\$273,000
PSC	15	\$344,500			15	\$344,500
T & C	14	\$241,905			14	\$241,905
WIU	134	\$1,548,903	6	\$211,000	140	\$1,759,903
<b>Grand Total</b>	<b>1024</b>	<b>\$15,802,534</b>	<b>128</b>	<b>\$3,364,960</b>	<b>1152</b>	<b>\$19,167,494</b>
<b>TABLE 2 : National Government Employees under the Purview of Public Service Commission of RMI by Nationality: 2017</b>						

Table 2 lists the total number and costs of employees within the public service by Ministries and Agencies under the purview of the Public Service Commission. The Ministries of Health and Human Services (comprised of 604 employees or 52%), Works, Infrastructure and Utilities (140 employees or 12%), Finance, Banking and Postal Services (99 employees or 9%), and Culture and Internal Affairs (72 employees or 6%), comprised of the bulk of the workforce (79%). The remaining 21% are scattered throughout the smaller Ministries and Agencies.

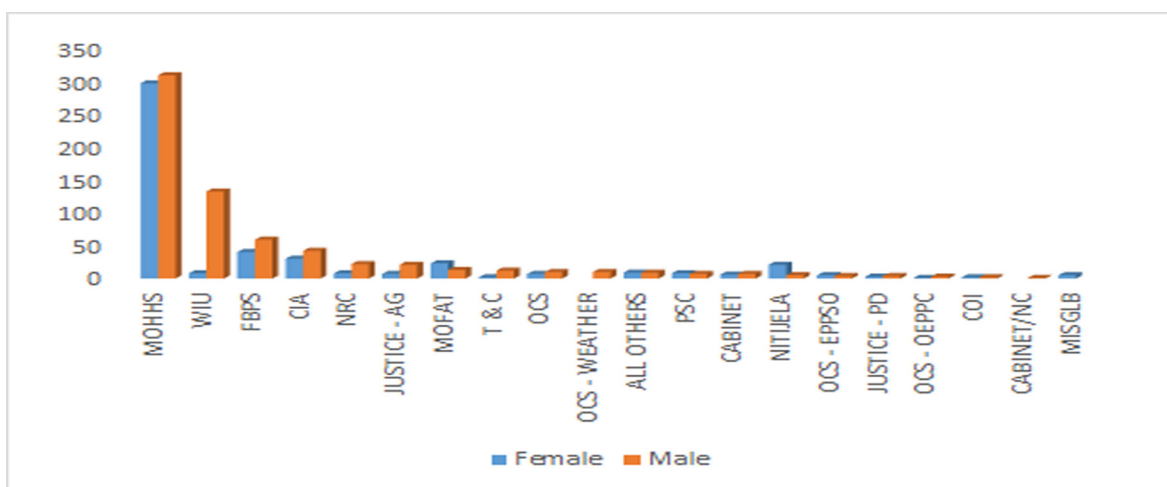
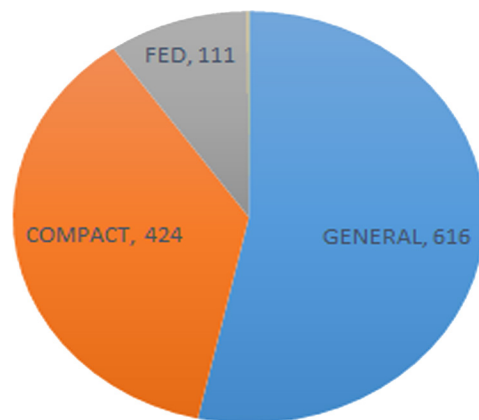
Distribution of expatriate employees and cost within the Public Service is as follows: At the Ministry of Health and Human Services, there was a total of 111 expatriate employees occupying various positions (mainly medical positions) with a total cost of \$2.7 million. There were 6 at the Ministry of Works, Infrastructure and Utilities with a total cost of \$211,000; 3 at the Public Defender's Office with a total cost of \$112,000; there were 6 at the Ministry of Finance, Banking and Postal Services with a total cost of \$220,000; and finally there was one each at the Ministry of Culture and Internal Affairs, cost \$19,000, and the Ministry of Foreign Affairs and Trade with a total cost of \$13,045.

During the period, a total of 616 or 53% of the employees were paid under the funding sources generated from the Republic of the Marshall Islands (General Fund and the Special Revenue). The other 536 or 47% employees were paid from the United States Compact based grant and various Federal Grants, and from other grants received from the RMI's donor partners. The continued reliance on the US

Compact and Federal funds to pay and sustain the employment of 47% of the workforce should be an issue of grave concern now that there remains 6 more years until the financial provisions of the Compact of Free Association, as amended, with the United States Government which will cease in 2023.

Fund	# of Emps	Total Cost	% of Total
GENERAL	616	\$10,562,774	53%
COMPACT	424	\$6,475,820	37%
FED	111	\$1,607,200	10%
OTHERS	1	\$24,000	0%
<b>Grand Total</b>	<b>1152</b>	<b>\$18,669,794</b>	<b>100%</b>

TABLE 3: National Government Employees by Fund: 2017



Above graph shows the distribution of employees by gender throughout the Public Service by Ministries and Agencies. Ministries traditionally dealing with vocational, technical and traits, such as Works, Infrastructure, Utility, Transportation, Communication and Information Technology, Natural Resources and Commerce, the Weather Service Bureau, continued to be generally dominated with male employees. The Ministries of Health

and Human Services, Culture and Internal Affairs, Finance, Banking and Postal Services, and the other smaller ministries and agencies, traditionally are more generally gender balanced as reflected during the period.

Table 4 lists the different age categories within the Public Service during the reported period. Of the total, 650 or 56% of the workforce are ranged between the ages of 19-44 years old. There were 285 employees (25%) listed between the ages 45-54; 129 or 11% employees listed between ages 55-60; 53 or 5% employees between ages 61-64, and finally, there were 35 or 3% employees aged at 65 or older within the Public Service. Both the most senior and the youngest employees, ages 19 and 78 respectively, are employed under the Ministry of the Ministry of Health & Human Services.

Age	# of Emps	% of Total	Total Salary
19-44	650	56%	\$10,217,674.00
45-54	285	25%	\$4,943,870.00
55-60	129	11%	\$2,256,170.00
61-64	53	5%	\$1,048,715.00
65+	35	3%	\$701,065.00
<b>Grand Total</b>	<b>1152</b>	<b>100%</b>	<b>\$19,167,494.00</b>

TABLE 4: AGE ANALYSIS: 2017

Though the retiree group used to be the largest group, over the course of the last ten years, a trend of such has been slowly eroded by the increasing employment placements of more younger group of 25-45 age brackets, which can be seen as both positive in the sense that the Public Service is able to obtain and bring on board new innovations, knowledge, capabilities and skills, but at the same time, is being challenged with institutional knowledge and capabilities.

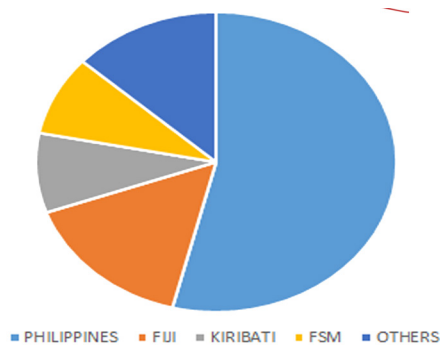
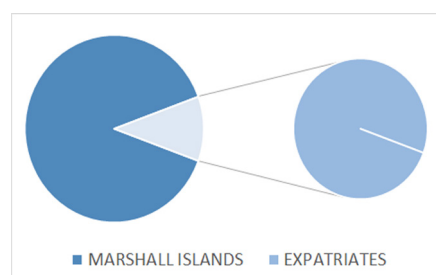
Age	# of Emps	% of Total
MOHHS	105	48%
WIU	34	16%
FBPS	20	9%
CIA	19	9%
ALL OTHERS	39	18%
<b>Grand Total</b>	<b>217</b>	<b>100%</b>

TABLE 5: AGE 55+ BY MINISTRY: 2017

Table 5 lists the number of employees, by Ministries and Agencies that have been grandfathered into the early retirement scheme<sup>1</sup> (55 years old) or older. As shown in the table, and as expected, the larger Ministries (Health and Human Services, Works, Utilities and Infrastructure, Finance, Banking and Postal Service, and Culture and Internal Affairs) have the highest number of these employees. The figures are an indication of the important need for the Public Service, as a whole, to commence with the development and

execution of Workforce Development plans, succession and talent management planning to retain and capture the required and needed institutional knowledge and expertise.

Table 6 lists the number of employees within the Public Service by nationalities. As may be noted, nationals from the Philippines constituted the majority of the employees, followed by nationals from Fiji, I-Kiribati and the Federated States of Micronesia.



Citizenship	# of Emps	%
MARSHALL ISLANDS	1024	89%
PHILIPPINES	69	6%
FIJI	20	2%
KIRIBATI	11	1%
FSM	11	1%
TUVALU	3	0%
USA	2	0%
PNG	2	0%
TAIWAN	1	0%
SOLOMON ISLANDS	1	0%
POHNPEI	1	0%
NEW ZEALAND	1	0%
NAURU	1	0%
MYANMAR	1	0%
KOSRAE	1	0%
INDIA	1	0%
ETHIOPIA	1	0%
CANADA	1	0%
<b>Grand Total</b>	<b>1152</b>	<b>100%</b>

TABLE 6: Nationality: 2017

### III. PRODUCTIVITY AND EFFICIENCY

During the reporting period, the Commission had continued monitoring the productivity and efficiency of the public service through meetings with individual ministries and agencies on issues affecting the delivery of human resource management and overall performance of the Public Service.

