January 15, 1991

MEMORANDUM No. 7
Series of 1991

- T 0: All ViSCA Administrators and Employees
- R E: Administrative Order No. 205
  Directing the Continued Adoption of Economy Measures
  for Fiscal Year 1991

Reproduced hereunder is Administrative Order No. 205 covering, additional economy measures in the government for Fiscal Year 1991. All employees are advised to understand the provisions and if they have question, please do not hesitate to consult with their immediate supervisors.

## MALACAÑANG MANILA

ADMINISTRATIVE ORDER NO. 205

DIRECTING THE CONTINUED ADOPTION OF ECONOMY MEASURES FOR FISCAL YEAR 1991

Pursuant to the powers vested in me by law, I CORAZON C. AQUINO, President of the Philippines, do hereby order:

- SECTION 1. All government offices and agencies, including local government units and government owned or controlled corporations, are hereby directed to adopt and implement the following economy measures for FY 1991:
  - a. Discontinuance of the grant and payment of all honoraria and similar allowances, excluding representation and transportation allowances as authorized in the General Appropriations Act.
  - b. Deferment of hiring of consultants, except in foreign-assisted projects where the hiring of consultants and other related personnel to these projects is explicitly provided under the terms and conditions of the loan agreement.
  - c. Suspension of all foreign travel, except those fully funded from grants or those expressly authorized by the Office of the President.
  - d. Suspension of the conduct of all seminars, conventions, annual and anniversary celebrations, sports activities and festivals and other similar activities funded from agency budgets, except athletic meets and activities conducted by public schools and state universities and colleges;
  - e. Reduction of staff initially by five percent (5%) by the end of June 1991 and by ten percent (10%) by the end of December 1991 through voluntary retirement and redeployment. For this purpose, the Department of Budget and Management is hereby directed to develop and enforce a staff reduction program, and to issue the corresponding rules, procedures and guidelines governing said program.

On the basis of such rules, procedures and guidelines, all government agencies including government owned or controlled corporations and local government units shall submit their respective staff reduction program to the Department of Budget and Management, not later than 30 days after the issuance of the DBM rules, procedures and guidelines. SECTION 2. The sale of government vehicles to present users with the rank of Secretary, Undersecretary, Assistant Secretary, Director IV, V and VI, and their equivalent positions, is hereby authorized. As a primary condition to the sale of these vehicles, the vendees concerned shall continue to use these vehicles for official government business and assume the cost of gasoline, repair and maintenance services arising therefrom subject to the rules and regulations to be promulgated pursuant to this provision. The officials who, in writing, shall opt to purchase the vehicles presently assigned to them may acquire the same through financing from the Government Service Insurance System (GSIS) and other government financial institutions. The GSIS and other government financial institutions are hereby directed to make available a car financing plan for this purpose. The rules and regulations to implement this Section shall be jointly formulated by the Department of Finance, Department of Budget and Management and representatives from the government financial institutions, and in consultation with the Commission on Audit. The rules and regulations shall be issued within sixty (60) days from the effectivity of this Administrative Order. SECTION 3. The Department of Budget and Management shall submit a report every quarter on the status of the implementation of this Administrative Order to the Office of the President. SECTION 4. Unless specified otherwise, all other economy measures directed by Administrative Order No. 177 and Administrative Order No. 197, both Series of 1990, are hereby reiterated. SECTION 5. All other rules, regulations and directives or provisions of

Presidential issuances which are inconsistent with the provisions of this Administrative Order are hereby amended and modified accordingly.

SECTION 6. This Administrative Order shall take effect immediately.

DONE in the City of Manila, this 3rd day of January, in the year of Our Lord, nineteen hundred and ninety one.

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(SGD.) CORAZON C. AQUINO

By the President:

(SGD.) OSCAR M. ORBOS Executive Secretary

M. R. VILLANUEVA
President

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