

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

SENATE
P.S. Resolution No. 583

18 JAN 16 10:23

Introduced by: Senator Paolo Benigno "Bam" A. Aquino IV

**A RESOLUTION
DIRECTING THE APPROPRIATE SENATE COMMITTEE TO CONDUCT AN
INQUIRY, IN AID OF LEGISLATION, INTO THE PROVISIONS OF THE
PORTABILITY LAW AND ITS GUIDELINES FOR IMPLEMENTATION**

WHEREAS, Article XV, Section 4 of the Philippine Constitution declares that it is the duty of the family to take care of its elderly members while the State may design programs of social security for them;

WHEREAS, in accordance with Republic Act No. 7699, otherwise known as "The Portability Law," it is the declared policy of the State "to promote the welfare of our workers by recognizing their efforts in productive endeavors and to further improve their conditions by providing benefits for their long years of contribution to the national economy;"

WHEREAS, towards this end, the Portability Law sought to institute a limited portability scheme in the social security systems by totalizing the workers' creditable services or contributions in each of the systems of the Social Security System (SSS) and Government Service Insurance System (GSIS) "with the view of establishing within a reasonable period a unitary social security system;"

WHEREAS, the implementation of the Portability Law supports our retired workers, particularly our senior and elderly citizens who have worked both in the private and public sector, by allowing them to fully enjoy the benefits given by SSS and GSIS. This is consistent with the declared State policy provided in Republic Act No. 7432, otherwise known as the "Expanded Senior Citizens Act of 2003," to "give full support to the improvement of the total well-being of the elderly and their full participation in society, considering that senior citizens are an integral part of Philippine society;"

WHEREAS, despite the positive impact already felt by eligible workers from the Portability Law, there have been concerns and questions raised regarding

provisions in the Implementing Rules and Regulations (IRR) promulgated by the concerned agencies that may be inconsistent or contrary to the provisions of the Portability Law;

WHEREAS, it has been noted that the Portability Law does not define the "other benefits" that may be availed by eligible workers from either or both Systems from totalizing their creditable services or contributions in accordance with the law's provisions. On the otherhand, Rule III, Section 1(j) of the IRR of The Portability Law limits the coverage of "other benefits" to the following: (a) Sickness benefit, (b) Medicare benefit, provided that the member shall claim said benefit from the System where he was last a member, and (c) only such other benefits found to be common to both Systems that may be availed of through totalization;

WHEREAS, given the lack of definition for "other benefits" in the Portability Law, some workers believe that the law intended to allow eligible workers to avail of all of the benefits provided by either or both Systems for which he or she is eligible for in accordance with the Portability Law. Based on their interpretation of the law, the IRR should not have limited the coverage of "other benefits" to include only benefits common to both Systems, in effect excluding benefits such as cash gifts that are only provided by the GSIS;

WHEREAS, Section 6 of the Portability Law clearly states that any conflict in the interpretation of the law and its IRR "shall be resolved in favor of the workers." On the otherhand, Rule VI, Section 3, of the promulgated IRR states that complaints and questions relative to the creditable services or periods of contributions as well as computation of benefits "shall be brought before the System concerned and shall be resolved in accordance with the policies and procedures adopted by the said System;"

WHEREAS, given the broadness of some provisions of the law and concerns regarding inconsistent provisions of the detailed IRR, there is a need to review the provisions of the Portability Law and its implementing guidelines to ensure that the law's intent to promote the welfare of our retired workers and provide the just benefits for the long years of service of our senior citizens are realized.

RESOLVED, AS IT IS HEREBY RESOLVED, by the Senate of the Philippines to direct the appropriate Senate Committee to inquire, in aid of legislation, into the provisions of the Portability Law and its guidelines for implementation.

Adopted,