The Commission used various methods to effectuate the review. These were achieved (1) through the collaborative and joint efforts between the Nitijela, Cabinet, Office of the Chief Secretary and others, the Public Service Commission (Amendment) Act 2017 was enacted by the Nitijela to require that the Heads of Departments be put on four-year performance based employment contracts. The law now requires greater responsibilities and accountability by the Heads of Departments. The Heads of Departments are now expected to perform to a set of key performance indicators that will be monitored and evaluated on a semi-annual and on annual basis; (2) PSC had instituted a set of Public Service Instructions to better streamline employment issues across the Public Service. These are outlined below. However, such instructions are attached to this report in their entirety. (Appendix D)

Name of Instruction	Doc. #	Application	Corresponding Regulations
Payment of Increment	2007/1	An amendment to PSC Reg. 32	PSC Reg. 32 (3)(a)(i)(e)
Right to Appeal	2007/2	Adding new section to PSC Reg. 73	PSC Reg. 73
Probation	2007/3	New application of Probation	PSC Reg. 21(1)
Delegation of Authority	2007/4	Adding new Section to PSC Reg. 78	PSC Reg. 78
Use of Overtime	2017/05	Overtimes: Additional hours of duty, with new calculation scheme.	PSC Reg. 36: (1), (2)
Use of Holidays	2017/06	New Holiday Rates & Working Requirements...with new Section (63) [3].	"PSC Reg. 64; & PL: PH Act - 1988:"
Use of Standby & Night Differential (MOHHS)	2017/07	MOHHS Night & Standby Differential, with new rate calculation scheme.	PSC Reg. Schedule Six.
"Application of Night Differential "	2017/8	General application of Night Differential at public service wide.	PSC Reg. Schedule Six. T

#### A. THE ANNUAL PERFORMANCE EVALUATION

The employees' annual performance evaluation is another method the Commission employed to monitor and evaluate the overall performance of the Public Service. During the 2017 year, there were twenty (20) line Ministries and Agencies that were required to submit performance annual evaluations. However, of the 1152 total workforce, approximately 20% of the employees were evaluated.

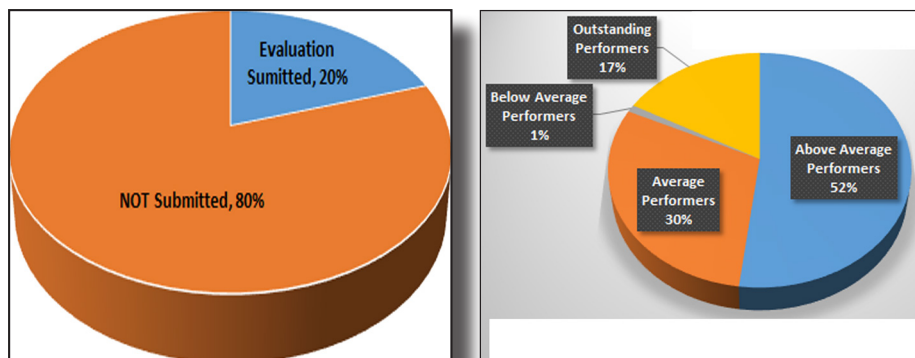
Although only 20% of the Public Service managed to submit their evaluation for the year, the overall rating based on what was submitted reflects the following:

- 1% received "Below Average" ratings;
- 30% of the workforce are "Average" performers (exceed performance standards);
- 52% received "Above Average" performance ratings which suggests "satisfactory" and often exceed performance standards; and;
- 17% received "Outstanding" rating.

As depicted, of the 20 percent of the submitted Performance Evaluations this year, about 99 percent of the assessment results have revealed the level of performance as expected, Average to Above Average, suggesting



that employees are still carrying out duties and responsibilities levels as expected. In short, though about 80 percent of the total workforce did not submitted Performance Evaluations this year, however, those that did (20%) do strongly reveal a convincing indication that a very large majority of the public service employees are, in fact, continuing to be actively engaged in result-driven work performances as had been the case in previous years.



#### IV. CHALLENGES AND LIMITATIONS:

Certain areas are still considered to lack the required expectations in the valiant efforts to efficiently and effectively deliver public services. The following are the major limitations affecting the delivery at present:

1. The lack of institutional capacity and readiness at the Office of the Public Service Commission to serve as the GRMI's leading agency in the area of Human Resource Management and Development;
2. An outdated job classification system and remuneration pay scale;
3. The PSC entered into a MOA<sup>2</sup> with all Ministries and Agencies to speed up the processing of employment documents, however, this continued to be a challenge - The protracted processing and/or routing of employment documents through the system;
4. The lack of resources, both financial and human resources for the PSC to effectively and efficiently carry out its mandates;
5. The lack of the required skills, knowledge, experiences among Marshallese in the key areas of Health, accounting & economics, engineering, basic customers services, human resource management, information and communication technology, etc., to maintain and sustain an efficient and effective Public Service;
6. The lack of a Government wide human resource plans, such as a Workforce Development Plan, Succession Plan and/or Talent Management Plan to ensure that the right people with the right skills and attitude are placed at the right place at the right time – strategically addressing the human resources needs across the Public Service;
7. The lack of a Government wide short, medium and long training or capacity building plans for employees and Ministries/Agencies;

Suffice to say, and despite the numerous challenges, particularly the lack of resources (both human and financial), faced during the year, the Commission had strived hard to maintain and sustain its mandates.

Nevertheless, improvements have been noted throughout as a result of (1) establishment of eight PSC Instructions; (2) the development and execution of the Public Service Commission's Standard Operating Procedures to help guide personnel on the important processes involved in the administration and management of human resource management across the Public Service.

Moreover, and as evidenced in the previous years, the RMI Public Service Commission had continued to hire a number of recent Marshallese graduates, possessing the necessary and required educational skills, knowledge and desire to occupy entry level and junior level management positions within the RMI Public Service.

## V. ACTIVITIES

### A. PERSONNEL ACTIVITIES/MATTERS

Throughout the course of the year, the Commission approved a total of 753 various personnel actions for employees. Employment contract extensions (201 or 27%), the appointment of employees (163 or 22%), and employment salary increment or reclassification (137 or 18%) constituted for the bulk of the approved personnel actions during the period.

The increase in employees' salary was a direct result of the following factors: (1) In compliance with the earlier Nitijela's Minimum Wage Act of 1986 (Amendment - PL 2018, that took effect September 2017, the Commission had already taken steps to increase the Public Service employees' whose wages were below the requirement of the law – to \$3.00 an hour; (2) the increased employment appointments of recent university and college graduates into the Public Service; (3) execution of the PSC Instruction 2017-001; (4) the increased number of reclassified positions/salaries, and the promotion of employees.

### B. ADMINISTRATIVE & POLICY MATTERS

The Commission has taken steps to standardize and streamline various human resources works. The following are some of the SOP developed for those purpose.

Types of Actions	# of Actions	%
CONTRACT EXTENSION	201	27%
APPOINTMENT	108	14%
SALARY INCREMENT	87	12%
CHANGE OF STATUS	55	7%
CONTRACT APPOINTMENT	55	7%
POSITION RECLASSIFICATION	48	6%
RESIGNATION	40	5%
TRANSFER	31	4%
SALARY RECLASSIFICATION	24	3%
CHANGE OF POSITION TITLE	23	3%
SALARY ADJUSTMENT	23	3%
TERMINATION	17	2%
POSITION CONVERSION	10	1%
PROMOTION	10	1%
CHANGE OF ACCOUNT	5	1%
ALLOCATION OF GRADE	3	0%
END OF CONTRACT	3	0%
RECLASSIFICATION	3	0%
MEDICAL RETIREMENT	2	0%
RETIREMENT	2	0%
AMENDMENT	1	0%
INTERNSHIP	1	0%
RETROACTIVE	1	0%
<b>Grand Total</b>	<b>753</b>	<b>98%</b>

TABLE 7: Personnel Actions: 2017

Name of SOP	Core Program Area	Strategic Objectives
SOP for Recruitment	Recruitment Unit	Add value to PSC core function of being the employment authority of the government
SOP for Housing	Housing Division	Add value to the Commission's guidelines to carry out its housing mandates
SOP for Performance	Performance Unit	Add value to the Commission's administrative functions
SOP for on/off Boarding	Performance Unit	Add value to the Commission's roles on public service Efficiency and Effectiveness.

## VI. GOVERNMENT LEASED HOUSING PROGRAM

The government housing program currently costs \$981,000 with a total housing of 109 units. While the government housing program continued to provide suitable living accommodations for the eligible public service employees at a rate viewed to be as affordable as was endorsed by the Cabinet during the turn of the century, 2001-2002, the cost of living associated thereof has never been seriously taken into consideration, and the need to put in place a sound Housing Policy.

## VII. GOVERNMENT LIFE INSURANCE PROGRAM (IAC)

The Government Group Life Insurance continued to actively provide insured monetary benefits to the eligible public service employees that have opted to enroll in the program (Table 8). At present, about 87 percent of the public service workforce (934 employees, PSS is excluded) is presently enrolled, and are covered under the Life Insurance Program. Factors mostly responsible for the reduction in membership are as follows: (1) the rise in the number of retirement, thus are no longer member of the group; (2) the increase in the number of new employees, mostly the younger group, who opted not to seek immediate enrollment in the Government's Group Life Insurance Program; and (3) the rise in the number of active coverages being lapsed due to excessive missing premiums.

Type of Claims	No. of Claim	Annual total claims, 2017
Basic Benefit claims	16	\$451,023.33
Spouse Benefit claims	9	\$86,000
Child Benefit claims	1	\$6,000
Parent Benefit claims	52	\$156,000
Parent in Law Benefit claims	Incl. above	Incl. above
<b>Annual Total</b>	<b>78</b>	<b>\$699,023</b>
<i>TABLE 8: IAC Claims: 2017</i>		

### INSURANCE CONTRIBUTION (JANUARY - DECEMBER 2017)

The total number of contributions by RMI government (RMI group-501) to IAC during the reported period had revealed a sum total of \$1,068,093 million. This is roughly \$100k less than the total last year's which represented a sum of \$1.2 million dollars<sup>3</sup>, excluding the individual contributions made by the other local entities (other groups) insured under the same Insurance program.

### INSURANCE CLAIM BENEFIT (JANUARY - DECEMBER, 2017)

The total amount of insurance benefits claims awarded during the reporting period had shown a sum total of \$699,023 thousand dollars change amount as required. This includes the basic coverage, child and spouse, parents and parent-in-laws claim coverage as well (Table 8). Again, this a less of a little over \$140,000 as compared to last year. The noted decreases both in contribution and benefit appeared to be an outcome of the reduction of claim both on the Basic coverage and also on the Parents/Parent in laws dependent coverage as well (Option #4).

In a related development, a joint agreement between PSC and IAC administration had resulted in a renewed and extended Coverage that expires on October, 2019, and subject for renewal. This package contains a few minor adjustments and changes necessary to best enhance effective service delivery, all of which have been jointly agreed to and between both parties.

