Republic of the Philippines HOUSE OF REPRESENTATIVES Quezon City

SEVENTEENTH CONGRESS First Regular Session

House Bill No. 208

HOUSE OF REPRESENTATIVES

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Introduced by Representative MICAELA S. VIOLAGO

EXPLANATORY NOTE

A large number of SSS pensioners have further suffered difficulties owing to the continuing escalation of the cost of living in the country, which is due, in large part, to the downturn of the global economy. The amount that these retirees receive as their monthly pension is rendered sadly inadequate to meet even the barest of their needs.

Under the new Social Security Act, otherwise known as Republic Act No. 8262, SSS members with at least 10 credited years of service are provided a monthly pension of P1,200.00, while those with 20 credited years are given P2,400.00. Those who retired under the old SSS Law, R.A. 1161, are even more hard pressed because their monthly pension pays much less.

During the 15th Congress, House Bill 4365 was filed by Bayan Muna Party-List that sought to increase the minimum SSS pension to P7,000. Bayan Muna launched a nationwide campaign to gather support for the said bill to be enacted into law. Thousands of SSS pensioners and senior citizens, as well as Local Government Units from all over the country, responded through petitions, resolutions, letters, and telephone calls/messages which only reflected that there was indeed a clamor for higher SSS pension rate. After a series of congressional hearings with consultations with Senior Citizens and the SSS management in between, however, Congress was able to pass on third reading HB 6748 adding only P1,000 - P2,000 to the current minimum SSS Pension. The effort was also not enough to push the Senate and the Executive Department to enact the bill.

While also pushing for an increase in the SSS pension, the authors believe that there was no need for a corresponding increase in the SSS premium to the pension increases because data gathered state that SSS is capable of doing so. However, the premiums were inevitably increased by the President, and without a corresponding increase in the pension rate.

This bill is the approved House Bill 5842 in the 16th Congress re-filed that seeks to increase the current SSS pension rate to make it more responsive to the basic necessities of SSS pensioners. Immediate passage of this bill is earnestly sought for the benefit of SSS pensioners who are mostly Senior Citizens with no other sources of income to support their, and their family's ever increasing needs.

This bill has been filed in the 16th Congress by Bayan Muna Representatives Neri J. Colmenares and Carlos Isagani T. Zarate and it is fervently hoped that it will see passage in the 17^{th} Congress.

MICAELA S. VIOLAGO Second District, Nueva Ecija

Republic of the Philippines HOUSE OF REPRESENTATIVES Quezon City

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Introduced by Representative MICAELA S. VIOLAGO

AN ACT MANDATING A TWO THOUSAND PESO (P2,000) ACROSS-THE-BOARD INCREASE IN THE MONTHLY PENSION WITH CORRESPONDING ADJUSTMENT OF THE MINIMUM MONTHLY PENSION UNDER THE SOCIAL SECURITY SYSTEM, AMENDING FOR THE PURPOSE SECTION 12 OF REPUBLIC ACT NO. 1161, AS AMENDED, OTHERWISE KNOWN AS THE "SOCIAL SECURITY ACT OF 1997"

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

- **SECTION 1.** Any provision of law to the contrary notwithstanding, the Social Security Commission is hereby mandated to implement a Two thousand pesos (P2,000) across-the-board increase in the monthly pension under the Social Security System.
- **SEC. 2.** Section 12 of Republic Act No. 1161, as amended by Republic Act No. 8282, is hereby further amended to read as follows:
 - "SEC, 12. Monthly Pension. -
 - (a) The monthly pension shall be the highest of the following amounts:
 - "(1) The sum of the following:
 - "(i) Three hundred pesos (P300); plus
 - "(ii) Twenty percent (20%) of the average monthly salary credit; plus
 - "(iii) Two percent (2%) of the average monthly salary credit for each credited year of service in excess of ten (10) years; or
 - "(2) Forty percent (40%) of the average monthly salary credit; or
 - "(3) One thousand pesos (P1,000): *Provided,* That the monthly pension shall in no case be paid for an aggregate amount of less than sixty (60) months.

- (b) Notwithstanding the preceding paragraph, the minimum MONTHLY pension shall be [One thousand two hundred pesos (P1,200)] THREE THOUSAND TWO HUNDRED (P3,200) for members with at least ten (10) credited years of service and [Two thousand four hundred pesos (P2,400)] FOUR THOUSAND FOUR HUNDRED PESOS (P4,400) for those with twenty (20) credited years of service."
- **SEC. 3.** Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule, or regulation inconsistent with this Act is hereby repealed, modified, or amended accordingly.
- **SEC. 4.** This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,