



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



EIGHTEENTH CONGRESS
Second Regular Session

HOUSE BILL NO. 8304

Introduced by CIBAC Party-List Representatives
EDUARDO "BRO. EDDIE" C. VILLANUEVA and DOMINGO C. RIVERA

AN ACT
MANDATING THE SUSPENSION OF THE SCHEDULED INCREASE
IN SOCIAL SECURITY CONTRIBUTION RATE, AMENDING FOR THE
PURPOSE SECTION 4 OF REPUBLIC ACT NO. 11199, OTHERWISE
KNOWN AS THE "SOCIAL SECURITY ACT OF 2018," AND FOR
OTHER PURPOSES

The pandemic has gravely affected the lives of the millions of Filipinos—especially the Filipino laborers, who had already been fraught with many challenges even before the ills of COVID-19 started.

National figures show that unemployment crisis in the country has exacerbated. This is primarily due to companies temporarily suspending operations or permanently shutting down. Latest statistics show that:

- About 3.8 million Filipinos are unemployed according to October 2020 Labor Force Survey, which equals to 8.7% unemployment rate, as opposed to the 4.6% rate in the same period last year.
- About 27.3 million Filipinos or 45.5% of the labor force lost their jobs during the pandemic.¹

Even those who have managed to keep their jobs have had to let go some benefits because of alternative work arrangements. Reduced workdays and forced leaves result to lower pays in the middle of a global pandemic.

Similarly, companies and employers were left with little to no choice, as they were also forced to shut down or downsize their workforce because of government-imposed lockdowns.

¹ SWS July 3-6 2020 National Mobile Phone Survey. Issued on August 16, 2020. Social Weather Stations.

In truth, both laborers and employers who are reeling from the debilitating effects of a pandemic must be provided with opportunities and resources to fully get back on their feet. This is what this bill seeks to achieve by suspending the mandated increase in social security contribution rate *in the event of a pandemic*. This respite from increased expenses both from the employees' and employers' side will provide them their much needed resources not just to survive, but more so to recover, during a pandemic.

Acknowledging all this, the passage of this bill is earnestly sought.


HON. EDUARDO "BRO. EDDIE" C. VILLANUEVA


HON. DOMINGO C. RIVERA



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

1 **SECTION 1. Suspension of SSS Contribution Increase.** – Section 4 of Republic Act
2 No. 11199, otherwise known as the "Social Security Act of 2018," is hereby amended
3 to read as follows:

4 **SEC. 4. Powers and Duties of the Commission and SSS.** –

5 XXX

6
7
8
9 (9) To implement the rate of contributions as well as the minimum and
10 maximum monthly salary credits in accordance with the following schedule
11 effective January of the year of implementation as follows:

12

		Share	Monthly Salary Credit
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Year of Implementation	Contribution Rate	Employee	Employer	Minimum	Maximum
2019	12%	8%	4%	P 2,000.00	P 20,000.00
2020	12%	8%	4%	P 2,000.00	P 20,000.00
2021	13%	8.5%	4.5%	P 3,000.00	P 25,000.00
2022	13%	8.5%	4.5%	P 3,000.00	P 25,000.00
2023	14%	9.5%	4.5%	P 4,000.00	P 30,000.00
2024	14%	9.5%	4.5%	P 4,000.00	P 30,000.00
2025	12%	10%	5%	P 5,000.00	P 35,000.00

1
2 *Provided*, That the domestic workers or kasambahays as defined under
3 Republic Act No. 10361 or the Batas Kasambahay who are receiving a monthly
4 income lower than minimum monthly salary credit prescribed under this Act
5 shall pay contributions based on their actual monthly salary: *Provided, further*,
6 That members, who are subject to compulsory coverage and receiving a
7 monthly income lower than the minimum monthly salary credit or more than the
8 maximum monthly salary credit, and their employers, shall pay the SSS
9 contributions based on the current minimum monthly salary credit or the
10 maximum monthly salary credit, respectively, as provided in this Act;
11 *PROVIDED, FINALLY*, THAT IN THE EVENT OF A PANDEMIC, THE
12 INCREASE IN CONTRIBUTION RATE PROVIDED UNDER THIS
13 SUBSECTION SHALL BE SUSPENDED, AND THEREAFTER, THE
14 MANDATED INCREASE SHALL BE IMPLEMENTED ON THE YEAR
15 FOLLOWING THE CESSATION OF THE PANDEMIC, AND ALL
16 SUCCEEDING INCREASE IN CONTRIBUTION SHALL BE IMPLEMENTED IN
17 THE FOLLOWING YEARS ACCORDINGLY.

18
19 **SECTION 2. Continuity of SSS Benefits.** – Nothing in this Act shall be construed to
20 diminish any benefits, entitlements or privileges granted to members of the Social
21 Security System.

22
23 **SECTION 3. Implementing Rules and Regulations.** – The Social Security
24 Commission shall promulgate the necessary rules and regulations to implement this
25 Act not later than sixty (60) days after its effectivity.

26
27 **SECTION 4. Separability Clause.** – Any portion or provision of this Act that is
28 declared unconstitutional or invalid shall not have the effect of nullifying other portions
29 or provisions hereof as long as such remaining portions can still subsist and be given
30 effect in their entirety.

31
32 **SECTION 5. Repealing Clause.** – All laws, ordinances, rules, regulations, other
33 issuances, or parts thereof, which are inconsistent with this Act, are hereby repealed
34 or modified accordingly.

1 **SECTION 11. Effectivity.** – This Act shall take effect fifteen (15) days after its
2 publication in the Official Gazette or in a newspaper of general circulation.

3

4 **Approved,**