

) Office of the Secretary  
)  
13 FEB -6 7:10

SENATE  
S. B. NO. **3405**

(In Substitution of Senate Bill Nos. 544, 2883 and 2964)

Prepared and submitted jointly by the Committees on Government Corporations and Public Enterprises; and Labor, Employment and Human Resources Development with Senators Ejercito Estrada, Villar, Marcos, Jr., and Recto as authors thereof.

**AN ACT**  
**INCREASING PENSIONS 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 the House of Representatives of the Philippines in Congress assembled:*

1           **SECTION 1.** Section 12 of Republic Act No. 1161, as amended by Republic Act No.  
2   8282, is hereby further amended to read as follows:  
3                   "SEC. 12. *Monthly Pension* – (a) The monthly pension shall be the  
4                   highest of the following amounts:  
5                   " (1) The sum of the following:  
6                   " (i) Three hundred pesos (P300); plus  
7                   " (ii) Twenty percent (20%) of the average monthly salary credit; plus  
8                   " (iii) Two percent (2%) of the average monthly salary credit for each  
9                   credited year of service in excess of ten (10) years; or  
10                   " (2) Forty percent (40%) of the average monthly salary credit; or  
11                   " (3) One thousand pesos (P1,000.00): Provided:, That the monthly  
12                   pension shall be in no case be paid for an aggregate amount of less than sixty  
13                   (60) months.  
14                   " (b) Notwithstanding the preceding paragraph, the minimum pension  
15                   shall be One thousand two hundred pesos (P1,200.00) for members with at  
16                   least ten (10) credited years of service and Two thousand four hundred pesos

1 (P2,400.00) for those with twenty (20) credited years of service: *Provided,*  
2 **That the minimum monthly pension provided herein shall be increased by**  
3 **Five Hundred Pesos (P500.00): *Provided, further,* That the Commission**  
4 **shall also increase the monthly pensions of all other pensioners by Five**  
5 **Hundred Pesos (P500.00).**

6 **SEC. 2. *Separability Clause.*** – Should any provision of this Act or any part thereof be  
7 declared invalid, the other provisions, so far as they are separable from the invalid ones, shall  
8 remain in force and effect.

9 **SEC. 3. *Repealing Clause.*** – Any law, presidential decrees, executive orders,  
10 proclamations or administrative regulations that are inconsistent with the provisions of this  
11 Act are hereby amended, modified, superseded, or repealed accordingly.

12 **SEC. 4. *Effectivity.*** - This Act shall take effect fifteen (15) days after its publication in  
13 the Official Gazette or in at least two (2) newspapers of general circulation.

14 *Approved.*