

SIXTEENTH CONGRESS OF THE REPUBLIC )  
OF THE PHILIPPINES )  
First Regular Session )



Senate  
Office of the Secretary

'13 JUL -4 AIO :16

SENATE

S. No. 451

RECEIVED BY: *ju*

Introduced by Senator Ralph G. Recto

### Explanatory Note

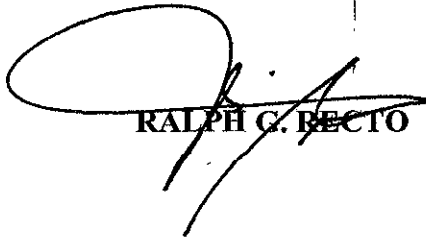
Section 2 of Republic Act (R.A.) No. 1161, as amended by R.A. No. 8282 or the Social Security Act of 1997 provides that, "*It is the policy of the state to establish, develop, promote and perfect a sound and viable tax-exempt social security system suitable to the needs of the people throughout the Philippines, which shall promote social justice and provide meaningful protection to members and beneficiaries against the hazards of disability, sickness, maternity, old age, death and other contingencies resulting in loss of income or financial burden*".

As of 2012, there are about 1.6 Million pensioners benefiting from the Social Security System (SSS). In accordance with Section 12(b) of R.A. No. 8282, a minimum monthly pension of PhP1,200.00 shall be provided to those with at least ten (10) creditable years of service and PhP2,400.00 to those with at least twenty (20) years of creditable years of service. Those who have retired under the previous SSS Law are receiving even smaller amounts of monthly pension.

Considering the escalating cost of living, the meager amount of monthly pension that the SSS pensioners receive is no longer adequate to support even their basic needs. It is an unfortunate reality that the monthly pension from SSS has become insufficient for the monthly food sustenance and maintenance medicines of pensioners who are old and mostly suffering from various medical conditions.

This bill intends to alleviate such condition by providing an across-the-board increase in the monthly pension of all SSS pensioners by Five Hundred Pesos (PhP500.00), regardless of the effectivity of their retirement. It is hoped that this increase in the monthly pension of SSS pensioners will, to some extent, help them support their basic necessities in life.

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

  
RALPH G. RECTO



13 JUL -4 AIO :16

SENATE

S. No. 451

RECEIVED BY: *[Signature]*

Introduced by Senator Ralph G. Recto

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 highest of the  
4 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 pension  
12 shall be in no case be paid for an aggregate amount of less than sixty (60) months.

13 "(b) Notwithstanding the preceding paragraph, the minimum pension shall  
14 be One thousand two hundred pesos (P1,200.00) for members with at least ten (10)  
15 credited years of service and Two thousand four hundred pesos (P2,400.00) for those  
16 with twenty (20) credited years of service: **Provided, That the minimum monthly**  
17 **pension provided herein shall be increased by Five Hundred Pesos (P500.00):**  
18 **Provided, further, That the Commission shall also increase the monthly pensions of**  
19 **all other pensioners by Five Hundred Pesos (P500.00).**

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

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

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

*Approved,*