



**EXCERPTS FROM THE MINUTES OF
THE FIFTH (5th) 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. 17-10-40

***Increasing the Amount of Employees' Compensation
(EC) Monthly Pension of Primary Beneficiaries of Deceased
Permanent Total Disability (PTD) Pensioners 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, P.D. No. 626, as amended, provides that upon the death of the permanent total disability pensioner, his primary beneficiaries as of the date of disability shall be entitled to receive 80% of his monthly EC pension;

WHEREAS, Social Security Commission (SSC)-Resolution No. 604, Series of 1990, approved the increase in the monthly pension of qualified beneficiaries of a deceased SSS PTD pensioners from 80% to 100% of his monthly pension effective September 1, 1990 and applied the same for EC pensioners;

WHEREAS, Letter of Instruction (LOI) No. 1286, dated January 30, 1983, mandates that every time the SSS increases the monthly income benefits, there shall be an automatic and simultaneous increase in the monthly income benefits under P.D. No. 626, as amended, to maintain the fifteen percent (15%) differential between the SSS pension and the EC pension;

WHEREAS, the EC Secretariat requested the SSS to conduct an actuarial study to determine the viability of the State Insurance Fund to finance the increase in the monthly pension of qualified beneficiaries of a deceased EC PTD pensioners from 80% to 100%;

WHEREAS, the results of the latest EC valuation of the SSS confirmed that the 100% monthly pension of primary beneficiaries of a deceased EC PTD pensioner is already being applied and that despite its application, the State Insurance Fund (SIF) in the private sector is still in perpetuity and remains viable.

WHEREAS, the Commission agreed to formalize that the monthly pension of qualified beneficiaries of a deceased PTD pensioners shall be 100% for the private sector from the previous 80% to maintain the fifteen percent (15%) differential between the SSS pension and the EC pension as prescribed by LOI 1286;

NOW THEREFORE, ON MOTION DULY MADE AND SECONDED:

This Commission **RESOLVES** as it hereby **RESOLVED**, to upgrade the amount of EC monthly pension of qualified beneficiaries of deceased PTD pensioners in the private sector from 80% to 100%;

RESOLVED FURTHER, that the increase in the amount of EC monthly pension of qualified beneficiaries of deceased PTD pensioners in the private sector shall have a prospective application and shall cover all current and future beneficiaries and 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 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. LAGUNZA III

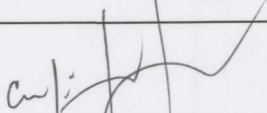
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