

Republika ng Pilipinas
(Republic of the Philippines)
MINISTRI NG EDUKASYON, KULTURA AT ISPORTS
(MINISTRY OF EDUCATION, CULTURE AND SPORTS)
Maynila

February 23, 1984

MEGS O R D E R
No. 11, s. 1984

DIRECTING THE IMPLEMENTATION OF ECONOMY
MEASURES IN GOVERNMENT AND GENERATION
OF SAVINGS FOR CY 1984

To: Deputy Ministers
Assistant Secretaries
Bureau Directors
Cultural Agency Directors
Regional Directors
Chiefs of Services and Heads of Units
Schools Superintendents
Presidents, State Colleges and Universities
Heads of Private Schools, Colleges and Universities
Vocational School Superintendents/Administrators

1. Inclosed is a copy of Letter of Implementation No. 146 dated February 7, 1984, entitled Directing the Implementation of Economy Measures in Government and Generation of Savings for CY 1984, which is self-explanatory.
2. It is requested that this Order be brought to the attention of all concerned for their information and guidance.
3. Compliance with the aforementioned Letter of Implementation is desired.

(SGD.) JAIME C. LAYA
Minister

Incl.: As stated

Reference: N o n e

Allotment: 1-2-3-4--(D.O. 1-76)

To be indicated in the Perpetual Index
under the following subjects:

EMPLOYEES
LEGISLATION
OFFICIALS

RULES & REGULATIONS
TEACHERS

(Inclosure to MECS Order No. 11, s. 1984)

MALACANANG
Manila

LETTER OF IMPLEMENTATION 146

DIRECTING THE IMPLEMENTATION OF ECONOMY
MEASURES IN GOVERNMENT AND GENERATION
OF SAVINGS FOR CY 1984

To: HEADS OF MINISTRIES, BUREAUS, OFFICES OR AGENCIES,
INCLUDING GOVERNMENT-OWNED AND CONTROLLED CORPO-
RATIONS, STATE COLLEGES AND UNIVERSITIES AND LOCAL
GOVERNMENT UNITS

From: THE CHAIRMAN, COMMISSION ON AUDIT

Whereas, the current economic difficulties require that government expenditures be controlled and therefore budgetary deficit reduced in order not to aggravate the balance of payments problems;

Whereas, revenues from regular sources, such as internal revenue taxes, international trade taxes and duties, and others are not expected to increase significantly;

Whereas, high priority programs such as energy, food, livelihood, and self-reliance or Sariling Sikap require additional or new funding;

Whereas, increase costs of living due to inflation make it imperative that adjustments in the pay scale of government employees be effected;

Now, Therefore, I, Ferdinand E. Marcos, President of the Republic of the Philippines, do hereby Order and Instruct that the following economy measures in government be adopted and implemented.

General Measures and Guidelines

The following general measures and guidelines are hereby directed for adoption and implementation:

1. As already recommended by the Cabinet and approved by the President (October 25, 1983), imposition of reserves of P5.5 Billion through cutbacks in current operating expenditures by 7.2 per cent, infrastructure capital outlays by 15 percent, Corporate Equity by 23 per cent and non-infrastructure capital outlays by 50 per cent.

2. Generation of \$2.0 to \$3.0 Billion in additional funding sources through savings in current operating expenditures particularly maintenance and operating expenditures, and other non-essential expenditures to the extent of 10 per cent of the approved program net of reserves.
3. Review of priorities in programs and projects in order to arrive at decisions with respect to dropping, decommitment, scaling-down, or extension of implementing schedules for low priority programs and projects in order to conserve programmed funds.
4. Adoption of management improvement program including energy conservation in order to improve efficiency and productivity and reduce waste in government operations.
5. Adoption by each government office or agency of energy conservation program. The same shall be submitted to the Office of the President and results shall be reported to the President at the end of the year.

Specific Mandatory Measures

The following specific economy or savings generation measures are hereby directed for implementation.

1. On New Organizational Measures. Implementation of organizational measures providing for creation of new offices and new staffing complements shall be deferred.
- 2.a. On National Conventions and Meetings. National conventions, seminars, meetings sponsored by government offices, agencies or corporations requiring travel and board and lodging by government participants shall be deferred indefinitely.
- 2.b. Government funds may not be spent for attendance in conventions, seminars, workshops and other similar activities conducted by private groups. Attendance by government personnel may be authorized at no expense to the government except the salaries of government participants.
3. On Motor Vehicle Purchase. Purchase of motor vehicles shall be suspended for 1984 except when funded from sale of old vehicles or when specifically provided in international agreements such as in the case of foreign-assisted projects.

