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SENATE

S. B. NO. 243

Introduced by Senator Alberto G. Romulo

EXPLANATORY NOTE

SECTION 9, Article II of the Constitution reads:

"The State shall promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life for all."

Based on the latest NEDA figures, the consumer price index (CPI) rose by 5.7% from January to May 1995 or an increase of 13.1% for the same period in 1994. The increase further erodes the purchasing power of the peso.


Those hardest hit by rising prices are the fixed-income earners particularly the thousands of government and private sector retirees with low monthly pensions.

As of December 1990, 331,389 pensioners are enrolled in the Social Security System. Since most of them still receive a minimum pension of ₱500.00 per month, it is high time the pensions are increased to enable the pensioners to cope better with the high cost of living.

Hence, this bill to increase the pensioner's minimum monthly pension under the Social Security System (SSS) to Five thousand pesos (₱5,000) per month is simply a matter of social justice.

In Justice Laurel's words

"Social justice means the promotion of the welfare of the people, the adoption by the Government of measures calculated to insure economic stability of all the component elements of society through maintenance of a proper economic and social equilibrium in the interrelations of the members of the community constitutionally, through the adoption of measures legally justifiable, or extra-constitutionally, through the exercise of powers underlying the existence of all governments on the time-honored principle of *salus populi est supreme lex* (Let the welfare of the people be the supreme law.)"


ALBERTO G. ROMULO
Senator

10TH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
FIRST REGULAR SESSION)

SENATE

S. B. NO. 243

Introduced by Senator Alberto G. Romulo

AN ACT
ADJUSTING PENSIONS UNDER THE SOCIAL SECURITY SYSTEM TO A
MINIMUM LEVEL OF FIVE THOUSAND PESOS (P5,000) UNDER AN
ECONOMIC ADJUSTMENT PENSION PROGRAM

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

SECTION 1. It is hereby declared the policy of the State to provide adequate social services, a rising standard of living, and an improved quality of life for all. Towards this end, the minimum monthly pension under the Social Security System is hereby adjusted to Two thousand pesos (P2,000.00) in order to assist the pensioners in meeting the basic necessities in life. *Provided.* That in the succeeding years starting January, 1997, said Two thousand pesos (P2,000.00) monthly pension shall be increased annually by not less than Five hundred pesos (P500) per month until total monthly pension shall be at least Five thousand pesos (P5,000.00) per month.

SEC. 2. Any law to the contrary notwithstanding, the minimum monthly pension under the Social Security System shall be Two thousand pesos (P2,000.00). *Provided.* That in the succeeding years starting January, 1997, said Two thousand pesos (P2,000.00) monthly pension shall be increased annually by not less than Five hundred pesos (P500) per month until total monthly pension shall be at least Five thousand pesos (P5,000.00) per month.

Funds for this program shall be derived from the Reserve Fund of the Social Security System.

SEC. 3. The Administrator of the Social Security System shall promulgate the rules and regulations necessary to implement the provisions of this Act.

SEC. 4. This Act shall take effect upon its approval and publication in at least two (2) newspapers of general circulation.

Approved,