

## MALACAÑAN PALACE MANILA

## BY THE PRESIDENT OF THE PHILIPPINES

## **ADMINISTRATIVE ORDER NO. 39**

AUTHORIZING THE GRANT OF A ONE-TIME FINANCIAL ASSISTANCE OF \$\mathbb{P}\, 20,000.00 TO EMPLOYEES' COMPENSATION PENSIONERS

WHEREAS, Article 177(e) of Presidential Decree (PD) No. 626 (s. 1974), entitled "Further Amending Certain Articles of Presidential Decree No. 442 entitled 'Labor Code of the Philippines'," as amended, empowers the Employees' Compensation Commission (ECC) to (i) make the necessary actuarial studies and calculations concerning the grant of constant help and income benefits for permanent disability or death, and the rationalization of benefits for permanent disability and death; and (ii) upgrade benefits and add new ones, subject to approval of the President, provided that the actuarial stability of the Social Insurance Fund (SIF) shall be guaranteed and such increases in benefits shall not require any increase in contribution;

WHEREAS, the grant of a one-time financial assistance of ₱20,000.00 to Employees' Compensation (EC) pensioners will benefit more or less 31,000 pensioners of the Social Security System (SSS) and Government Service Insurance System (GSIS);

WHEREAS, the results of the actuarial studies of the SSS and GSIS show that the SIF can finance the one-time grant without affecting its stability, and without requiring additional contributions;

WHEREAS, through Board Resolution Nos. 20-07-14 (s. 2020) and 20-08-17 (s. 2020), the ECC approved the proposed grant of a one-time financial assistance, based on the observation that pensioners experience undue financial hardships because of their vulnerabilities, and in anticipation of the prolonged economic impact of the pandemic on their lives; and

WHEREAS, the adverse effects of the pandemic on the economy, supplementary health necessities for the battle against the virus, and restrictions imposed on our mobility and social interaction, have increased the financial and health burdens experienced by the EC pensioners;

**NOW, THEREFORE, I, RODRIGO ROA DUTERTE**, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order:

Section 1. Grant of Financial Assistance. The ECC is hereby authorized to grant a one-time financial assistance of ₱20,000.00 to EC pensioners for permanent partial disability, permanent total disability and survivorship, in the private and public sectors, subject to the availability of funds and pertinent laws, rules and regulations.

Section 2. Appropriation and Release from the SIF. The ECC, SSS and GSIS are hereby directed to appropriate and release the amounts necessary to cover the one-time financial assistance from the reserves of the relevant SIF that the SSS and GSIS administer under the EC Program.

Section 3. Implementing Rules and Regulations. The ECC, in coordination with the SSS and GSIS, shall issue the implementing rules and regulations necessary for the effective implementation of this Order.

Section 4. Effectivity. This Order shall take effect immediately following its publication in the Official Gazette or in a newspaper of general circulation.

**DONE** in the City of Manila this 19<sup>th</sup>day of April in the Year of Our Lord, Two Thousand and Twenty One.

By the President:

SALVADOR C. MEDIALDEA
Executive Secretary

REPUBLIC OF THE PHILIPPINES
PRRD 2016 - 017076

MALACANANG RECORDS OFFICE

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