


FOURTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)

8 OCT 30 2008

SENATE

RECEIVED BY: 

P. S. Res. No. 734

INTRODUCED BY SENATOR VILLAR

RESOLUTION

URGING THE SENATE COMMITTEE ON BANKS, FINANCIAL INSTITUTIONS AND CURRENCIES AND OTHER APPROPRIATE COMMITTEES TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, INTO THE RISING NUMBER OF CREDIT CARD USERS WITH UNPAID BILLS DUE TO ACCELERATING INFLATION WITH THE END IN VIEW OF DRAWING UP POLICIES TO ENCOURAGE PAYMENTS AMONG DELINQUENT PAYERS WHILE ALSO EASING THEIR FINANCIAL BURDEN

Whereas, there are three to four million credit cards holders in the Philippines;

Whereas, Bangko Sentral ng Pilipinas (BSP) said credit card receivables grew 6.2 percent to P122.6 billion at end-June 2008 from P115.417 billion in the previous quarter;

Whereas, commercial banks accounted for 81.2 percent or P99.5 billion of the total credit card receivables outstanding, while their card subsidiaries held 14.7 percent or P18 billion, and non-linked thrift lenders accounted for the balance of 4.1 percent or 5.1 billion;

Whereas, BSP added bad loans inched up to 11.6 percent from 10.2 percent over the same period, due to the rise in non-performing credit card obligations;

Whereas, credit card obligations are the least prioritized in the household budget and often go unpaid, causing greater risk on the part of the credit card holder as interests escalate with each missed payment;

RESOLVED, as it is hereby resolved, to urge the Senate Committee on Banks, Financial Institutions and Currencies and other appropriate committees to conduct an inquiry, in aid of legislation, into the rising number of credit card users with unpaid bills due to accelerating inflation with the end in view of drawing up policies to encourage payments among delinquent payers while also easing their financial burden.

Adopted,


MANNY VILLAR
Senator