

SEVENTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)



Senate
Office of the Secretary

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SENATE

P. S. Res. No. 57

INTRODUCED BY:

Introduced by Senator Ralph G. Recto

A RESOLUTION

DIRECTING THE APPROPRIATE SENATE COMMITTEE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE VIABILITY OF THE PREVAILING PENSION PROGRAMS OF THE MILITARY AND OTHER UNIFORMED PERSONNEL ORGANIZATIONS, WITH THE INTENT OF ENSURING EQUITABLE ALLOCATION OF GOVERNMENT RESOURCES, ADEQUATE BENEFITS AND ASSISTANCE TO FILIPINO PENSIONERS, AND THE SUSTAINABILITY OF GOVERNMENT PENSION PROGRAMS

WHEREAS, the State is mandated, pursuant to Section 7 Article XVI of the 1987 Constitution, to provide immediate and adequate care, benefits, and other forms of assistance to war veterans and veterans of military campaigns, their surviving spouses and orphans;

WHEREAS, the Philippine Government upholds such policy through the annual appropriation for pension and other benefits for war veterans, military pensioners and their qualified dependents;

WHEREAS, the government appropriations for military and other uniformed personnel pension increased by 206.26% from P24.915 billion in 2005 to P76.308 billion in 2016ⁱ;

WHEREAS, estimates made by the Department of Budget and Management (DBM) in 2011 show that the cost of providing pension for more than 142,000 military and other uniformed personnel could actually reach an amount in excess of P111.045 billion in 2016ⁱⁱ;

WHEREAS, the estimates provided by the DBM is about 153.63% of the base pay for 314,932 filled military and other uniformed personnel positions for FY 2016ⁱⁱⁱ;

WHEREAS, despite the annual appropriations for military and other uniformed personnel pension, the Philippine government still owes some 19 billion pesos worth of pension arrears accumulated from 2000 to 2013 to more than 125,000 retired military officers and soldiers^{iv};

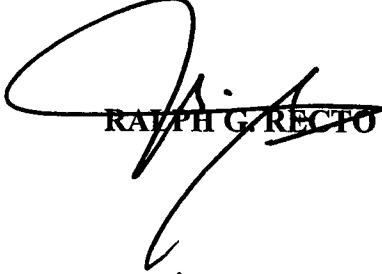
WHEREAS, the Secretary of Budget and Management has raised the question on the sustainability of financing the pension program for the military and other uniformed pensioners and opined that drastic reform is needed in order to reduce the hemorrhaging of the budget due to ballooning pension payments^v;

WHEREAS, the failure to institutionalize a pension reform program would pose a serious threat on the sustainability of government finances and on the solvency of the military pension program for pensioners and new entrants in the uniformed service;

WHEREAS, pension reform for military and other uniformed personnel requires a more stable institutional framework that is responsive not only to the needs of Filipino veterans and military pensioners but also to the fiscal realities of our times, the limitation of government resources, and the needs of an active military and other similar organizations;

NOW THEREFORE, BE IT RESOLVED, by the Philippine Senate, to direct the appropriate Senate Committee to conduct an inquiry, in aid of legislation, on the viability of the prevailing pension programs of the military and other uniformed personnel organizations, with the intent of ensuring equitable allocation of government resources, adequate benefits and assistance to Filipino pensioners, and the sustainability of government pension programs.

Adopted,



RALPH G. RECTO

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ⁱ Comparison between appropriations made under Pension and Gratuity fund under General Appropriations Act for FY 2005 and 2016.

ⁱⁱ Department of Budget and Management. (2011 October 10). DBM proposes measures to rationalize military and police pension to abet military pension crisis in 2016. Accessed on 2016 July 18 at www.gov.ph/2011/10/10/dbm-proposes-measures-to-rationalize-military-and-police-pension-to-abet-military-pension-crisis-in-2016.

ⁱⁱⁱ FY 2016 Appropriations for military and other uniformed personnel base pay amounts to P 72.279 billion.

^{iv} Cahiles, G. (2016 February 23). Retired police, military officers lament alleged exclusion from compensation increase for gov't employees. Accessed on 2016 July 18 at cnnphilippines.com/news/2016/02/23/retired-police-military-exclusion-salary-increase.html

^v Diokno, B. E. (2013 August 17). Military Pension. Accessed on 2016 July 18 at www.econ.upd.edu.ph/perse/?p=2952.