In anticipation of maximizing the benefit of the insurance coverage, the Public Service Commission is ever more keened to working closely with the IAC management thereby to enhance a much more mutually acceptable arrangement. The collaboration, coupled with the newly installed improvements to the coverage policy, has already producing positive outcomes as the numbers of the local institutions are keenly expressing interest to be enrolled in the government group insurance program. The newly improved changes contained in the renewed contract with a 2-year guaranteed coverage, 2017-2019, are as follows:

The 3 x multiplier of annual salary base of Basic Coverage;

- Increasing of minimum benefit from \$10,000 to \$15,000/claim;



- Accidental Death & Dismemberment;
- Optional Dependent Term Life Insurance coverage (children, spouse, parents and parent-in laws);
- Retiree benefit increased to \$4,000.00 flat rate with same rate;
- Critical Illness Rider included (RMI prevalent Illnesses);
- Basic maximum benefit of \$100,000
- Rate for Basic Coverage reduced from \$0.62 to \$0.58/1000, and

Insurance coverage is available to children (15 days old to 18 years old, 20-21 may be included if proven full time students).

## VIII. TRAINING & WORKSHOPS

One of the statutory obligations of the Commission is to provide training activities to the public service employees in order to improve skills and performance capabilities required to deliver quality public services, and the government programs to the public. In spite of the fact, annual level of engagement has been underachieved, due mostly to the lack of funding which has adversely affected the Commission's ability to coordinate and conduct any local training and/or workshop during the year. However, the Public Service Commission's partnerships with other training providers, domestic or otherwise, have prompted other training opportunities in which a number of government employees have successfully participated. For example, in March 2017, the PSC collaborated with the Office of the Chief Secretary and the US Graduate School to host a leadership training for managers across the public service. As part of PSC's effort to strengthen itself, the staff continued to enroll and have obtained Human Resource certifications, and have continued to pursue BA, from the University of the South Pacific.

While these various trainings and workshops are designed to implement and carry out their own particular goals and objectives, they all aimed at achieving greater emphasis on performance outcomes based on management by objectives model. That is to say that those expected performance outputs and outcomes to which funding are allocated have all been result-driven with objectives achieved.

Nonetheless, there continues to be training challenges facing the Commission. Training programs are not well coordinated with people taking trainings not related to the field of works. During the year, the PSC proposed the creation of a training coordinator, the post was not approved and so activities planned for training coordination, were at best, uncoordinated, scattered, and at times, did not materialized.

### The 15th Pacific Public Service Commissioners' Conference

The 15th Pacific Public Service Commissioners' Conference (PPSCC) was held in Port Moresby, Papua New Guinea (PNG) from Tuesday, 22nd to Thursday, 25th, 2017. A total of 24 participants from 14 Pacific Nations, the Pacific Islands for Public Administration (PICPA) and the Pacific Islands Forum Secretariat also attended. The 14 Island States attended were: Australia, Cook Islands, FSM, Kiribati, Nauru, New Caledonia, New Zealand, Palau, and Republic of the Marshall Islands, Samoa, Solomon Islands, Tonga, and Vanuatu. The Conference was funded both by the Government of PNG, and the Government of Australia through the Pacific Leadership and Governance Precinct.

With this year's conference's theme: "Public Service Role in Social, Economic, Cultural and Institutional Change within the Pacific", the PNG, through the Department of Personnel Management, under the ambitious championing efforts of the PNG's Public Service Ethics and Values-based Leadership Capability Framework, had showcased how the Pacific Leadership and Governance Precinct is addressing leadership challenges for the Pacific Islands leaders in public/civil services, as well as considering the common core values for the "Leadership Capability Framework".

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A first of its kind in PNG, the framework expresses a common set of values drawn from the nation's constitution, traditional society, Christian faith and modern business environment. This leadership model, as deliberated and agreed to by this year's 15th PPSCC, is highly expected to be adhered to by all public servants throughout the Pacific Islands countries, and it is based on these six core values: honesty, integrity, accountability, respect, wisdom and responsibility.

The development of this Value-based Leadership Capability Framework was, in fact, supported by the Government of Australia via the Australia Public Service Commission (APSC). The objective is to provide focus and context for the work of the Pacific Leadership and Governance Precinct, which, as repeatedly pointed out throughout the conference, is the mechanism to develop the capacity of the public service to make it more efficient, effective and ethical. This is the expected performance standard to be displayed and be adhered to by all public servants all throughout the Pacific Islands. The Public Service of the Republic of the Marshall Islands is no exception.

The 15th PPSCC was attended by a small delegation from the RMI via the Public Service Commission's office, headed by Commissioner Jiba B. Kabua, and was staffed by one of the Assistant Secretary of PSC, Mr. Ken Anitok.

## **IX. WAY FORWARD/CONCLUSION**

The Commission continued to seek to build the capability of the RMI Public Service by maintaining leadership training for key public servants and officials, in response to employment reforms and improvement of government policies that were prioritized. Simultaneously with this, the Commission also does its part in reinforcing these principles of operation through: transparency; ethics and integrity of the RMI Public Service towards the future of maintenance of this state of affairs. In the view of the Commission, training in ethics and ethical decision making is extremely important priority for the entire workforce.

The Commission will continue to intensify its focus more on its various enabling strategies including, but not limited to, the endorsement and rolling out of the Workforce Planning Strategies; continues to build and perfect its HRMIS in order to add more values to its roles and functions. Such will no doubt position the Commission to be agile and responsive; and to build its leadership capability, responding more swiftly to the expressed needs of the line ministries and agencies thereby proactively responding to their daily business and operational demands.

The institutional capacity building initiatives of the government carried out through a number of frameworks and strategies, the Agenda 2020, the National Strategic Plan, and National Human Resource Development Plan have clearly set to which Commission is ready take the lead role in ensure the delivery of efficiency and economy within the public services.

In conclusion, the Commission will continue to engage and support the government's initiatives and programs to provide services to its citizenry, while ensuring full compliance to its given mandates.

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## X. RECOMMENDATIONS

1. The establishment of three new positions for the PSC, (i) Workforce Development Plan Coordinator; (ii) Training Coordinator; and (iii) Ebye Human Resource Coordinator. These positions are essential to (1) better position the Public Service Commission become the leading GRMI Agency in the areas of Human Resource Management and Development; (2) addressing the growing need, at present, to streamline programs and services offered by the Public Service Commission;
2. Conduct a comprehensive review and revisions to the existing Public Service Regulation, job classification and remuneration pay scale. This matter, no doubt, deserves the political will so badly needed in order to, amongst others, facilitate and thereby enabling the Commission to be in a much better position to best fulfilling its obligations and mandates.
3. Revisit and revise PSC's the three years rolling Strategic Plan;
4. Establish and execute Government-wide Workforce Development Plans, Internship Programs, Success and Talent management plans to ensure that the Government is strategically positioned and aligned to address its human resource needs in the short, medium and long term. That is having the right people with the right skills and attitude are placed at the right place at the right time. The regeneration of the "COUNTERPART" program/initiative throughout the public service wide to reverse the slowly diminishing valuable institutional knowledge exclusively accessible to the retirees and expatriates holding technical posts, such should be attained and be benefited instead by the local counterparts.
5. There also exists the need for the development and execution of a Government-wide Training Program, housed at the PSC as one of the Commission's mandates, to address training needs across the public service. Presently, trainings are sporadic, not properly planned and coordinated, which is disadvantageous as desired outcomes may not be achieved nor carried out as needed.
6. Continue to develop and organize the structural formation of the HRMIS through which the harmonization and streamlining of the government human resource and personnel related functions, statistical information of initiatives and programs will be as accessible and publicly utilized serving the interest of the end-users, including the policy makers.
7. With the notable growing employment placement of the so called, the "digital generation", public service employees with ages ranging from 19-35 years old, the need to safeguard the institutional stability of the public service may warrant intervention necessary to maintain equilibriums within the public service system. This will, in fact, call for the development of robust frameworks and strategies specifically designed to effectively combat any possible adverse impacts arise in the immediate future, while at the same time continue to paving the way forward with a full utilization of the knowledge and skills possessed by the retiring officers of the workforce.

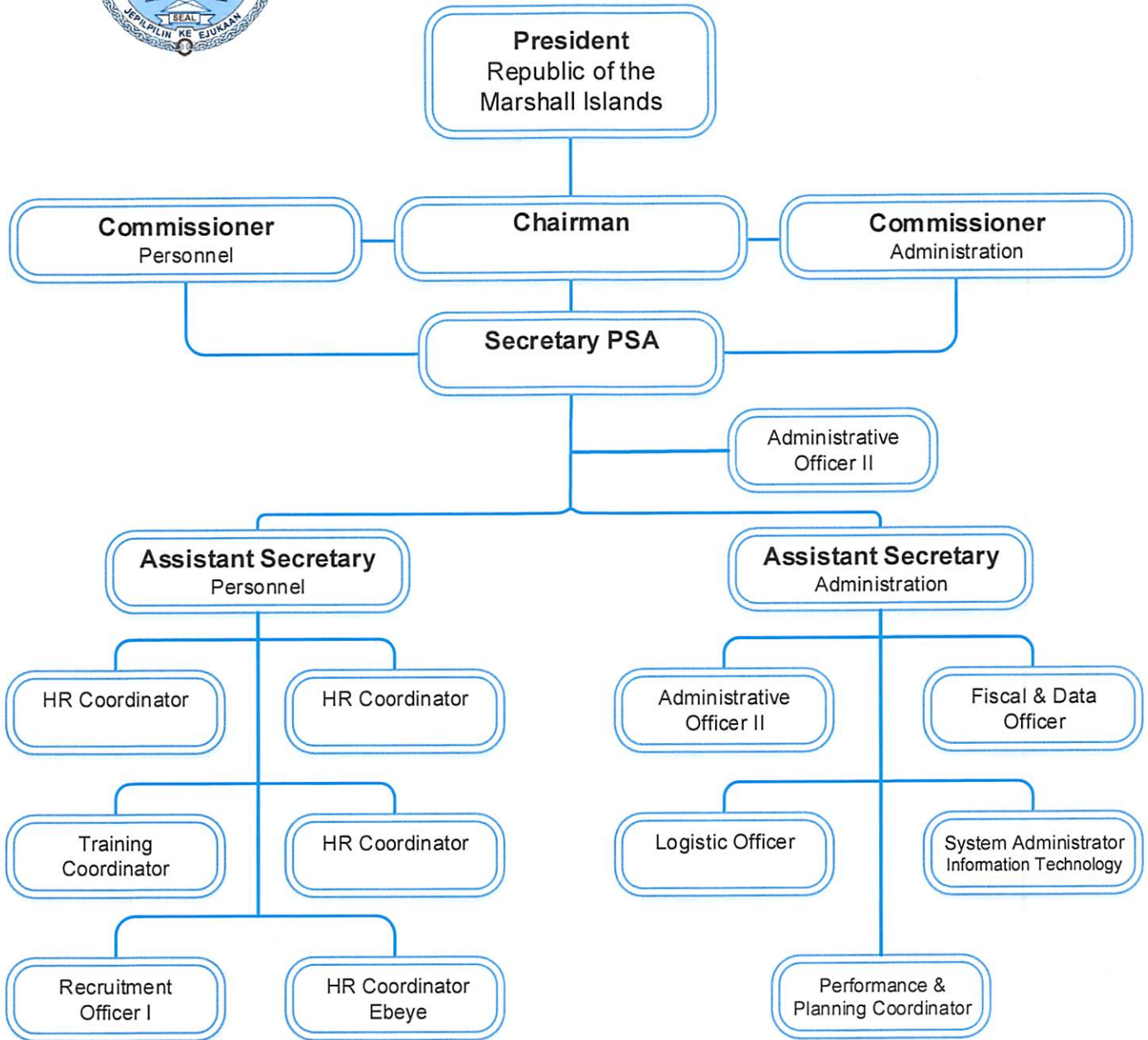
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## XI. APPENDICES

