

**[ ADMINISTRATIVE ORDER NO. 224, June 13, 1991 ]**

**DIRECTING THE CONTINUED ADOPTION OF CERTAIN ECONOMY MEASURES FOR FY 1991**

WHEREAS, the emergency situation has been alleviated and the fiscal condition has correspondingly improved;

WHEREAS, while certain economy measures may be lifted to free more authorized resources to carry out government programs, there is still a need to maintain prudence in government spending;

WHEREAS, there is a need to clarify the remaining measures that need to be adopted by all agencies concerned;

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

SECTION 1. Coverage. All national government agencies, including government-owned or controlled corporations, and local government units shall be covered by the economy measures prescribed hereunder for FY 1991, except the following:

- a. Local government activities funded from local funds which, for the purpose of this Administrative Order, shall mean the Internal Revenue Allotment (IRA), Specific Tax Allotment (STA), Local Government Revenue Stabilization Fund (LGRSF) and other locally-generated revenue sources; and
- b. Government-owned or controlled corporations which do not receive any form of government financial assistance, specifically equity, subsidy, advances for debt servicing and tax subsidy.

SEC. 2. Specific Economy Measures. The following economy measures shall continue to be adopted in FY 1991:

- a. Deferment of the Hiring of Consultants, Contractuals and Casuals. The hiring of consultants, contractuals and casuals shall be deferred, except in the following cases:
  1. For 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;
  2. Agencies which are staffed by contractuals pursuant to existing policy or by law; Provided, That in no case shall the

actual number of existing personnel or warm bodies as of 31 December 1990 be exceeded;

3. The hiring of contractuels and casuals whose salaries are chargeable against lump sum funds specifically authorized by law for the purpose, subject to the determination by the Department Secretary or head of agency concerned of the essentiality of their services;
  4. The rehiring of part-time physicians by government hospitals;
  5. The hiring of substitutes to personnel on leave.
- b. Discontinuance of the grant and payment of honoraria and similar allowances. The grant and payment of honoraria and similar allowances shall be discontinued, except the following:
1. Representation and transportation allowances as authorized in the General Appropriations Act;
  2. Allowances to barangay captains as authorized in the General Appropriations Act;
  3. Honoraria to day-care workers of the Department of Social Welfare and Development;
  4. Allowances to scholars;
  5. Service fees authorized under the General Appropriations Act;
  6. Allowances to military personnel detailed with members of Congress and officials of the national government with at least a cabinet rank, or assigned as security in on-going infrastructure projects and critical government facilities located in strife-torn, embattled and security areas as certified by the Secretary of National Defense; and
  7. Payment of honoraria to officials and employees who are entitled thereto under existing law, jurisprudence and policy while rendering services in inter-agency committees created by law or by Presidential directive.

For purposes of this Administrative Order, the following payments are not considered honoraria:

1. For teaching overload in the Department of Education, Culture and Sports, schools and state universities and colleges;
2. For teaching in schools maintained by special hospitals under the Department of Health;