

10TH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
First Regular Session)

'95 DEC -5 P5:56

SENATE

RECEIVED BY: PH

S. No. 1301

Introduced by Senator Raul S. Roco

EXPLANATORY NOTE

Republic Act No. 1161 otherwise known as the "Social Security Law" was enacted on 18 June 1954.

While the law has undergone several amendments, Section 12 thereof still provides for a minimum monthly pension of two hundred pesos.

The increased cost of living, especially in the price of food and medicines necessitates a review of the said provision.

The attached bill seeks to provide a more realistic pension package for members of the Social Security System (SSS). Initially the minimum will be raised to ₱2,000.00. This will be increased annually by ₱500.00 until the minimum pension is increased to ₱5,000.00 a month.

The attached bill seeks to complement an earlier bill filed by this Representation granting SSS members the option to avail of a five year lump sum benefit.

In behalf of the countless SSS members who requested this Representation for legislation increasing their pension benefits, early passage of the bill is urged.



RAUL S. ROCO
Senator

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AN ACT
INCREASING PENSIONS UNDER THE SOCIAL SECURITY SYSTEM
AMENDING FOR THE PURPOSE SECTION 12 OF THE SOCIAL
SECURITY LAW

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

1 **SECTION 1.** Section 12 of Republic Act No. 1161, as amended,
2 is hereby further amended to read as follows:

3 **"SEC. 12. Monthly Pension--**(a) The monthly pension
4 shall be the sum of the following:

5 The average monthly salary credit multiplied by
6 the replacement ratio; and

7 One and a half percent of the average monthly
8 salary credit each credited year of service in excess
9 of ten years.

10 "(b) The monthly pension benefit shall in no case
11 be less than [two hundred] TWO THOUSAND PESOS
12 (₱2,000.00) nor paid in an aggregate amount of less
13 than sixty times the monthly pension except to a
14 secondary beneficiary: [Provided, That the monthly
15 pension of surviving pensioners as of December 31, 1986
16 shall be increased by twenty percent] PROVIDED, THAT IN
17 THE SUCCEEDING YEARS STARTING JANUARY, 1997, SAID TWO
18 THOUSAND PESOS (₱2,000.00) MONTHLY PENSION BENEFIT
19 SHALL BE INCREASED ANNUALLY BY FIVE HUNDRED PESOS

1 (P500.00) PER MONTH UNTIL THE MINIMUM MONTHLY PENSION
 2 SHALL BE FIVE THOUSAND PESOS (P5,000.00) PER MONTH:
 3 PROVIDED, FURTHER, THAT THE COMMISSION SHALL EQUITABLY
 4 ADJUST THE MONTHLY PENSIONS OF OTHER ENTITLED MEMBERS
 5 OR BENEFICIARIES WHOSE MONTHLY PENSIONS ARE HIGHER THAN
 6 THE MINIMUM MONTHLY PENSION HEREBY ESTABLISHED TO
 7 PRESERVE THE INTEGRITY OF THE PENSION PROGRAM."

8 **SECTION 2** This Act shall take effect fifteen (15) days
 9 after its complete publication in the Official Gazette or in
 10 at least two (2) national newspapers of general circulation
 11 whichever comes earlier.

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