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SENATE
P.S. RES. NO. 487

RECEIVED BY: 

Introduced by Senator Manny B. Villar

RESOLUTION

URGING THE COMMITTEES ON GOVERNMENT CORPORATIONS AND PUBLIC ENTERPRISES AND CIVIL SERVICE AND GOVERNMENT REORGANIZATION TO CONDUCT AN INQUIRY IN AID OF LEGISLATION, ON THE FINANCIAL VIABILITY OF THE GOVERNMENT SERVICE INSURANCE SYSTEM (GSIS) AND ITS LONG TERM SUSTAINABILITY TO SUPPORT ITS GROWING RETIREES AND MEMBERS WITH THE END IN VIEW OF ASSURING THE CONSTITUENTS AND THE STAKEHOLDERS OF THE PROPER MANAGEMENT OF THE GSIS

Whereas, the Government Service insurance System (GSIS) is a social insurance institution created under Commonwealth Act Number 186 in 14 November 1936 and which was later amended under Republic Act No. 8291 in 24 June 1997 to cater to all employees of the Philippine government;

Whereas, to date, the GSIS has over 1.7 million members and pensioners;

Whereas, there are numerous programs that the GSIS provides for the benefit its members such as life insurance, retirement, disability, EC benefit, burial, survivorship, and several types of loans i.e. Conso, policy, emergency, cash advance and housing loan;

Whereas, GSIS General Manager Robert Vergara claims that GSIS is strong and thriving as the GSIS has an estimated assets of 550 billion;

Whereas, despite this huge assets, there are reports on the suspension of its programs and the liquidation of its assets;

Whereas, for instance, the GSIS housing loan, which was made available as early as 1954 to its members, is now suspended by the GSIS effective 28 April 2011;

Whereas, also the GSIS went into educational plan business in 1993 but these plans were later subjected to a compromise for reimbursements as their studies showed that there will be a shortage of 15 to 16 billion in the fund for education;

Whereas, GSIS is reported to auction off its art works — which include Juan Luna's 'Parisian Life' worth P200 million— and its real estate properties located in Fort Bonifacio — which include a 1,600 square meter (sqm) lot along Mckinley Parkway, and the 8,332 sqm on Rizal Drive — and properties in Ortigas — which include the Metro Manila Development

Authority property along Julia Vargas and the Philcomcen Building on ADB Avenue — to service the GSIS' housing loans and educational plans;

Whereas, the above events can be a foretelling of a yet greater and deeper issues facing GSIS;

Whereas, in the interest of the public and the millions of current and retired government employees it services, it is necessary that the true status of the GSIS is delved into to arrest any impending issues and dissipate the growing fears and dissatisfaction from its members;

NOW, THEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED, to urge the Committees on Government Corporations and Public Enterprises and Civil Service and Government Reorganization to conduct an inquiry in aid of legislation, on the financial viability of the Government Service Insurance System (GSIS) and its long term sustainability to support its growing retirees and members with the end in view of assuring the constituents and the stakeholders of the proper management of the GSIS.

Adopted,



Manny Villar