A. Public Service Commission Organizational Chart	# of Page: 1
B. Public Service Commission Constitutional Mandate	# of Pages: 2
C. Public Service Commission Act 1979	# of Pages: 4
D. Public Service Commission (Amendment) Act 2017	# of Pages: 4
E. Marshall Islands Social Security (Amendment) Act 2017	# of Pages: 15
F. Instructions	# of Pages: 14
G. Inter-Ministerial and Agency MOA for the Employment and Termination Procedure of Public Service	# of Pages: 3

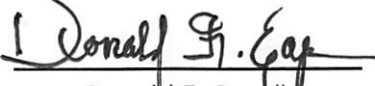


# Public Service Commission Organizational Chart 2018



  
Hilda C. Heine  
President  
Republic of the Marshall Islands

  
Justina R. Langidrik  
Commissioner, PSC

  
Donald F. Capelle  
Chairman, PSC

  
Jiba B. Kabua  
Commissioner, PSC

**This appendix presents the basic description of the Public Service Commission as prescribed in the Constitution and the Public Service Act of 1979.**

## **ARTICLE VII**

### **THE PUBLIC SERVICE**

#### **Section 1. The Public Service of the Republic of the Marshall Islands.**

(1) The Public Service of the Republic of the Marshall Islands shall comprise all such employees as may be necessary to assist the Cabinet in exercising the executive authority of the Republic and to perform such other duties in the service of the Republic as may be required.

(2) Except as provided in paragraphs (3) and (4) of this Section, no person shall receive any compensation from public money unless he is an employee of the Public Service.

(3) For the purposes of this Article, a public corporation or other statutory authority constituted under the law of the Republic shall be deemed to be an office of government, and a member or employee of any such public corporation or other statutory authority shall be deemed to receive his compensation from public money; but, without prejudice to the status for any other purpose of any such public corporation or statutory authority, or of any member or employee or funds thereof, or of any other money from which the compensation of any such member or employee maybe paid, the application of this Article in a particular case may be excluded by Act.

(4) Nothing in this Section shall apply to any person whose compensation is required to be specifically prescribed by Act, or any person required by this Constitution to be appointed to office otherwise than by the Public Service Commission, or any member of a naval, military or air force, a police force, or a fire, coastguard or prisons service established by law, or any officer or employee of a local government, or to honorary service, or consultancy service remunerated only by fees or commission.

Unless otherwise provided by law, an employee of the Public Service may be granted leave without pay in order to serve the Republic in any other capacity not involving a conflict of interest.

#### **Section 9. Functions and Powers of the Public Service Commission.**

(1) The Public Service Commission shall be the employing authority for the Public Service and shall have the general oversight and control of its organization and management and shall be responsible for reviewing the efficiency and economy of all Departments and offices of government.

(2) Subject to any law, the Public Service Commission may prescribe and determine the conditions of employment of employees of the Public Service and shall have such other functions and powers as may be conferred on it by or pursuant to Act.

(3) Except as provided in paragraph (2) of Section 10 of this Article, the Public Service Commission shall be responsible to the Cabinet for the carrying out of its duties and the exercise of its functions and powers, and the Commission shall, as necessary, inform and advise the Cabinet in relation to any matter affecting the Public Service.

(4) Without prejudice to paragraph (3) of this Section, the Public Service Commission shall, as soon as practicable after the end of each calendar year, furnish to the Cabinet a report on the state of the efficiency and economy of the Public Service and on the work of the Commission for that calendar year. A copy of that report shall be laid before the Nitijela at its regular session.

#### **Section 10. Appointments within the Public Service.**

(1) All employees of the Public Service shall be appointed by or under the authority of the Public Service Commission and, subject to any law, shall hold office on such conditions as may from time to time be prescribed or determined by the Commission.

(2) In all matters relating to decisions about individual employees (whether they relate to the appointment, promotion, demotion, transfer, disciplining or cessation of employment of any employee or any other matter) the Public Service Commission shall not receive any direction from the Cabinet or from any other authority or person, but shall act independently and in accord with criteria relating only to the individual's ability to perform his duties.

#### **Section 11. Conditions of Employment in the Public Service.**

In establishing and revising the conditions of employment in the Public Service, the factors to be taken into account shall include:

- (a) the need for the Public Service to recruit and retain an efficient staff, and, in particular, to provide varied careers and adequate advancement for the citizens of the Republic of the Marshall Islands;
- (b) the need to afford reasonable opportunities of employment for the citizens of the Republic;

the need to act consistently with government economic and social policy, bearing in mind that the conditions of employment in the Public Service are a major element in the general well-being of the Republic.



**TITLE 5 – PUBLIC OFFICES AND AGENCIES**  
**CHAPTER 1 - PUBLIC SERVICE COMMISSION**



Republic of the Marshall Islands  
*Jepilpilin Ke Ejukaan*

**PUBLIC SERVICE COMMISSION ACT 1979**

**Arrangement of Sections**

Section	Page
§101. Short title. ....	3
§102. Powers of the Public Service Commission.....	3
§103. Public Service Administration Office. ....	4

**TITLE 5 – PUBLIC OFFICES AND AGENCIES  
CHAPTER 1 - PUBLIC SERVICE COMMISSION**



Republic of the Marshall Islands  
*Jepilpilin Ke Ejukaan*

**PUBLIC SERVICE COMMISSION ACT 1979**

**AN ACT** to establish the duties and responsibilities of the Public Service Commission and for other matters connected therewith or incidental thereto.

*Commencement:* June 23, 1979  
*Source:* M.I. Code (1975)  
*Amended By:* P.L. 1979-3      P.L. 1979-11      P.L. 1979-23

**§101. Short title.**

This Act may be cited as the "Public Service Commission Act 1979".

**§102. Powers of the Public Service Commission.**

Without limiting the powers of the Public Service Commission granted pursuant to Article VII, Sections 8, 9, 10 and 11 of the Constitution of the Marshall Islands, the Commission is hereby empowered:

- (a) to adopt and enforce all regulations necessary to execute its powers and duties under the Constitution of the Marshall Islands and granted to it by Act;
- (b) to delegate its authority to qualified persons, except final decisions in proceedings concerning personnel actions;
- (c) to administer oaths incident to any adjudicatory or investigative function performed by the Commission;
- (d) to subpoena witnesses in any adjudicatory proceeding, on its own motion, or upon request of the employee who is the subject of the proceeding, or upon request of supervisory

personnel of the employee who is the subject of the proceeding;

- (e) to administer and control all housing owned or leased by the Government of the Marshall Islands. [M.I. Code (1975), §2.100; P.L. 1979-3, §6.]

### **§103. Public Service Administration Office.**

The office heretofore known as the “Marshall Islands District Personnel Office,” shall hereafter be known as the “Public Service Administration Office,” and shall be under the supervision and control of the Commission to assist the Commission in the exercise of its duties and powers. [M.I. Code (1975), §2.104; P.L. 1979-3, §6.]

**NITIJELA OF THE REPUBLIC OF THE MARSHALL ISLANDS**  
**38TH CONSTITUTION REGULAR SESSION, 2017**



Republic of the Marshall Islands  
*Jepilpin Ke Ejukaan*

**PUBLIC SERVICE COMMISSION (AMENDMENT) ACT, 2017**

**Index**

Section	Page
§101. Short title.....	3
§102. Amendment.....	3
§103. Effective Date.....	4

**NITIJELA OF THE REPUBLIC OF THE MARSHALL ISLANDS  
38TH CONSTITUTION REGULAR SESSION, 2017**



Republic of the Marshall Islands  
*Jepilpilin Ke Ejukaan*

**PUBLIC SERVICE COMMISSION (AMENDMENT) ACT,  
2017**

**AN ACT** to amend Title 5, Chapter 1 of the MIRC the Public Service Commission Act of 1979 by inserting a new section to allow ministerial secretaries including chief secretary and assistant secretaries to be on contract of services with the Public Service Commission.

**BE IT ENACTED BY THE NITIJELA OF THE REPUBLIC OF THE MARSHALL ISLANDS**

**§101. Short title.**

This Act may be cited as the Public Service Commission (Amendment) Act, 2017.

**§102. Amendment.**

- (1) Section 104 is amended by inserting a new language to read as follows:

**“§104 Chief Secretary and Ministerial Secretaries.**

- (1) Pursuant to Section 25 of the Regulation of the Public Service Commission, all ministerial secretaries, including assistant secretaries shall enter into contract of services for a term not exceeding 4 years unless terminated earlier.
- (2) The Commissioner may on the secretary's performance, extend the term of service with the recommendation of the Chief Secretary and the relevant Minister.

- (3) The Chief Secretary shall enter into contract of services for the duration of the term of the Government under which he or she is appointed unless however terminated earlier for lack of performance or due to the change of Government under which he or she is recruited."

### §103. Effective Date.

This Act shall be effective in accordance with the Constitution and the Rules of Procedures of the Nitijela.

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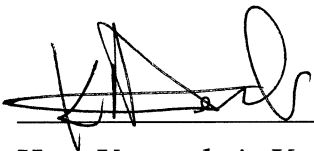
### CERTIFICATE

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#### I hereby certify:

1. That Nitijela Bill No: 61ND1 was passed by the Nitijela of the Republic of the Marshall Islands on the 11<sup>th</sup> day of April 2017; and
2. That I am satisfied that Nitijela Bill No: 61ND1 was passed in accordance with the relevant provisions of the Constitution of the Republic of the Marshall Islands and the Rules of Procedures of the Nitijela.

I hereby place my signature before the Clerk this 12<sup>th</sup> day of April 2017.




