Republic of the Philippines HOUSE OF REPRESENTATIVES Ouezon City

EIGHTEENTH CONGRESS First Regular Session

HOUSE BILL NO. 241



Introduced by
BAYAN MUNA Representatives CARLOS ISAGANI T. ZARATE,
FERDINAND R. GAITE and EUFEMIA C. CULLAMAT

AN ACT INCREASING THE MONTHLY SOCIAL PENSION OF SENIOR CITIZENS EXPANDING THE COVERAGE THEREOF

EXPLANATORY NOTE

More than ninety percent of our population continues to work hard for a living.

The Philippine Statistics Authority (PSA) reported that Philippine GDP grew at its slowest in 16 quarters at 5.6% in the first quarter of 2019 since the 2015 first quarter GDP growth rate of 5.1%. This is slower than the 2018 first quarter GDP growth of 6.5 percent.

According to the independent think-tank IBON, the slower gross domestic product (GDP) growth during the first quarter of 2019 belies any claim of a healthy Philippine economy. Agriculture had stagnant growth in the last three years, while manufacturing and real estate registered the slowest first quarter growth in the past decade.

Agriculture registered 1.7 million jobs lost from January 2018 to January 2019, the largest contraction of agriculture jobs across all January rounds post-Marcos administration. Manufacturing created only 110,000 jobs in the same period, only a fourth of the seasonal jobs created in construction.

The prospects for the majority of Filipinos can only worsen with slowing growth. Additional taxes and very low wages have further decreased the income of the poorest sectors of the society. What is worse though is that one sector heavily affected by this situation are our senior citizens or the elderly.

There is therefore a felt need to provide our senior citizens additional and better benefits than what are presently provided under present laws, especially now that with old age their health starts to fail, yet they could no longer or they are hard put to provide for themselves.

The proportion of the older population is rising worldwide. The same is happening in the Philippines where from 3.7 million or 5.4% of the population in 1995, the senior citizen population has increased to 5.8 million or 6.5% of the population as of 2010. Now based on Department of Social Welfare and Development (DSWD) data there are around 3 million indigent senior citizens in the country and the benefits they are getting are quite dismal.

Based on the study of Coalition of the Services of the Elderly (COSE), only 17% of senior citizens receive social pension at P500, while majority or 54% do not receive any pension at all. Even among those who are receiving pension (SSS, GSIS and others), for SSS pensioners in particular, a third or 34% receive less than P2,000/month while more than half or 52% receive less than P3,000.

According to the Philippine Statistics Authority, poverty incidence among Filipino families in the first semester of 2018 was estimated at 16.1%¹. But these figures are based on a very low poverty threshold set by the government which was P10,481/month for a family of five, or P69.87/day or P2,096/month/person. Even this very low poverty threshold shows how inadequate the present social pension is.

This bill was first filed in the 17th Congress in response to the clamor of indigent senior citizens. It was approved at the committee level.

The immediate passage of this bill, thus, is earnestly sought.

Approved,

REP. CARLOS ISAGANI T. ZARATE
BAYAN MUNA Partylist

REP. FERDINAND R. GAITE BAYAN MUNA Partylist REP. EUFEMIA C. CULLAMAT
BAYAN MUNA Partylist

¹ https://psa.gov.ph/poverty-press-releases/nid/138411

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

Section 1. Section 2 of Republic Act No. 7432, as amended by Republic Act No. 9257, further amended by Republic Act No. 9994, otherwise known as the "Expanded Senior Citizens Act of 2010", is hereby further amended to read as follows:

"Sec. 2. Definition of Terms. – For purposes of this Act, these terms are defined as follows:

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- ["(h) Indigent senior citizen, refers to any elderly who is frail, sickly or with disability, and without pension or permanent source of income, compensation or financial assistance from his/her relatives to support his/her basic needs, as determined by the Department of Social Welfare and development (DSWD) in consultation with the National Coordinating and Monitoring Board."]
- "(h) SOCIAL PENSION REFERS TO THE MONTHLY STIPEND OR MONETARY GRANT FROM THE GOVERNMENT TO AUGMENT THE DAILY SUBSISTENCE AND OTHER MEDICAL NEEDS OF SENIOR CITIZENS WHICH SHALL NOT BE LESS THAN ONE THOUSAND PESOS (P1,000) PER MONTH."

Section 2. Section 5 of the same Act, as amended, is hereby further amended to read as follows:

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"(h) Additional Government Assistance

"(1) Social Pension

"[Indigent] ALL senior citizens WITHOUT PENSION OR WHO ARE RECEIVING PENSION IN THE AMOUNT OF FIVE THOUSAND PESOS (PHP5,000) AND BELOW FROM GOVERNMENT SERVICE INSURANCE SYSTEM (GSIS), SOCIAL SECURITY SYSTEM (SSS) AND PENSION AND GRATUITY MANAGAMENT (PGMC) shall be entitled to a monthly stipend OF AT LEAST [amounting to Five hundred pesos (Php500)] ONE THOUSAND PESOS (PhP1,000.00) to augment the daily subsistence and other medical needs of senior citizens, WHICH AMOUNT SHALL BE [subject to a review] REVIEWED every two (2) years by Congress, in consultation with the COMMISSISON ON SENIOR CITIZENS OR IN THE ABSENCE THEREOF, the DSWD, TAKING INTO ACCOUNT THE NATIONAL INFLATION RATE AND OTHER RELEVANT ECONOMIC INDICATORS.

ANY SENIOR CITIZEN MAY OPT NOT TO RECEIVE THE MONTHLY SOCIAL PENSION AND DONATE TO THE OSCA OR TO ANY GOVERNMENT-ACCREDITED NON-GOVERNMENT ORGANIZATION (NGO) FOR SENIOR CITIZEN OPERATING IN THE SAME CONGRESSIONAL DISTRICT WHERE THE DONOR RESIDES. PROVIDED, THAT THE DONATION SHALL BE UTILIZED TO AUGMENT THE MEDICAL NEEDS OF THE SENIOR CITIZENS IN THE CONGRESSIONAL DISTRICT WHERE THE OSCA AND THE GOVERNMENT-ACCREDITED NGO FOR SENIOR CITIZENS ARE SITUATED.

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Section 3. If any provision of this Act is declared invalid or unconstitutional, the other provisions not affected thereby shall continue to be in full force and effect.

Section 4. All laws, decrees, executive orders, or rules and regulations, contrary to or inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

Section 5. This Act shall take effect fifteen (15) days after publication in the Official Gazette or in any newspaper of general circulation.

Approved,