

BY THE PRESIDENT OF THE PHILIPPINES

ADMINISTRATIVE ORDER NO. 70

PRESCRIBING ECONOMY MEASURES IN GOVERNMENT OPERATIONS BY LIMITING THE FILLING OF VACANT POSITIONS IN THE EXECUTIVE BRANCH

WHEREAS, personal services cost is the biggest component of the National Government budget;

WHEREAS, the faster pace of annual personal services growth relative to that of the total budget results in a negative growth in the level of capital spending by the government;

WHEREAS, there is a need to impose limitations on the filling of vacant positions in government to contain the growth of personal services as a component of the budget, and provide greater flexibility in the reallocation of public resources into more productive uses for the economy;

WHEREAS, it is the policy of the government to maintain a lean and productive workforce by optimizing the services of existing government operations by limiting the filling of vacant positions.

NOW, THEREFORE, I, JOSEPH EJERCITO ESTRADA, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order the adoption of economy measures in government operations by limiting the filling of vacant positions.

SECTION 1. Coverage. The provisions stipulated herein shall apply to all positions in all departments and agencies in the Executive Branch, including government-owned and/or controlled corporations and State Universities and Colleges.

Sec. 2. Limitations on the Filling of Vacant Positions. Filling of positions in the Executive Branch shall be allowed only if the positions involved are any of the following:

- (a) Positions in agencies with fiscal autonomy as provided for in the Constitution;
- (b) Teaching and allied teaching positions in schools and educational institutions;



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- (c) Medical and allied medical positions in hospitals;
- (d) Uniformed positions in the Philippine National Police, Bureau of Fire Protection, Bureau of Jail Management and Penology and the Philippine Coast Guard;
- (e) Positions in newly created, streamlined or reorganized agencies as authorized by law or directed by the President of the Philippines in 1997 or later; and
- (f) Positions to be filled by personnel who are currently employed in the National Government, by transfer or promotion.

Sec. 3. *Filling by Appointment or Hiring of New Employees.*

Positions to be filled by appointment or hiring of new employees shall be allowed: *Provided*, That, only 10% of the vacant itemized positions in the agency as of December 31 of the preceding calendar year, net of those identified in Section 2(a) to (f), shall be filled within a year: *Provided, Further*, That, the filling of positions by appointment or hiring of new employees over and above the 10% ceiling in the preceding proviso may be allowed only when a corresponding number of vacant itemized positions with commensurate or higher salary is abolished as deemed necessary by the Department of Budget and Management: *Provided, Finally*, That, the filling of vacant administrative positions in any department or agency may only be allowed up to 40% of the vacant itemized positions authorized herein to be filled in a year.

For this purpose, appointments made within the current year prior to the issuance of this Order shall be included in the determination of the number of positions authorized to be filled pursuant to this Section.

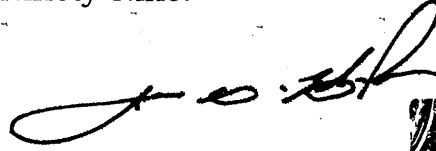
Sec. 4. *Monitoring of Compliance.* The Department of Budget and Management, in the case of regular agencies and State Universities and Colleges, and the Civil Service Commission, in the case of government-owned and/or controlled corporations, shall monitor compliance to this Administrative Order.

Sec. 5. *Release of Funds for Unfilled Positions.* Pursuant to Section 67 of the General Provisions of Republic Act No. 8745, the General Appropriations Act for FY 1999, the Department of Budget and Management shall release the corresponding funds for unfilled positions only upon compliance with the above guidelines, and upon submission by the agency of a request for the purpose with a copy of an appointment of the individual concerned, as signed by the head of the agency/appointing authority.



Sec. 6. Effectivity. This Administrative Order shall take effect immediately.

DONE in the City of Manila, this 17th day of JUNE in the year of Our Lord, Nineteen Hundred and Ninety-Nine.



By the President:



RONALDO B. ZAMORA
Executive Secretary

EPM/os



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