**Hon. Kenneth A. Kedi**

Speaker

Nitijela of the Marshall Islands

**Attest:**



**Morean Watak**

Clerk

Nitijela of the Marshall Islands

**NITIJELA OF THE REPUBLIC OF THE MARSHALL ISLANDS  
38TH CONSTITUTIONAL REGULAR SESSION, 2017**



Republic of the Marshall Islands  
*Jepilpilin Ke Ejukaan*

**MARSHALL ISLANDS SOCIAL SECURITY  
(AMENDMENT) ACT 2017**

**Index**

Section	Page
§101. Short title.....	3
§102. Amendments.....	3
§103. Effective Date .....	12



**NITIJELA OF THE REPUBLIC OF THE MARSHALL ISLANDS  
38TH CONSTITUTIONAL REGULAR SESSION, 2017**



Republic of the Marshall Islands  
*Jepilpilin Ke Ejukaan*

**MARSHALL ISLANDS SOCIAL SECURITY  
(AMENDMENT) ACT 2017**

**AN ACT** to amend Title 49, Chapter 1, of the Social Security Act of 1990.

**BE IT ENACTED BY THE NITIJELA OF THE REPUBLIC OF THE MARSHALL ISLANDS**

**§101. Short title.**

This Act may be cited as the Marshall Islands Social Security (Amendment) Act 2017.

**§102. Amendments.**

- (1) Section 103 of the Social Security Act is amended as follows:

**§103. Interpretation.**

- (h) "Child" for the purposes of this Act, means a person's natural, legally adopted, customarily adopted unless restricted by law, or step child; provided the worker's parental rights with respect to the child have not been terminated by law or custom.
- (k) "Covered Earnings" means the worker's or self-employed worker's gross earnings during any quarter subject to a maximum of five thousand dollars (US \$5,000) prior to March 6, 2017 and thereafter for current contributors ten thousand dollars (US\$10,000), and is that amount of earnings upon which the worker, the worker's employer and the self-employed worker makes contributions to the

Administration pursuant to Sections 129 and 130 of this Chapter. The maximum of five thousand dollars (US \$5,000) prior to March 6, 2017 and thereafter for current contributors of ten thousand dollars (US\$10,000) may be increased by the Board pursuant to Section 147 of this Chapter.

- (0) "Deferred Retirement" means retirement when a worker or a self-employed worker elects to retire after meeting the requirements for normal retirement. A worker or self-employed worker must have attained or exceeded the age of sixty (60) years and one (1) month and be fully insured to be entitled to deferred retirement as set forth in Paragraph 136(1)(c) of this Chapter prior to March 6, 2017. Effective March 6, 2017, retirees who are on deferred retirement shall be grandfathered and this section shall no longer be applied.
- (q) "Early Retirement" means retirement when a worker or a self-employed worker elects to retire before meeting the requirements for normal retirement. A worker or self-employed worker must have attained the age of fifty-five (55) and must be service insured to be entitled to early retirement as set forth in Paragraph 136(1)(a) of this Chapter prior to March 6, 2017. Effective March 6, 2017 this section shall no longer be applied.
- (r) "Earnings" means compensation of any kind, including without limitation any salary, wage, bonus, tip, allowance or fee, paid by the employer to or on behalf of the worker in cash or in any other form, but not including:
  - (i) payments made by the employer as a result of an accident or sickness of the worker (other than sick leave);
  - (ii) reimbursement of medical or hospitalization expenses;
  - (iii) payments made to or on behalf of the worker or his beneficiary from a trust or annuity;
  - (iv) reasonable stipends paid to volunteers of religious organizations, NGOs; and schools;
  - (v) reasonable sitting fees for board members and elected officials;

- (vi) earnings exempted by virtue of any international agreement to which the Republic of the Marshall Islands is a party;
- (vii) reasonable per diem and travel allowances to the extent that they do not exceed any comparable Government rates;
- (viii) rental housing allowance paid to an employee, not exceeding Two Thousand Two Hundred and Fifty (\$2,250) per quarter provided it does not exceed three times the wages;
- (ix) any payment in the form of scholarship, fellowship or stipend made to any employee while he is a full-time, bona fide student at an educational institution;
- (x) earnings received by a minister of the gospel, or clergyman from a religious group or organization;
- (xi) earnings received by an employee for services performed or rendered in the capacity if a domestic or household employee for a private individual or family;
- (xii) reasonable session allowances for elected officials;
- (xiii) payments made in cash, or any form other than cash, for casual labor not exceeding one week in any month of a quarter if the work is not performed in the course of the employer's trade or business. For purposes of this Chapter, earnings shall be computed to the nearest cent;
- (xiv) payment to account of sickness or accident disability, or any payment of medical or hospitalization expenses, made by the employer, provided however, that normal wages or salaries paid to an employee for a period of time during which he is excused from work because of sickness shall not be excluded from wages and salaries under this paragraph; and
- (xv) any payment made to or n behalf of an employee or to his beneficiary from a trust or annuity including distributions from qualified pension or deferred compensation plan trusts and annuities that are funded in whole or part by taxable wages.

(ee) "Normal Retirement" means retirement when a worker or self-employed worker is fully insured and attains the age as set forth in paragraph 136(1)(b)(c) of this Chapter and attains the age of sixty (60) years prior to March 6, 2017 and is fully insured as set forth in Paragraph 136(1)(b) of this Chapter.

(2) Section 129 of the Social Security Act is amended as follows:

**§129. Worker's contributions.**

(1) A worker or a self-employed worker shall contribute to the Administration an amount equal to the following percentage of such worker's covered earnings:

- (a) from the effective date of this Act up to June 30, 1995 - 5%;
- (b) from July 1, 1995 up to June 30, 2000, 6%. The one percent (1%) increase shall be transferred to the Social Security Health Fund;
- (c) from July 1, 2000, up to March 6, 2017 - 7%; and
- (d) from March 6, 2017, and thereafter - 8%.

(3) Section 130 of the Social Security Act is amended as follows:

**§130. Employer's contributions.**

Every employer and self-employed worker shall contribute to the Fund, out of his own funds, an amount equal to the following percentages of his worker's covered earnings:

- (a) from the effective date of this Act up to June 30, 1995 - 5%;
- (b) from July 1, 1995 up to June 30, 2000, 6%. The one percent (1%) increase shall be transferred to the Social Security Health Fund;
- (c) from July 1, 2000, up to March 6, 2017 - 7%.; and
- (d) from March 6, 2017, and thereafter - 8%.

(4) Section 134 of the Social Security Act is amended as follows:

**§134. Basic benefit formula.**

**§134. Basic benefit formula.**

- (1) With respect to a worker or a self-employed worker, "basic benefit" means one twelfth (1/12) of the sum of the pension element and the social element calculated as follows:
- (a) pension element: two percent (2%) of indexed covered earnings, plus
  - (b) social element: fourteen and five tenths percent (14.5%) of the first eleven thousand dollars (\$11,000) of cumulative covered earnings, plus seven-tenths percent (0.7%) of cumulative covered earnings in excess of eleven thousand dollars (\$11,000) but not in excess of forty-four thousand dollars (\$44,000). The \$11,000 and \$44,000 bend points may be increased from time to time by wage index adjustments granted by the Board pursuant to Section 147 of this Chapter;
  - (c) Notwithstanding subsections (1)(a) and (1)(b) however effective March 6, 2017:
    - (i) all monthly benefits greater than two hundred ninety nine dollars and ninety nine cents (\$299.99) but less than four hundred dollars (\$400) shall be reduced by 5% but not less than three hundred dollars (\$300);
    - (ii) all monthly benefits greater than three hundred ninety nine dollars and ninety nine cents (\$399.99) but less than five hundred (\$500) shall be reduced by 6% but not less than three hundred eighty dollars (\$380);
    - (iii) all monthly benefits greater than four hundred ninety nine dollars and ninety nine cents (\$499.99) but less than six hundred (\$600) shall be reduced by 7% but not less than four hundred seventy dollars (\$470);
    - (iv) all monthly benefits greater than five hundred ninety nine dollars and ninety nine cents (\$599.99) but less than seven hundred (\$700) shall be reduced by 8% but not less than five hundred fifty eight dollars (\$558);

- (v) all monthly benefits greater than six hundred ninety nine dollars and ninety nine cents (\$699.99) but less than eight hundred dollars (\$800) shall be reduced by 9% but not less than six hundred forty four dollars (\$644);
- (vi) all monthly benefits greater than seven hundred ninety nine dollars and ninety nine cents (\$799.99) but less than nine hundred dollars (\$900) shall be reduced by 10% but not less than seven hundred twenty eight dollars (\$728);
- (vii) all monthly benefits greater than eight hundred ninety nine dollars and ninety nine cents (\$899.99) but less than one thousand (\$1000) shall be reduced by 10% but not less than eight hundred ten dollars (\$810);
- (viii) all monthly benefits greater than nine hundred ninety nine dollars and ninety nine cents (\$999.99) but less than one thousand one hundred (\$1,100) shall be reduced by 10% but not less than nine hundred dollars (\$900);
- (ix) all monthly benefits greater than one thousand ninety nine dollars and ninety nine cents (\$1,099.99) but less than one thousand two hundred (\$1200) shall be reduced by 10% but not less than nine hundred ninety dollars (\$990);
- (x) all monthly benefits greater than one thousand one hundred ninety nine dollars and ninety nine cents (\$1,199.99) but less than one thousand three hundred (\$1,300) shall be reduced by 10% but not less than one thousand eighty dollars (\$1,080);
- (xi) all monthly benefits greater than one thousand two hundred ninety nine dollars and ninety nine cents (\$1,299.99) but less than one thousand four hundred (\$1,400) shall be reduced by 10% but not less than one thousand one hundred seventy dollars (\$1,170);

- (xii) all monthly benefits greater than one thousand three hundred ninety nine dollars and ninety nine cents (\$1,399.99) but less than one thousand ~~six~~ five hundred (\$1,500) shall be reduced by 10% but not less than one thousand two hundred sixty dollars (\$1,260);
  - (xiii) all monthly benefits greater than one thousand four hundred ninety nine dollars and ninety nine cents (\$1,499.99) but less than one thousand six hundred (\$1,600) shall be reduced by 10% but not less than one thousand three hundred fifty dollars (\$1,350);
  - (xiv) all monthly benefits greater than one thousand five hundred ninety nine dollars and ninety nine cents (\$1,599.99) but not less than one thousand seven hundred dollars (\$1,700) shall be reduced by 10% but not less than one thousand four hundred forty dollars (\$1,440) per month;
  - (xv) The maximum monthly benefit for the current retiree shall be one thousand six hundred dollars (US\$1,600) and the maximum monthly benefit for the new retirees starting March 6, 2017 shall be one thousand two hundred dollars (US\$1,200).
- (5) Section 136 of the Social Security Act is amended as follows:
- § 136. Old age insurance benefits.**
- (1) Entitlement to Old Age Insurance Benefits.
    - (a) A service insured worker or self-employed worker, on or after his attainment of fifty-five (55) prior to March 6, 2017, and after filing an application, shall be entitled to an early retirement, old age insurance benefit payable every month, beginning with the month those conditions were satisfied and ending with the month preceding the month of death. Effective March 6, 2017, this provision shall no longer apply, and those who



received early retirement benefits prior to this date will be grandfathered.

