

### Republic of the Philippines DEPARTMENT OF LABOR AND EMPLOYMENT

#### EMPLOYEES' COMPENSATION COMMISSION





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# EXCERPTS FROM THE MINUTES OF THE FIFTH (5<sup>th</sup>) REGULAR COMMISSION MEETING, EMPLOYEES' COMPENSATION COMMISSION AND OCCUPATIONAL SAFETY AND HEALTH CENTER, SERIES OF 2017,

Large Training Room A, 2nd Floor, Occupational Safety and Health Center, North Ave., cor.

Agham Rd., Quezon City

Wednesday, 25 October 2017 at 2:00 P.M.

#### **BOARD RESOLUTION NO. 17-10-39**

## Increasing the Amount of Carer's Allowance in the Private Sector

**WHEREAS,** Art. 183 (formerly 177), paragraph (e) of P.D. No. 626, as amended, partly reads:

"Art 183 (formerly 177) (e) ... the Commission may upgrade benefits and add new ones subject to the approval of the President; and Provided, Further, That the actuarial stability of the State Insurance Fund (SIF) shall be guaranteed; Provided, Finally, that such increases in benefits shall not require any increase in contribution...":

WHEREAS, EC Permanent Partial Disability (PPD) and Permanent Total Disability (PTD) pensioners in the private sector receive a carer's allowance, considered as a supplemental benefit, in the amount of five hundred seventy five pesos (Php 575.00) per month since 1991;

**WHEREAS,** Executive Order No. 134, dated April 23, 2013, extended the coverage of the grant of carer's allowance to EC PPD and PTD pensioners in the public sector;

**WHEREAS**, there is a need to continually enhance benefits under the Employees' Compensation Program (ECP) to make them more responsive to the welfare and development needs of persons with work-related disabilities (PWRDs);

**WHEREAS**, the EC Secretariat proposed the following options to increase the present carer's allowance, computed based on economic indicators particularly the country's consumer price index (CPI) and the peso purchasing power:

Option 1: Increase carer's allowance to Php 700 per month

Option 2: Increase carer's allowance to Php 850 per month

Option 3: Increase carer's allowance to Php 1,000 per month;

**WHEREAS,** the EC Secretariat requested the SSS to conduct an actuarial study to determine the viability of the EC State Insurance Fund to finance an increase in carer's allowance;

**WHEREAS**, the result of the actuarial study by the SSS concluded that the Fund remains viable and will last beyond 2080 even after the implementation of any of the three proposed options on the increase in carer's allowance for EC disability pensioners notwithstanding the other simultaneous increases in EC benefit and that the increase will not require additional EC premium contribution from employers;

**WHEREAS**, the members of the Commission agreed that Option 3 on increasing the carer's allowance to Php 1,000 per month would be the most beneficial option;

#### NOW THEREFORE, ON MOTION DULY MADE AND SECONDED

This Commission **RESOLVES**, as it hereby **RESOLVED**, to upgrade the amount of carer's allowance in the private sector from Php 575.00.00 per month to Php 1,000.00 per month.

**RESOLVED FURTHER,** that all previous Rules and Regulations which are inconsistent with this Resolution are hereby repealed or modified accordingly;

**RESOLVED FINALLY** that a copy of this Resolution shall be transmitted to the Office of the President of the Republic of the Philippines for approval of the increase of carer's allowance and that upon approval of the Office of the President, the corresponding Executive Order shall be published in a newspaper of general circulation for effectivity purposes.

DONE, this 25th day of October 2017, in Quezon City Philippines.

CIRIACO A. LAGUNZAD III

Chairperson-Alternate

Department of Labor and Employment

RIZALDY T. CAPULONG

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Member-Designate Social Security System

CADITTO D DORIE

Member Employees' Sector DIONISIO C. EBDANE, JR.

Member-Designate

Government Service Insurance System

**VACANT** 

Member Employers' Sector

CELESTINA Ma. JUDE P. DELA SERNA

Member-Designate Philippine Health Insurance Corporation

Employees' Compensation Commission - Secretariat