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SENATE  
P.S. Res 664

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Introduced by Senator Poe

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**RESOLUTION**

**DIRECTING THE SENATE COMMITTEE ON GOVERNMENT CORPORATIONS AND PUBLIC ENTERPRISES AND LABOR, EMPLOYMENT AND HUMAN RESOURCE DEVELOPMENT TO CONDUCT AN INQUIRY ON THE IMPLEMENTATION OF REPUBLIC ACT NO. 7699 OR THE PORTABILITY LAW, WITH THE END IN VIEW OF ADDRESSING THE SEEMING NON-COMPLIANCE OF THE STATE-RUN PENSION FUNDS AND REVIEWING THE EXISTING BENEFITS, INCLUDING PENSION, OF EMPLOYEES IN THE PUBLIC AND PRIVATE SECTORS**

**WHEREAS**, Article II, Section 18 of the 1987 Philippine Constitution states that “[T]he State affirms labor as a primary social economic force. It shall protect the rights of workers and promote their welfare”;

**WHEREAS**, Article XIII, Section 3 affirms the policy of the State to “full protection to labor, local and overseas, organized and unorganized, and promote full employment and equality of employment opportunities for all...”;

**WHEREAS**, Article XVI, Section 8 mandates that “[T]he State shall, from time to time, review to upgrade the pensions and other benefits due to retirees of both the government and the private sectors”;

**WHEREAS**, government employees as well as those in the private sector are entitled to a flurry of benefits, including retirement, under the Government Service Insurance System (GSIS) established under Commonwealth Act No. 186, as amended; and Social Security System (SSS) created under Republic Act (RA) No. 1161;

**WHEREAS**, employees have the option to combine both their GSIS and SSS creditable years of service to qualify for applicable retirement programs offered by both pension funds, as provided for under RA 7699 or the Portability Law of 1994;

**WHEREAS**, the government requires 15 years of service to qualify for GSIS pension, with 65 years as retirement age, while the private sector requires 10 years of service to qualify for pension from SSS, with 60 as retirement age;

**WHEREAS**, all creditable services or periods of contributions made continuously or in the aggregate of a worker under either of the sectors shall be added up and considered for purposes of eligibility and computation of applicable benefits;

**WHEREAS**, there have been numerous reports and complaints that not all retirees under the Portability Law are receiving the same benefits as other retirees under other pertinent laws pertaining to retirement, which may be tantamount to discrimination<sup>1</sup>;

**WHEREAS**, the GSIS continues to invoke Board Resolution Nos. 177 and 187 that the GSIS Board adopted in 2007 and 2009, respectively, on the non-entitlement of pensioners and retirees on the annual cash gift released at year-end, pension increase and milestone bonus for retirees who reach the ages of 90, 95 and 100<sup>2</sup>;

**WHEREAS**, the Philippine Association of Retired Persons charges, in particular, the state pension fund, over its non-compliance with the pertinent provisions of RA 9994 or the Expanded Senior Citizens Act of 2010 which states that “to the extent practicable and feasible, the continuance of the same benefits and privileges given by GSIS, SSS and Pag-Ibig, as the case may be, as are enjoyed by those in actual service” (Section 4-h);

**WHEREAS**, “retirement benefits of retirees from both the government and the private sector shall be regularly reviewed to ensure their continuing responsiveness and sustainability, and to the extent practicable and feasible, shall be upgraded to be at par with the current scale enjoyed by those in actual service” (RA 9994, Section 4-i);

**WHEREAS**, Filipino workers are the most vital resources of the country considering that they constitute 61.2% of the 69.9 million labor force population aged 15 years old and over<sup>3</sup>;

**WHEREAS**, the pertinent Senate committees need to exercise its oversight functions in reviewing the status of the implementation of the Portability Law, in relation to other laws, such as the Expanded Senior Citizens Act, in granting benefits to pensioners;

**BE IT RESOLVED, AS IT IS HEREBY RESOLVED, BY THE SENATE OF THE PHILIPPINES**, to direct the Senate Committee on Government Corporations and Public Enterprises and Labor, Employment and Human Resource Development to conduct an inquiry on the implementation of Republic Act No. 7699 or the Portability Law, with the end in view of addressing non-compliance of the state-run pension funds and reviewing the existing benefits, including pension, of employees in the public and private sectors.

Adopted,

  
**GRACE POE**

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<sup>1</sup> Vibal, M. 2016, July 18. Tell it to Sun.Star. Implement the ‘Portability Law’. Sunstar news site. Retrieved from <http://www.sunstar.com.ph/cebu/opinion/2016/07/19/tell-it-sunstar-implement-portability-law-486143>

<sup>2</sup> Vibal, M. 2017, May 15. Make benefits equal for all retirees. Inquirer website. Retrieved from <http://opinion.inquirer.net/104004/make-benefits-equal-retirees>

<sup>3</sup> 2017, December 18. 2017 Annual Labor and Employment Status. Philippine Statistics Authority. Retrieved from <https://psa.gov.ph/content/2017-annual-labor-and-employment-status>