



**EXCERPTS FROM THE MINUTES OF
THE SIXTH (6th) REGULAR COMMISSION MEETING,
EMPLOYEES' COMPENSATION COMMISSION, SERIES OF 2012,**
*Convened at the Board Room, 5th Floor, ECC Bldg., Sen. Gil Puyat Ave., Makati City
Thursday, 27 September 2012 at 9:00 A.M.*

BOARD RESOLUTION NO. 12-09-20

***Extending The Grant of Carer's Allowance to EC Permanent Partial
Disability (PPD) and EC Permanent Total Disability (PTD) Pensioners in
the Public Sector***

WHEREAS, on April 18, 1990, then SSS Administrator Renato C. Valencia issued a Memorandum to the Social Security Commission (SSC) recommending the grant of supplemental monthly pension to both SSS and EC total permanent disability pensioners in the amount of Three hundred pesos (Php 300.00) and to submit the same to the Office of the President for final approval;

WHEREAS, on April 26, 1990, former President Corazon C. Aquino issued Executive Order (E.O.) No. 400 ("Granting Supplemental Pensions to Social Security System [SSS] Total Permanent Disability Pensioners") in the amount of Three hundred pesos (Php 300.00) effective May 1, 1990;

WHEREAS, on September 18, 1990, the SSS, through a Memorandum, informed this Commission that pursuant to Executive Order No. 400, it has provided social security assistance for regular medication and necessary aids and appliances including a supplemental pension of Three hundred pesos (Php 300.00) as "carer's allowance" to pensioners in the categories of permanent partial disability and permanent total disability under the SSS law effective May 1, 1990;

WHEREAS, the SSS has requested this Commission to adopt a resolution approving the grant of a similar monthly "carer's allowance" to pensioners under the ECP who suffer from work-connected permanent partial and permanent total disabilities and who cannot attend to their personal needs;

WHEREAS, on December 20, 1990, this Commission issued Board Resolution No. 90-12-0090, approving the "provision of a supplemental pension of 'carer's allowance' to pensioners under the ECP, who suffer from work-connected permanent partial and permanent total disabilities, and cannot attend to their personal needs provided that the SSS shall submit an actuarial projection; "

WHEREAS, on January 10, 1991, the SSS submitted to this Commission the results of its actuarial study showing that the proposed supplemental pension will not impair the viability and liquidity of the State Insurance Fund (SIF) in the private sector;

WHEREAS, on the basis of the said actuarial study, this Commission issued Board Resolution No. 91-01-0006 (dated January 10, 1991) approving the "grant of Three Hundred Fifty pesos (Php 350. 00) carer's allowance or supplemental pension to private sector ECP pensioners under the PPD and PTD categories effective January 1, 1991;"

WHEREAS, on August 25, 1992, former Pres. Fidel V. Ramos issued Executive Order No. 14 ("Granting an Across the Board Pension Increase to all SSS & EC Pensioners and Supplemental Pensions to SSS Permanent Partial Disability Pensioners") increasing the amount of monthly pension of the surviving SSS and EC pensioners as of August 31, 1992 by ten per cent (10%) and granting monthly supplemental pension of Three hundred pesos (Php 300.00) to SSS permanent partial disability pensioners effective September 1, 1992;

WHEREAS, on March 9, 1993, the SSS, through a Memorandum, recommended a "ten percent (10%) increment in pension for members of the Employees' Compensation Program in the private sector and upward revisions in burial expense benefits to Ten thousand pesos (Php 10, 000.00) and in supplemental allowance to disabled pensioners to Five hundred Seventy Five pesos (Php 575.00) in connection with the Labor Day Celebration on May 1, 1993;

WHEREAS, on March 10, 1993, former President Fidel V. Ramos approved the issuance of SSC Resolution No. 161-Series of 1993 ("Granting an Across the Board Increase in the Monthly Pensions, an Increase in the Supplemental Disability Allowance and an Increase in the Funeral Expense Benefit"[date of effectivity: May 1, 1993]) providing an increase in the following benefits under the SSS law:

