

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

SEVENTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 414



INTRODUCED BY REPRESENTATIVE TOBIAS "TOBY" M. TIANGCO


EXPLANATORY NOTE

This bill seeks to add a Two Thousand Peso (PhP 2,000) increase to the pension of the beneficiaries of the Social Security System ("SSS"), by amending Section 12 of Republic Act No. 1161, otherwise known as the Social Security Act of 1997, as amended by Republic Act No. 8282.

Under the existing law, numerous pensioners of the SSS are living in impoverished situations considering that the monthly pensions, which is about PhP 1,200, being received now fails to provide for their basic needs. The benefits under the Social Security Act of 1997, as presently worded, is clearly wanting in terms of providing for the subsistence of and improving the lives of pensioners.

The rationale for the creation of the SSS is to "promote social justice and provide protection to its members and their dependents." However, the letter of the law no longer fulfills the spirit in which it was created. The Social Security Act of 1997 must be amended in order to address the changing conditions of the times, particularly the effect of inflation upon living conditions and prices of goods and services.

Therefore, approval of this bill is earnestly requested.


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INTRODUCED BY REPRESENTATIVE TOBIAS "TOBY" M. TIANGCO

AN ACT MANDATING A TWO THOUSAND PESO (P2,000.00) 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 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 Peso (PhP2,000.00) across-the-board increase in the monthly pension under the Social Security System.

SECTION 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 (P300.00)
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 years; or

“(2) Forty percent (40%) of the average monthly salary credit; or

“(3) One thousand pesos (PhP 1,000.00) **Provided**, That the monthly pension shall in no case be paid for an aggregate amount less than sixty (60) months.

“(b) Notwithstanding the preceding paragraph, the minimum **MONTHLY** pension shall be **THREE THOUSAND TWO HUNDRED PESOS (P3,200.00)** [One thousand two hundred pesos (P1,200.00)] for members with at least ten (10) credited years of service and **FOUR THOUSAND FOUR HUNDRED PESOS (P4,400.00)** [Two thousand four hundred pesos (P2,400.00)] for those with twenty (20) credited years of service.

SECTION 3. Repealing Clause. - All laws, acts, decrees, executive orders, issuances, and rules and regulations or parts thereof which are contrary to and inconsistent with any provisions of this Act are hereby repealed, amended, or modified accordingly.

SECTION 4. Separability Clause. - If any provision of this Act is subsequently declared unconstitutional, the validity of the remaining provisions hereof shall remain in full force and effect.

SECTION 5. Effectivity. - This Act shall take effect immediately after its complete publication in the Official Gazette or in a newspaper of general circulation in the Philippines.

Approved,