- (b) A fully insured worker or self-employed worker, upon his attainment of:
- (i) age sixty (60) prior to March 6, 2017;
  - (ii) age sixty one (61) by March 6, 2017;
  - (iii) age sixty two (62) by January 1, 2019;
  - (iv) age sixty three (63) by January 1, 2021;
  - (v) age sixty four (64) by January 1, 2023;
  - (vi) age sixty five (65) by January 1, 2025,

and after filing an application, shall be entitled to a normal retirement, old age insurance benefit payable every month beginning, and ending with the month preceding the month of death; provided, the worker or self-employed worker has not applied for and received early retirement prior to March 6, 2017, old age insurance benefits.

- (c) A fully insured worker or self-employed worker, on or after his attainment of sixty (60) years prior to March 6, 2017, and one (1) month of age, and after filing an application, shall be entitled to deferred retirement, old insurance benefit, payable every month beginning with the month those conditions were satisfied and ending with the month preceding the month of death; provided, the worker or self-employed worker has not applied for and received early retirement old age insurance benefits or normal retirement old age insurance benefits. However, effective March 6 April 1, 2017, this provision shall no longer apply, and all those who received deferred retirement benefits prior to this March 6 April 1, 2017 will be grandfathered.

- (2) Subject to section 144 of the Social Security Act, the amount of old age insurance benefits shall be as set forth in this Subsection.

- (a) The monthly amount of the early retirement old age insurance benefit shall be the basic benefit reduced by one-half (1/2) percent for each complete month that the date of early retirement precedes the date the worker or self-employed worker attains the age of sixty (60) years prior to March 6,

2017, but not less than the minimum benefit. Effective March 6, 2017, all those who received early retirement benefits prior to this date will be grandfathered.

- (b) The monthly amount of the normal retirement, old age insurance benefit shall be the basic benefit, but not less than the minimum benefit.
- (c) The monthly amount of the deferred retirement, old age insurance benefit shall be the basic benefit increased by one-half (1/2) percent for each complete month that the date of deferred retirement follows the date the worker or the self-employed worker attains the age of sixty (60) years prior to March 6, 2017, but not less than the minimum benefit. Effective March 6 April 1, 2017, this provision shall no longer apply.

- (6) Section 139 of the Social Security Act is amended as follows:

**§139. The surviving child's insurance benefit.**

- (4) For purposes of this Section, a child shall be deemed to be or have been, dependent upon a worker or self-employed worker if the worker or self-employed worker provided regular and substantial support to or on behalf of the child when the worker was less than 50 years of age after March 6, 2017.
- (5) A natural or legally adopted child is presumed to be dependent upon the worker parent, absent evidence to the contrary.
- (6) Unless restricted by law, a customarily adopted child, or a stepchild, is dependent upon the worker or self-employed worker only if:
  - (a) at the time of the worker's death the child had lived in the worker's home continuously for few years;
  - (b) during those times the customarily adopting parent or step-parent was contributing at least one-half of the child's support;
  - (c) during those times a parent and child relationship existed between the adopting parent or step parent and the child exclusively of the natural parents.

(7) Section 144 of the Social Security Act is amended as follows:

**§ 144. The earnings test.**

Where any provision herein provides that a benefit is subject to the covered earnings, a worker or a self-employed worker who is in receipt of that benefit and at the same time is in covered employment, shall have his quarterly benefit reduced by one dollar (\$1.00) for every three dollars (\$3.00) earned during that quarter in excess of fifteen hundred dollars (\$1,500). The reduction shall be made as soon as practicable after the quarter in which the earnings were earned. Effective March 6, 2017, the current workers whose covered earnings five thousand (\$5,000) shall be grandfathered, after March 6, 2017 the new retirees shall be ten thousand (\$10,000) covered earnings. Notwithstanding the foregoing, the earnings test is not applicable in the quarter in which the worker or the self-employed worker who is receiving the benefit attains sixty-two (62) years of age or in any subsequent quarter thereafter, prior to March 6, 2017, and sixty-five (65) years of age thereafter, or in any subsequent quarter thereafter.

**§103. Effective Date**

This Act shall take effect on the date of certification in accordance with Article IV of the Constitution and the Rules and Procedures of the Nitijela.

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**CERTIFICATE**


---

**I hereby certify:**

1. That Nitijela Bill No: 75ND2 was passed by the Nitijela of the Republic of the Marshall Islands on the 28<sup>th</sup> day of February 2017; and

2. That I am satisfied that Nitijela Bill No: 75ND2 was passed in accordance with the relevant provisions of the Constitution of the Republic of the Marshall Islands and the Rules of Procedures of the Nitijela.

I hereby place my signature before the Clerk this 9<sup>th</sup> day of March 2017.



**Hon. Kenneth A. Kedi**

Speaker

Nitijela of the Marshall Islands

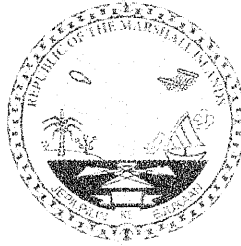
**Attest:**



**Morean Watak**

Clerk

Nitijela of the Marshall Islands



**NITIJELA OF THE REPUBLIC OF THE MARSHALL ISLANDS**

**OFFICE OF THE CLERK**

POST OFFICE BOX 24

MAJURO, REPUBLIC OF THE MARSHALL ISLANDS 96960

TELEPHONE: 625 – 8678/8472

EMAIL: moreanw@yahoo.com

**NOTICE – CORRECTIONS TO CLERICAL ERRORS OF P.L. NO. 2017-30**

The public is hereby notified that the Nitijela *PUBLIC LAW NO. 2017 - 30* has been corrected to reflect the **CORRECTIONS** in bold and are underlined, to read as follows:

- a. page 6, Section 102 (2) *Marshall Islands Social Security (Amendment) Act 2017*, regarding amendment to §129. *Worker's contributions.* :

§129. Worker's contributions.

- (1) A worker or a self-employed worker shall contribute to the Administration an amount equal to the following percentage of such worker's covered earnings:
- (a) from the effective date of this Act up to June 30, 1995 – 5%;
  - (b) from July 1, 1995 up to June 30, 2000, 6%. The one percent (1%) increase shall be transferred to the Social Security Health Fund;
  - (c) from July 1, 2000, up to March 2017 – 7%; and
  - (d) from March 6, 2017, and **thereafter – 8%**

- b. page 6, Section 102 (3) regarding amendment to §130. *Employer's contributions.* :

§130. Employer's contributions.

Every employer and self-employed worker shall contribute to the Fund, out of his own funds, an amount equal to the following percentages of his worker's covered earnings:

- (a) from the effective date of this Act up to June 30, 1995 – 5%;
- (b) from July 1, 1995 up to June 30, 2000, 6%. The one percent (1%) increase shall be transferred to the Social Security Health Fund;
- (c) from July 1, 2000, up to March 6, 2017 – 7%; and
- (d) from March 6, 2017, and thereafter – 8%.

Please do not hesitate to contact the Office the Clerk at the above contact for further information regarding the subject matter.

Date: 17<sup>th</sup> March, 2017

A handwritten signature in cursive script, appearing to read 'Morean S. Watak', is written over a horizontal line.

Morean S. Watak  
Clerk of Nitijela



*Outgoing file*

**Republic of the Marshall Islands**  
**Office of the Public Service Commission**

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**PUBLIC SERVICE INSTRUCTION NO. 2010/01**

**Annual & Sick Leave Hours**

This INSTRUCTION is issued to augment the existing Public Service Commission Regulations 56 & 62, and shall compel the Payroll Section and all persons in charge for time-clocks in all Ministries/Agencies under the auspices of the Public Service Commission. All persons responsible shall strictly make use of it against the employees intend to skip any working hours/days within a pay period and expect to charge their annual/sick leave hours.

Please be advised that the following set standard is now in effect and shall entail the Payroll Section and all time-keepers to cautiously draw-on and firmly abide with. Moreover, all Heads shall ensure the strict compliance of their staff members to this venture.

1. All annual/sick leave hours recorded in the time-clocks and timesheets per pay period without prior approval by the Heads shall be treated as LWOP/AWOL, and the full entitlement hours of 8 annual leave and 4 sick leave shall not be given, employing the formula as shown in the calculation tables below.

**Annual Leave**

Period (s)	Working Hours	Annual Leave Entitlement	Rate
Bi-weekly	80 Hours	8 Hours	10%
Weekly	40 Hours	4 Hours	10%
Daily	8 Hours	48 Minutes	10%

Calculation of annual leave entitlement is based on a rate of 8 hours per every 80 hours or (8/80) or (1/10) or (10%)

**Sick Leave**

Period (s)	Working Hours	Sick Leave Entitlement	Rate
Bi-weekly	80 Hours	4 Hours	5%
Weekly	40 Hours	2 Hours	5%
Daily	8 Hours	24 Minutes	5%

Calculation of sick leave entitlement is based on a rate of 4 hours per every 80 hours or (4/80) or (1/20) or (5%)

**Note:** This instruction is to be read with PSC Regulation 56 "Annual Leave"





*Republic of the Marshall Islands*



**PUBLIC SERVICE COMMISSION**

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April 7, 2012

PUBLIC SERVICE INSTRUCTION 2012/1

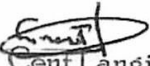
EXTENSION OF THE ONE-YEAR CONTRACT TO TWO YEARS

By virtue of the statutory functions and powers vested under the Constitution, Article VII, Section 9, of the Marshall Islands, the Public Service Commission hereby issue Instruction 2012/1 as follows:

The Public Service Commission has determined that the one-year contract as stipulated in the PSC rules and regulations 25 (2) currently being applied to all contracted public service employees is to be extended to a two-year contract which would be the prevailing norm.

Contracted employees who have reached the retirement age and are still on active duty due to shortage of manpower shall however remain in the one-year contract agreement, including all grants, short term, special and temporary contracts and are also subject to be changed as may be prescribed by the Commission.

