

**[ADMINISTRATIVE ORDER NO. 137, September
15, 1989]**

**DIRECTING THE ADOPTION OF ECONOMY MEASURES AND THE
IMPOSITION OF BUDGET RESERVE FOR FY 1989 FOR PURPOSES
OF GENERATING ADDITIONAL FUNDS FOR THE
IMPLEMENTATION OF THE SALARY STANDARDIZATION PLAN
AND OTHER PRIORITY PROGRAMS**

WHEREAS, the budgetary requirements of the Salary Standardization Plan, as approved by Congress, would involve about P5.1 Billion for the second semester of FY 1989;

WHEREAS, Congress has appropriated P4.7 Billion of which cash resources of only P3.2 Billion is programmed for FY 1989;

WHEREAS, additional sources of funds to cover the deficit in programming of about P1.9 Billion would be needed for the full implementation of the Salary Standardization Plan in FY 1989, as well as other priority programs of the government;

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby direct that economy measures be adopted and implemented by government agencies, including government-owned or controlled corporations, and that a budget reserve equivalent to ten percent (10%) of the personal services and maintenance components of the FY 1989 budget program of each agency for the second semester be imposed.

The provision for the Salary Standardization Plan, the Personal Benefits Fund, terminal leave and retirement gratuity, and the maintenance of infrastructure facilities and foreign-assisted projects (loan proceeds and peso counterpart) shall be totally exempted from the reserve imposition.

All agencies of the national government shall submit to the Department of Budget and Management the details of their proposed economy measures and reserve imposition not later than September 22, 1989.

The Department of Budget and Management shall issue the necessary guidelines to implement this Administrative Order immediately.

DONE in the City of Manila, this 15th day of September, in the year of Our Lord, nineteen hundred and eighty-nine.

(Sgd.) **CORAZON C. AQUINO**
President of the Philippines