1. "The monthly pensions of SSS pensioners as of April 30, 1993 shall be increased by ten percent (10%);
2. "The monthly supplemental allowance of disability pensioners shall be increased from three hundred pesos (Php 300); and
3. "The funeral expense benefit shall be increased from eight thousand pesos (Php 8, 000.00) to ten thousand pesos (Php 10, 000.00);

WHEREAS, on April 1, 1993, this Commission issued Board Resolution No. 93-04-0027 approving the proposals of the SSS "provided that this Commission shall come up with a new policy toward making the said increase applicable to ECP members in both the private sector and the public service, to be grounded on the results of a proposed research study on the benefit package for government employees;"

WHEREAS, this Commission is concerned that while "carer's allowance" has been enjoyed by private sector pensioners for the last twenty-one (21) years, public sector pensioners have been deprived of the same;

WHEREAS, this Commission believes that Carer's Allowance should be extended to EC Permanent Partial Disability (PPD) and EC Permanent Total Disability (PTD) pensioners in the public sector;

WHEREAS, Article 177 (e) of P.D. No. 626, as amended partly reads:

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

WHEREAS, on the basis of such authority, on August 26, 2011, this Commission issued Board Resolution No. 11-08-19 ("*Directing the Government Insurance System [GSIS], as the Administrator of the Public Sector State Insurance Fund (SIF), to conduct an Actuarial Study Prior to the Grant of Carer's Allowance to EC Pensioners in the Public Sector*");

WHEREAS, during the Commission Meeting on May 23, 2012, the GSIS presented the results of its Actuarial Study on the possibility of the extension of grant of Carer's Allowance in the amount of Five hundred Seventy Five (Php 575.00) pesos to EC Permanent Partial Disability (PPD) and EC Permanent Total Disability (PTD) pensioners in the public sector without affecting the stability of the GSIS managed State Insurance Fund (SIF);


NOW THEREFORE, ON MOTION DULY MADE AND SECONDED

This Commission **RESOLVES** to extend the grant of Carer's Allowance to EC Permanent Partial Disability (PPD) and EC Permanent Total Disability (PTD) pensioners in the public sector;

RESOLVES FURTHER, that this benefit enhancement be transmitted to the Office of the President for consideration and approval;

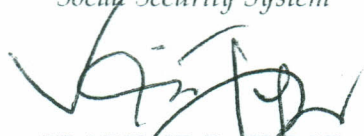
RESOLVES FINALLY that this Resolution shall take effect on December 1, 2012.


APPROVED in the City of Makati, this 27th day of September 2012.


LOURDES M. TRASMONTE
Chairperson-Designate
Department of Labor and Employment

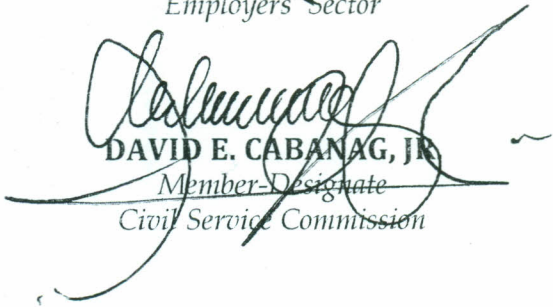

LETICIA B. ONG, M.D.
Member-Designate
Social Security System

(absent)
DIONISIO C. EBDANE, JR.
Member-Designate
Government Service Insurance System


VLADIMIR R. TUPAZ
Member
Employees' Sector


MIGUEL B. VARELA
Member
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ALEXANDER A. PADILLA
Member-Designate
Philippine Health Insurance Corporation


DAVID E. CABANAG, JR.
Member-Designate
Civil Service Commission


STELLA ZIPAGAN-BANAWIS
Member
Employees' Compensation Commission - Secretariat