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REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
OFFICE OF THE SECRETARY
MANILA

18 August 1999

DEPARTMENT ORDER) Subject: Payment of Statutory Expenditures on Personal
Services of Contractual Employees

No. 166)
Series of 1999 8.18.99)
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Pursuant to Section 4.0 of the Joint Circular No. 99-3 dated 30 April 1999 of the Government Service Insurance System (GSIS) and the Department of Budget and Management (DBM), circularized in this Department through Department Memorandum Circular No. 61 dated 17 May 1999, and Section 44 of the 1999 General Appropriations Act (GAA), the following guidelines in the payment of statutory expenditures on personal services of DPWH contractual employees are hereby prescribed:

1. The required government share of premiums on the following shall be automatically deducted from the 20% premium of the contractual employees: GSIS retirement and life insurance (RLIP), health insurance (Medicare), employees' compensation insurance (ECIP) and PAG-IBIG.
2. The contractual employees' personal share of premiums on GSIS retirement and life insurance (RLIP), Medicare and PAG-IBIG shall be automatically deducted from their basic salary.
3. Whatever arrears on the government share of the premiums starting January 1, 1999 shall be automatically deducted on a staggered basis from the 20% premium of contractual employees after deducting the statutory expenditures on personal services. If the 20% premium is not enough, the balance shall be deducted from the basic salary. The payment of arrears shall be made within one year starting August 1999.
4. Whatever arrears on the contractual employees' personal share of premiums on RLIP, Medicare and PAG-IBIG shall be automatically deducted on a staggered basis from their basic salary within one year starting August 1999.

Since the DBM shall not release additional funds for statutory expenditures on personal services, the payment of such for daily-wage employees shall be held in abeyance until after the source of funds for the payment is clearly established.

This Order shall take effect on August 1, 1999.


GREGORIO R. VIGILAR
Secretary