Where such purchase is authorized it shall be governed by LOI 667.

4. On Purchase of Equipment. Purchase of imported office and other equipment shall be suspended or when such purchase is declared essential, it must be in accordance with the provisions of LOI 1329. In any case, an approved equipment procurement program shall support any request for purchase of equipment if an exception is to be granted.
- 5.a. On Hiring of Personnel and Filling of Positions. Hiring of new or additional casuals, contractuels and consultants shall be suspended unless the same, is specifically authorized by the President. Renewals of appointments of existing casuals, contractuels and consultants shall be subject to proof of essentiality, such as, among others, when called for international agreements or loan covenants or when hiring of regular employees is still pended due to lack of approved staffing pattern or plantilla positions.
- 5.b. Unfilled positions for over two years shall be abolished and new unfilled positions for the year not filled after June 30, 1984 shall not be filled anymore for the rest of the year.
- 5.c. No substitutionary appointments shall be made to fill temporary vacancies that arise for periods of less than (3) months.
6. On Public Office Buildings. Construction of new government office buildings, except for academic buildings of the state colleges and universities, shall be deferred.
7. On Use of Vehicles. Agencies shall strictly enforce the regulations related to authorized use of government vehicles. There shall be strict control on the use of vehicles during non-working days and holidays.
8. On International Travel. International travel of government personnel shall be restricted and subject also to LOI 1329 with respect to foreign exchange expenditures. This shall cover travel by non-government personnel using government funds.
9. On Domestic Travel. Domestic travel shall be strictly controlled and out-of-town meetings by offices, agencies and corporations shall be suspended. Similarly, meetings and conferences by government officials, executive staffs, and personnel in expensive five star hotels and restaurants shall be prohibited. Similar prohibition shall apply to training, seminars and conventions.
10. Purchase of Furnitures and Fixtures. Purchase of new office furnitures and fixtures, new ornamental accessories shall be prohibited unless funded by proceeds

from disposal of old ones. Priority shall be given to repairs and maintenance of existing furniture and fixtures.

11. On Use of Supplies and Consumables. The use of office supplies and consumables shall be strictly regulated and as much as possible agencies and offices shall pursue a program of recycled utilization of such items as paper and similar items. Government offices must aim for a 10-15 per cent reduction in the use of office supplies and other consumables.
12. On Printing and Publications. There shall be strict control of publications and printing of documents and materials, limited as much as possible to the highly essential requirements as directly related to the functions of offices, such as information materials, annual reports, project documents and other official documents. Literary, publicity and promotional materials and publications shall be reduced in frequency of issues if not suspended and printing of expensive multi-color glossy publications shall be suspended indefinitely.

C. Implementation Guidelines

1. The Commission on Audit shall:
 - a. Strictly enforce the above measures.
 - b. Enforce Executive Order No. 228 and revert to the general fund, unsubstantiated Accounts Payable recorded in agency books and accounts payable remaining unpaid after two (2) years from date of obligation.
 - c. Direct the reversion of unused releases and savings at the end of the year.
2. The Office of Budget and Management shall:
 - a. Prepare the revised program of expenditures reflecting the implementation of the economy measures and guidelines.
 - b. Prepare a Monthly Report of Expenditures to the President indicating the results in the implementation of economy measures and recommend corrective measures.
 - c. Effect withdrawals of unused released allotments if for some reasons the same could not be utilized anymore.

- d. Withdraw or effect reversion of savings as certified by agencies and verified by resident auditors.
3. Use of Savings and realignment of unused released allotments shall be subject to approval by the President upon recommendation by the Office of Budget and Management.
4. Unless specified, otherwise, all other economy measures, directed by Letters of Instructions Nos. 687, 981, 1098, 1043, 802, 1198, are hereby reiterated.
5. All concerned shall submit a report to the President on the accomplishments in pursuance of these economy measures.

Done in the City of Manila, this 7th day of February, in the Year of Our Lord, Nineteen Hundred and Eighty Four.

(SGD.) FERDINAND E. MARCOS
President of the Republic of the Philippines

By the President:
(SGD.) JUAN C. TUVERA
Presidential Executive Assistant

A true copy