



Republic of the Philippines
DEPARTMENT OF LABOR AND EMPLOYMENT
EMPLOYEES' COMPENSATION COMMISSION

4th & 5th Floor, ECC Building, 355 Sen. Gil J. Puyat Avenue, City of Makati

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**EXCERPTS FROM THE MINUTES OF
THE FOURTH (4th) JOINT REGULAR COMMISSION MEETING,
EMPLOYEES' COMPENSATION COMMISSION, SERIES OF 2013,**
*Convened at the Multi-Purpose Hall, 4th Floor, ECC Bldg., Sen. Gil Puyat Ave., Makati City
Tuesday, 02 July 2013 at 9:00 A.M.*

BOARD RESOLUTION NO. 13-07-14

***Approving an Increase in the EC Funeral Benefit from Php 10,000 to
Php 20,000 for the Private Sector***

WHEREAS, Article 194 (d) of P.D. No. 626, as amended provides:

"ART. 194. Death (a) xxx

xxx

"(e) Funeral Benefit.- A funeral benefit of Three thousand pesos (P 3,000.00) shall be paid upon the death of a covered employee or permanently totally disabled pensioner." (As amended by Sec. 3. E.O. No. 179)

WHEREAS, the present rate of EC funeral benefit for the private sector in the amount of Php 10,000.00 was implemented in May 1993;

WHEREAS, during the Commission Meeting on 10 May 2013, the SSS presented the results of its actuarial study on the possibility of increasing the amount of EC funeral benefits in the private sector;

WHEREAS, based on the study, the average funeral service cost is now about Php 43,000.00 thus the present EC Funeral benefit amount of Php 10,000.00 is not anymore enough to cover present funeral service cost;

WHEREAS, under the current funeral benefit amount of Php 10,000.00, it is estimated that total benefit disbursements from 2013 to 2017 would amount to Php 15.26M;

WHEREAS, based on the study, an increase in the amount of funeral benefit to Php 20,000.00 would increase funeral benefit disbursements by 100% to Php 30.52M which does not have a significant effect on the fund life of the EC SIF;

WHEREAS, the result of the SSS actuarial study shows the capability of the SSS-managed EC State Insurance Fund (SIF) to provide an increase in the amount of EC funeral benefits for employees in the private sector from Php10,000 to Php20,000, without a corresponding increase in EC contribution;

WHEREAS, under Article 177 (e) of P. D. No. 626, as amended, the ECC shall have the powers and duties, among others, to upgrade benefits and grant new ones for permanent disability or death, subject to the approval of the President, provided that the actuarial stability of the State Insurance Fund shall be guaranteed and that such increases in the benefit shall not require any increases in contributions;

NOW THEREFORE, ON MOTION DULY MADE AND SECONDED,

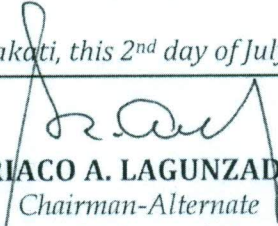
This Commission **RESOLVES AS IT HEREBY RESOLVED**, to approve an increase in the amount of EC funeral benefits in the private sector from Php 10,000.00 to Php 20,000.00 effective 01 September 2013;


RESOLVES FURTHER, that such increase in the amount of EC benefits for employees in the private sector shall not entail an increase of EC contribution;


RESOLVES FURTHER, that copies of this Resolution be transmitted to the Office of the President of the Republic of the Philippines for approval and to the SSS for guidance and GSIS for information;

RESOLVES FINALLY, that upon the approval of the Office of the President, this Resolution and the corresponding Executive Order shall be published in a newspaper of general circulation and a copy furnished to the U.P. Law Center.

APPROVED in the City of Makati, this 2nd day of July 2013


CIRIACO A. LAGUNZA, JR.
Chairman-Alternate
Department of Labor and Employment


AGNES E. SAN JOSE
Member-Designate
Social Security System


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

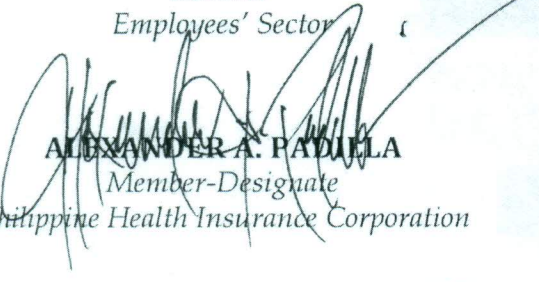



CARLITO P. ROBLE

Member
Employees' Sector


MIGUEL B. VARELA

Member
Employers' Sector


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