This Public Service Instruction 2012/1 is effective immediately. All ministry/agency heads are to ensure that this extension (two-year contract) which supersedes the one-year contract be observed as prescribed above.

  
Cent Langidrik  
Chairman, PSC

  
Lomes McKay  
Commissioner, PSC

  
Raynard Gideon  
Commissioner, PSC

**Note:** This instruction is to be read with PSC Regulation 25(2) "Contract of service in special cases".



***Republic of the Marshall Islands***  
**Office of the Public Service Commission**

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**Public Service Instruction (16<sup>th</sup> July 2013)**

**Suspension of PSC's Regulation 56, sub-section 3A & B – (Excess Hours)**

In the Commission's efforts to abide by one of its mandates - ensuring efficiency and economy within the Public Service - this instruction is written to promptly suspend **PSC's Regulation 56 sub-section 3 clauses a & b**, as stated under the PSC Regulations 2008, as amended, until further notice. GRMI Ministries/Agencies Heads, along with employees' immediate supervisors are strongly advised to begin planning accordingly annual leave schedules with your employees.

Marie L. Maddison  
 Chairperson, PSC

Raynard Gideon  
 Commissioner, PSC

Almo Momotaro  
 Commissioner, PSC

Cc: Minister in Assistance  
 Chief Secretary  
 File

Note: To be read with PSC Regulation



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**OFFICE OF THE PUBLIC SERVICE COMMISSION**

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**PUBLIC SERVICE INSTRUCTION NO. 2014/01**

The Application of Termination/Resignation of the local and/or expatriate employees with a set of timeframe.

This **INSTRUCTION** is issued to augment the Public Service Commission Regulations 22: 1(a & b) and to cause such specification so required thereof. To that effect, the application of both subsections (1: a & b) shall be so validated as follows:

- (1) a. Termination /Resignation notice of all local employees shall be deemed to be effective 30 days prior to the effective date.
- (1) b. Termination/Resignation notice of all expatriate employees shall be deemed to be effective 60 days prior to the effective date.

In furtherance thereof, for all employment Termination and/or Resignation for cause please refer to *Section No. 10* of the Public Service Employment Contract for all employees of contractual status.

Please be advised that the standard set herein is now in effect and shall be so adhered to and be enforced to the fullest extent of the PSC Regulations, 2008, as amended.

The Commission hereby takes this opportunity to kindly request the fullest cooperation of all to this Instruction.

Marie L. Maddison,  
Chairperson, PSC

Raynard Gideon,  
Commissioner, PSC

Almo Momotaro,  
Commissioner, PSC

Cc: Minister in Assistance  
Chief Secretary

**Note:** This instruction should be read with PSC Regulation 22 "Termination of employment of officers".



*Republic of the Marshall Islands*



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**PUBLIC SERVICE INSTRUCTION NO. 2014/02**

**In-eligibility of Special and Temporary Contracts for Annual and Sick Leaves**

This Instruction is being issued that Special and Temporary Contracts designed for one year or less are not entitled to earn annual and sick leaves. Contracts with more than one year **will be determined** by the Commission whether they are eligible for annual and sick leave.

This Instruction becomes effective as of this date. All concerned are to adhere to this issuance.

A handwritten signature in black ink, appearing to read 'Marie Maddison'.

Marie Maddison  
Chairperson

A handwritten signature in black ink, appearing to read 'Raynard Gideon'.

Raynard Gideon  
Commissioner

A handwritten signature in black ink, appearing to read 'Almo Momotaro'.

Almo Momotaro  
Commissioner

**Note:** This instruction is to be read with PSC Regulation 56 "Annual Leave".



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**PUBLIC SERVICE INSTRUCTION**  
**2016/004**

Change to the current Public Service Basic Salary Scale of the Secretarial Level (revised 1997)  
from PL -13/3 to PL - 14/1-14/3 or \$31,000 - \$35,000 per annum

Pursuant to the functions and powers vested in it by the Constitution of the Republic of the Marshall Islands, Article VII, Section 9, and the Public Service Regulation 28, Part II, the Commission hereby issue Instruction Number 2016/04 as follows:

The Commission has conducted an intensive review of the position title of a Secretary and has determine that the current grading pattern is not appropriate and has to be adjusted to the next higher level from PL-13/3 or \$30,000 per annum to PL-14/1-14/3 or \$31,000 - \$35,000, to ensure that the position of Secretary is placed in the appropriate pay scale in accordance to the level of responsibility required.

To avoid placing the Secretaries and Assistant Secretaries on the same level, PL-13, and to further repeal the current pay level being used, PL-14 will therefore be the prevailing norm for the position of the permanent Secretary.

This Public Service Instruction 2016/04 supersedes the current level given to Secretaries (PL-13/3) as prescribed in Regulation 28, Part III and all other existing Instructions.

  
Donald F. Capelle  
Chairman

  
Jiba Kabua  
Commissioner

  
Raynard Gideon  
Commissioner

**Note:** This instruction is to be read with PSC Regulation 28 "Allocation of Grades"



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**PSC Instruction 2017/001**

The instruction is put forth and into effect to amend PSC Regulation 32(3)(a)(i) & (e). Current regulation is as follows:

(3) Payment of increment:

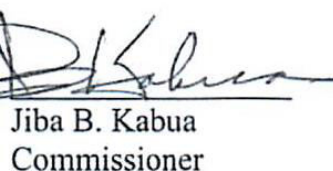
(a) The Public Service Commission may approve for each employee the payment of the next increment step in the grade assigned to the position if:

(i) the employee has spent two (2) years of satisfactory services on the present incremental step;

(e) The Commission may approve, on the recommendation of the head of the department, payment of next incremental step sooner than two (2) years but not sooner than one (1) year, if the head of the department certifies that the employee is displaying exceptional performance ability and the Commission in its judgment agrees on it.

The amended Regulation now calls for and allows an employee that (a) had spent two (2) years of satisfactory services on the present incremental step and; (b) had performed beyond the call of duty as recognized by both the immediate supervisor and head of Ministry receive a salary step increment.

  
 Donald F. Capelle  
 Chairman

  
 Jiba B. Kabua  
 Commissioner

  
 Justina R. Langidrik  
 Commissioner

**Note:** This instruction is to be read with PSC Regulation 32(3) "Payment of increments".





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**PSC Instruction 2017/002**

The instruction is put forth and into effect to amend section 3 and add a new section 5 to PSC Regulation 73. Current regulation is as follows:

**PART VIII – APPEALS**

**73. Rights of appeal**

(1) Every officer shall have a right of appeal in accordance with this regulation to an Appeals Committee –

(a) Against any determination of the Commission to appoint any person other than an employee, or to promote any employee, to a position on the permanent staff with a higher maximum salary than that of the appellant; or

(b) Against a decision of the Commission made under regulation 69 of these regulations that a complaint is established; or

(c) Against a decision of the Commission or head of ministry under regulation 71.

(2) Notwithstanding subclause (1) of this regulation, no appeal shall lie against any determination of the Commission specified in paragraph (a) of that subclause if –

(a) the appellant is prohibited under Regulation 33 of these regulations from proceeding to the position of which the determination is made; or

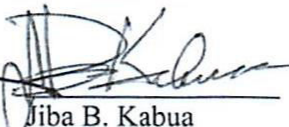
(b) when the vacancy has been announced by the Commission, the applicant has not applied for the position in respect of which the determination is made within the time specified in the notification of vacancy.

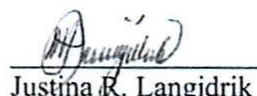
(3) Notices of appeal under this regulation shall be forwarded to the Commission in writing within 14 days after the notification of the decision appealed against.

(4) The Commission shall forward copies of the notice of appeal to the Chairman of the Appeals Committee within one week after the date of receipt of such appeal.

(5) Upon receipt of the notice of appeal by the Commission or the aggrieved employee, Appeals Committee shall have a total of twenty (20) working days to dispose of the matter and to present its final recommendation to the Commission.

  
 Donald F. Capelle

  
 Jiba B. Kabua

  
 Justina R. Langidrik



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**PUBLIC SERVICE INSTRUCTION**  
**2017/003**

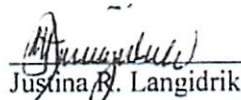
**Revisions to PSC Regulation 21(1) – Probation**

This instruction is hereby issued to amend the PSC Regulation 21(1), which shall now reads as follows:

- (1) Persons appointed to the permanent staff of the Service shall be on probation for such period, not being less than 3 months or more than 6 months, as the Commission determines.

  
Donald F. Capelle  
Chairman

  
Jiba B. Kabua  
Commissioner

  
Justina R. Langidrik  
Commissioner

**Note:** This instruction should be read with PSC regulation 21 "Probation".





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**Office of the Public Service Commission**

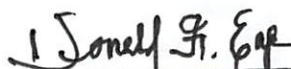
PO Box 90 ~ Majuro, MH 96960 ~ Marshall Islands  
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**PSC Instruction 2017/004**

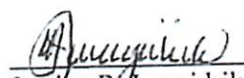
The instruction is put forth and into effect to amend section 1 and add a new section 2 to the existing *PSC Regulation 78, Delegation of authority in absence of delegation by Head of Department*, that shall read as follows:

(1) If a Head of Department is away from his or her post, whether due to traveling or some other reason and has not delegated the duties of the post to another person, the Public Service Commission shall, in consultation with the responsible Minister, delegate the responsibilities of the Head of Department to a competent officer, until such time that the Head returns to his or her post.

(2) Any Officer serving in such capacity of an Acting or Interim shall not serve more than ninety (90) days unless deemed necessary and authorized by the Commission. Any Officer serving more than ninety (90) days shall receive appropriate compensations and benefits as approved by the Commission.

  
 Donald F. Capelle,  
 Chairman

  
 Jiba B. Kabua,  
 Commissioner

  
 Justina R. Langidrik,  
 Commissioner

Note: This instruction is to be read with PSC Regulation 78 "Delegation of Authority".



