

MALACAÑANG
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

ADMINISTRATIVE ORDER NO. 103

AUTHORIZING THE GRANT OF CY-1993 PRODUCTIVITY INCENTIVE BENEFITS TO GOVERNMENT PERSONNEL AND PROHIBITING PAYMENTS OF SIMILAR BENEFITS IN FUTURE YEARS UNLESS DULY AUTHORIZED BY THE PRESIDENT

WHEREAS, the faithful implementation of statutes, including the Administrative Code of 1987 and all laws governing all forms of additional compensation and personnel benefits is a Constitutional prerogative vested in the President of the Philippines under Section 17, Article VII of the 1987 Constitution;

WHEREAS, the Constitutional prerogative includes the determination of the rates, the timing and schedule of payment, and final authority to commit limited resources of government for the payment of personnel incentives, cash awards, productivity bonus, and other forms of additional compensation and fringe benefits;

WHEREAS, the unilateral and uncoordinated grant of productivity incentive benefits in the past gave rise to discontentment, dissatisfaction and demoralization among government personnel who have received less or have not received at all such benefits;

NOW, THEREFORE, I, FIDEL V. RAMOS, President of the Republic of the Philippines, by virtue of the powers vested in me by law and in order to forestall further demoralization of government personnel do hereby direct:

SECTION 1. All agencies of the National Government including government-owned and/or -controlled corporations and government financial institutions, and local government units, are hereby authorized to grant productivity incentive benefit in the maximum amount of TWO THOUSAND PESOS (P2,000.00) each to their permanent and full-time temporary and casual employees, including contractual personnel with employment in the nature of a regular employee, who have rendered at least one (1) year of service in the Government as of December 31, 1993.

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SEC. 2. All heads of government offices/agencies, including government-owned and/or -controlled corporations, as well as their respective governing boards are hereby enjoined and prohibited from authorizing/granting Productivity Incentive Benefits or any and all similar forms of allowances/benefits without prior approval and authorization via Administrative Order by the Office of the President. Henceforth, anyone found violating any of the mandates in this Order, including all officials/employees and the COA Resident Auditor of such government office/agency found to have taken part thereof, shall be accordingly and severely dealt with in accordance with the applicable provisions of existing administrative and penal laws.

Consequently, all administrative authorizations to grant any form of allowance/benefits and all forms of additional compensation usually paid outside of the prescribed basic salary under R.A. No. 6758, the Salary Standardization Law, that are inconsistent with the legislated policy on the matter or are not covered by any legislative action are hereby revoked.

SEC. 3. All departments, offices and agencies which authorized the payment of CY-1993 Productivity Incentive Benefits in excess of the amount authorized under Section 1 hereof are hereby directed to immediately cause the return/refund of the excess within a period of three (3) months to commence 15 days after the issuance of this Order.

SEC. 4. Agencies are hereby allowed to pay the benefit herein authorized out of any available savings for CY-1993. In case of deficiency, the Department of Budget and Management shall provide the funds from the overall savings of the Executive Department.

SEC. 5. In the case of government-owned and/or -controlled corporations and government financial institutions the necessary amount shall be sourced fully from their respective corporate funds, and the local government units from their respective local funds.

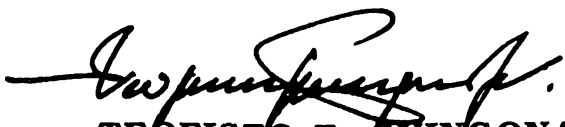
SEC. 6. Strict compliance by all concerned with the provisions of this Order is enjoined.

SEC. 7. This Administrative Order shall take effect immediately.

DONE in the City of Manila, this *14th* day of January, in the Year of Our Lord, Nineteen Hundred and Ninety-Four.



By the President:



TEOFISTO T. GUINGONA, JR.
Executive Secretary