

RS-09

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

13th Congress
First Regular Session

HOUSE BILL NO. 1488



Introduced by Congressman Abayon

EXPLANATORY NOTE

The attached bill seeks to increase the pension of retirees under the Government Service Insurance System (GSIS) to a minimum of six thousand pesos (P6,000.00) a month and providing for annual increases of not less than one thousand pesos (P1,000.00) until total monthly pension shall amount to twelve thousand pesos (P12,000.00).

Based on the latest NEDA figures, the inflation rate rose to 8.4% in December 1998, from 6.2% in July of the same year. The increase further erodes the purchasing power of the peso.

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

As of September 1995, 128,427 pensioners are listed in the GSIS and are receiving a minimum pension of one thousand four hundred pesos (P1,400.00) a month. It is high time the pensions are increased to enable the pensioners to cope better with the high cost of living, which is in pursuance to Section 9, Article II of the Constitution, which 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."

In view of the foregoing, approval of the bill is earnestly requested.


HARLIN CAST. ABAYON

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AN ACT
ADJUSTING PENSIONS UNDER THE GOVERNMENT SERVICE INSURANCE
SYSTEM TO A MINIMUM LEVEL OF TWELVE THOUSAND PESOS (P12,000.00)
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 improved quality of life for all. Towards this end, the monthly pension due retired government personnel should be adjusted periodically to enable them to cope with the rising standard of living.

SEC. 2. Any law to the contrary notwithstanding, the minimum monthly pension under the Government Service Insurance System shall be six thousand pesos (P6,000.00): Provided, That in the succeeding years starting January 2005, the monthly pension shall be increased annually, for five years, by not less than one thousand pesos (P1,000.00).

Funds for this program shall be derived from the Reserve Fund of the Government Service Insurance System.

SEC. 3. The General Manager of the Government Service Insurance System shall promulgate rules and regulations necessary to implement the provisions of this Act.

SEC.4. This Act shall take effect fifteen (15) days after its publication in at least two (2) daily newspapers of general circulation.

Approved,