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**PUBLIC SERVICE INSTRUCTION**  
**2017/005**

**Application of Overtime**

Pursuant to the functions and powers vested in it by the Constitution of the Republic of the Marshall Islands, Article VII, Section 9, and the Public Service Regulation 36(1),(2) "Additional Hours of Duty", the Commission hereby issue Instruction Number 2017/005, to replace PSC Instruction 2010/02 and shall read as follows:

The application of Overtime for Public Service Employee shall be provided under the following conditions:

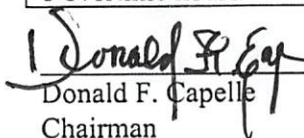
1. An employee that is required and/or called upon by his/her supervisor to work overtime shall be entitled to a maximum of eight (8) hours at per incident and not to exceed 32 hours per pay period.
2. Notwithstanding section (1) of this instruction, employees at PL 10/1 or \$18,000 per annum and above are allowed maximum of 8 regular excess hours per incident and not to exceed 32 hours per pay period.
3. Overtime compensation shall be given only to the personnel who has successfully worked the required 80 working hours for the given pay period, and whose claimed overtime hours are in excess of the regular 80 working hours.
4. Overtime request shall be accompanied by the following:
  - i. An approved timesheet by the Head of the Ministry;
  - ii. approved Roster or schedules by the relevant unit/division supervisor;
  - iii. Copies of the timecards and timesheet approved by the ministry/agency's timekeeper
  - iv. Signed cover memo from the requesting ministry to the Commission; and
  - v. approval of the Commission
5. Overtime calculation shall be based on number of hours rendered (not to exceed 32 hours per pay period) x hourly rates x 1.5 (time and half)

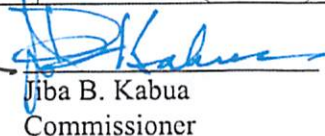
**Eg# 1). Employees with PL 9 and below**

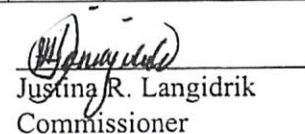
Nos of hrs rendered	Hourly rates x 1.5	Total
8 overtime hours	6.27x 8 x1.5 (PL9/1)	\$75.24

**Eg#2 – Employee with PL 10 and above**

Nos of hrs rendered	Hourly rates @ regular excess hours	Total
8 overtime hours	8.65 x 8 x 1 (PL 10/1)	\$69.20

  
 Donald F. Capelle  
 Chairman

  
 Jiba B. Kabua  
 Commissioner

  
 Justina R. Langidrik  
 Commissioner



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**PUBLIC SERVICE INSTRUCTION**  
**2017/006**

**Application of Holiday Pay**

Pursuant to the functions and powers vested in it by the Constitution of the Republic of the Marshall Islands, Article VII, Section 9, the Public Service Regulation 64 "Holidays" (1), and the Public Holiday Act of 1988 Section 906 "Right to open public offices", the Commission hereby issue Instruction Number **2017/006** to add a new section 3, under PSC Regulation 63, Holidays, which shall read as follows:

**Holidays**

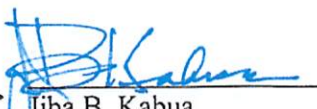
- (1) Statutory holidays prescribed by any Act of the Nitijela shall be observed in the Service.
- (2) The Commission may, subject to the approval of Cabinet, prescribe additional holidays to be observed in the Service as "Commission holidays."
- (3) Holiday commences from Midnight of the previous day to the Midnight of the day the holiday falls.
- (4) Public Service Employees who are (1) scheduled to work during the holiday; (2) called upon to work on holiday(s) shall be compensated for hours worked and not to exceed 8 hours per day/incident. Payment of hours rendered shall be based on 2 times the hourly rate of the employee x number of hours rendered during the holiday not to exceed 8 hours.

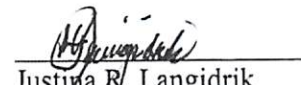
*Note: It is incumbent on the supervisors to ensure that no employee is given more than 8 hours of work during holidays.*

**Calculation:**

Hourly rates	Hourly rate x 2	# hrs rendered	Total (hrs rendered x 2 x hrly rate)
\$ 3.50	\$7.00	8	\$56.00

  
 Donald F. Capelle  
 Chairman, PSC

  
 Jiba B. Kabua  
 Commissioner, PSC

  
 Justina R. Langidrik  
 Commissioner, PSC





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**Office of the Public Service Commission**

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**PUBLIC SERVICE INSTRUCTION**  
**2017/07**

**Application of Standby Differential for Ministry of Health & Human Services**

Pursuant to the functions and powers vested in it by the Constitution of the Republic of the Marshall Islands, Article VII, Section 9, and the Public Service Regulation Schedule Six "Night Differential and Standby Differential", the Commission hereby issue Instruction Number 2016/07 as follows:

Due to the unique employment setting of the Ministry of Health that differs from other Ministries, this instruction is instituted to provide consideration for fair compensation for employees that are scheduled for standby at the Ministry of Health and Human Services.

**Standby Differential (SD)**

1. Standby Differential shall be defined as hours scheduled for a Medical Professional, essential, and critical Support personnel(s) on standby and not working. SD shall only be given when a person is on the Standby Roster. An employee could only get a maximum of 32 hours per pay period. SD will be based on 20% of each employee's hourly rates multiply by the hours rendered on Standby, provided that they are on roster.

2. Notwithstanding section 1 of this instruction, employees under the following units are given SD with full eighty hours. This is due to the limitation of staff and skills that are needed to man the units on a 24/7 hourly basis.

- 1) Radiology
- 2) Operating Room
- 3) Laboratory Technologist/Specialist
- 4) Medical Doctors
- 5) Medexes
- 6) Health Assistant – eligible only when they are deployed.

3. Calculation of SD shall be as follows:

**Eg. At PI 9/1 or \$6.27/hr rate**

Hourly rates	16 hrs on Standby	Total
6.27/hr	6.27 x 16 x 20%	\$20.00

  
 Donald F. Capelle  
 Chairman

  
 Jiba B. Kabua  
 Commissioner

  
 Justina R. Langidrik  
 Commissioner



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**Office of the Public Service Commission**

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**PUBLIC SERVICE INSTRUCTION**  
**2017/08**

**Application of Night Differential**

Pursuant to the functions and powers vested in it by the Constitution of the Republic of the Marshall Islands, Article VII, Section 9, PSC Acts 1979, PSC Amendment Act of 2017, and the Public Service Regulation Schedule, the Commission hereby issue Instruction Number 2017/08 as follows:

**Night Differential (ND)**

This instruction is instituted to provide fair compensation for employees that are required to work after regular hours or from 8am to 5pm, from Monday through Friday, except on holidays. A Night Differential will be paid to the employee on top on his regular hours. The differential will be based on each employee's hourly rate multiply by 15% multiply by hours rendered during the payroll period.

Eg. # At PL 9/1 or hourly rate = \$6.27/hr

Night Hours rendered	Rate = 6.27 x .15	Total
32	.94	\$30.08

  
 Donald F. Capelle  
 Chairman

  
 Jiba Kabua  
 Commissioner

  
 Justina R. Langidrik  
 Commissioner

## INTER-MINISTERIAL AND AGENCY COOPERATIVE AGREEMENT FOR THE EMPLOYMENT AND TERMINATION PROCEDURE OF PUBLIC SERVICE.

The following agreement reflects the outcome of the meeting of all Ministerial Secretaries and Heads of Agencies with the Public Service Commission (PSC) on May 5, 2016. This meeting was called by the Commission to specifically address the issues of:

- a. Improving the management of the official, document on hiring or terminating an employee;
- b. Improving the management of any other document related to the employee being processed; and
- c. to memorialize the discussions at the meeting by a memorandum of agreement.

On the basis of the sentiments expressed by the Secretaries and representatives of the Ministries and agencies, the following shall be implemented effective immediately:

### **Procedure:**

#### **A. Hiring**

1. The hiring process begins with the Secretary or Head of the Ministry or Agency:
  - a. By a memorandum requesting PSC to open a position attaching a job description for that position is delivered (not mailed, not e-mailed) to the Public Service Commission contact person.
  - b. Within 2 days from the date of receipt of the request, the job opening is advertised.
  - c. Following the receipt of all job applications, the Public Service Selection Committee **at the end of the closure date for receiving** all applications, shall meet on the first business day to organize its recommendation and to submit to the Commission such recommendation the next day.
  - d. The Public Service Commission shall make its decision on the recommendation immediately or on the next day of its regular weekly meeting.
  - e. Where the new hiring requires a formal contract, the staff assigned to complete coordination of this task is required to walk the contract and complete this responsibility within 2 days at the Ministry of Finance and at the Attorney-General's Office.
  - f. Immediately following the above or within 2 days, the Public Service Commission shall provide the new employee with his/her employment documents: a complete set of job description, contract and Personnel Action (form).



- g. Housing Contract is a case-by-case documentation process. The contract shall be expected to be delivered to the tenant by the Ministry involved.

**B. Terminating and Resignation**

1. The procedure for terminating an employee in the Service is initiated by the Secretary or Head of the Ministry or Agency. In either of the following instances:

- a. where the termination is not challenged by the employee being processed, and /or
- b. where the termination is challenged,

the final determination of the situation rests with the Commission.

No other representation shall be made other than the Commission decision in writing to the employee being processed and notified.

2. The staff assigned in the Service (inclusive PSC) shall expedite also the following:
- a. the final payment due to the terminated or resigned employee during the same time the procedure for termination or resignation is carried out;
  - b. other matters which the Public Service Commission may want to present to the exiting employee.
  - c. Within the same period the staff of the Public Service Commission responsible for these matters shall also notify the Attorney- General Office and/or the Appeal Committee.


DONE, this \_\_\_\_\_ of \_\_\_\_\_, 2016

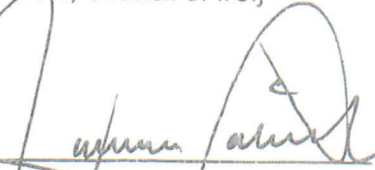
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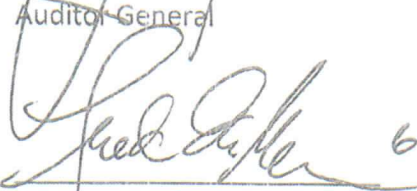
\_\_\_\_\_  
Chief Secretary


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Clerk, Cabinet

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Clerk, Nitijela

  
Clerk, Council of Iroij

  
Auditor General


  
Director, EPPSO

  
Director, OEPPC


  
Secretary of Foreign Affairs

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Secretary of Internal Affairs

  
Secretary of Resources & Development

  
Weather Bureau

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Attorney General

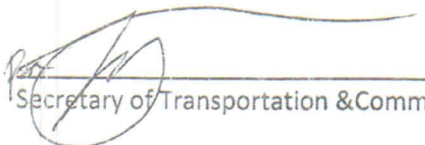
  
Chief, Public Defender Office

  
Director, Immigrations

  
Secretary of Finance

  
Secretary of Health

  
Secretary of Public Works, ACTING

  
Secretary of Transportation & Communication