



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

SEVENTEENTH CONGRESS  
First Regular Session

HOUSE BILL NO. 481

HOUSE OF REPRESENTATIVES
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REGISTRATION UNIT BILLS AND INDEX SERVICE

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Introduced by Honorable **MARK A. VILLAR**

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**AN ACT**  
**MANDATING A TWO THOUSAND PESO (P2,000.00) 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"**

**EXPLANATORY NOTE**

Article XIII of the our Constitution provides that "The Congress shall give highest priority to the enactment of measures that protect and enhance the right of all the people to human dignity, reduce social, economic, and political inequalities, and remove cultural inequities by equitably diffusing wealth and political power for the common good."

The Social Security System (SSS) announced a five percent (5%) across-the-board pension increase for its 1.9 million retired members effective June, 2014. However, the said increase is too small to meet skyrocketing expenses.

A large number of SSS pensioners have been experiencing difficulties owing to the continuing escalation of the cost of living in the country and inflation. Sadly, the amount these retirees receive as their monthly pension is inadequate to meet even the most basic needs. How will they even afford to buy their medicine?

Under the 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. The average pension received, as of April 2015, is Three thousand one hundred sixty-nine pesos (P3,169.00).

Last January, the enrolled House Bill No. 5842, which provides for a Two thousand peso (P2,000.00) across-the-board increase in the monthly pension of SSS pensioners and adjustment of the minimum monthly pension from One thousand two hundred pesos (P1,200.00) to Three thousand two hundred pesos (P3,200.00) for members who have

contributed the equivalent of ten (10) credited years of service, and from Two thousand four hundred pesos (P2,400.00) to Four thousand pesos (P4,000.00), for those with at least twenty (20) credited years of service.

Thereafter, a number of lawmakers planned to override the veto. However, no voting was held, as the possibility of overriding the veto was not taken up despite the existence of a quorum.

We must aid our lolos and lolas as much as we can. Let us remember that these are the people who worked hard all their lives in order to provide for their children and give them a future. Now is our chance to give back.

At the same time, we must also consider measures that may promote the bolstering of the durability and stability of the SSS to ensure that the myriad of future pensioners can still avail of the benefits provided by the law.

In view of the social justice thrust of our Constitution, this bill seeks to increase the current SSS pension by Two thousand pesos (P2,000.00) to make it more responsive to the basic necessities of SSS pensioners.

In light of the foregoing, immediate passage of this bill is earnestly sought.



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*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 (P2,000.00) across-the-board increase in the monthly pensions under the Social Security System.

**SEC. 2.** Section 12 of Republic Act No. 1161, as amended by Republic Act No. 8282, otherwise known, as the Social Security Act 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 (10) years; or

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

(3) One thousand pesos (P1,000.00): 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 (P1,200.00)] **THREE THOUSAND TWO HUNDRED PESOS (P3,200.00)** for members with at least ten (10) credited years of service and [Two thousand four hundred pesos (P2,400.00)] **FOUR THOUSAND FOUR HUNDRED PESOS (P4,400.00)** 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 at least two (2) national newspapers of general circulation, whichever comes earlier.

Approved,