WHEREAS, in 1959 the Government of Guam contracted with John A. Donaho and Associates for an extensive personnel survey, including the question of compensation for government personnel, pursuant to which a Report was duly prepared and forwarded under date of June 10, 1960, in which extensive revisions and adjustments in the classification and compensation of personnel were recommended; and

WHEREAS, the Donaho Report was distributed to all three branches of the Government with a view to study and implementation; and

WHEREAS, on September 9, 1960, the Governor of Guam appointed a special committee to review the over-all pay structure of the Executive Branch, using the Donaho Report as a basis, which committee submitted its report to the Governor under date of March 30, 1961; and

WHEREAS, the Governor of Guam forwarded the report of the committee to the Legislature under date of April 24, 1961, with a view to action at the June, 1961, meeting of the Legislature; and

WHEREAS, no action has since been taken by the Legislature; and

WHEREAS, prior thereto, on April 12, 1961, Executive Order No. 61-12 was issued pursuant to the authority of the Governor of Guam under Section 4110, Government Code, providing that the overseas pay differential shall be at the rate of 20% of the base pay for employment
contracts of initial recruitment executed by applicants on or after September 1, 1961, or any renewal of such contracts; and

WHEREAS, the problem of recruitment of nonresidents remains with us, and will continue until an adequate compensation program can be developed and implemented so that qualified residents of Guam will have an incentive to remain in Guam, or return to Guam, and accept employment with the Government of Guam; and

WHEREAS, adequate inducement must be given nonresidents to continue to meet our present recruitment problem pending a longer range solution; and

WHEREAS, any reduction in the overseas pay differential should be a part of an adequate compensation program to avoid an aggravation of our present recruitment problem; and

WHEREAS, a provision for different rates of overseas pay differential would have a tendency to create a further morale factor among contract employees adversely affected; and

WHEREAS, upon careful consideration it is accordingly deemed desirable to defer any action by way of reduction of the overseas pay differential pending a more comprehensive study and implementation of an adequate compensation program of government employees generally, including the problems of recruitment and retention of qualified personnel; and

WHEREAS, the Guam Legislature unanimously adopted Resolution No. 169 on July 6, 1961, respectfully requesting and memorializing the Governor of Guam to rescind Executive Order No. 61-12, and further stating "that the Legislature intends to develop, together with the Executive Branch, a comprehensive program for making equitable the salaries and wages of Government of Guam employees, both local and off-island";
NOW, THEREFORE, pursuant to the authority vested in me by Section 4110, Government Code, it is hereby ordered as follows:

1. Executive Order No. 61-12 is hereby rescinded.

2. The overseas pay differential, in cases where such differential is authorized, shall continue to be 25% of the base pay rate.

Issued and promulgated at Agana, Guam, this 5th day of September, 1961.

BILL DANIEL
Governor of Guam

COUNTERSIGNED:

MANUEL F. L. GUERRERO
Secretary of Guam