

[PRESIDENTIAL DECREE NO. 347, December 21, 1973]

FURTHER AMENDING CERTAIN SECTIONS OF REPUBLIC ACT NUMBERED ELEVEN HUNDRED AND SIXTY-ONE, AS AMENDED, OTHERWISE KNOWN AS "THE SOCIAL SECURITY LAW"

WHEREAS, on the 23rd day of April 1973, Presidential Decree No. 177 amended certain sections of Republic Act No. 1161, as amended, otherwise known as "The Social Security Law"; and

WHEREAS, in order to bring about a more effective implementation of the law and make the SSS even more responsive to the needs of its members, it was found necessary to further amend certain sections of the Social Security Law;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers in me vested by the Constitution as Commander-in-Chief of all the Armed Forces of the Philippines, and pursuant to Proclamation No. 1081, dated September 21, 1972, and General Order No. 1, dated September 22, 1972, as amended, do hereby further amend certain sections of the Social Security Law, to wit:

SECTION 1. Section 3 (a) of the Social Security Law, as amended, is further amended to read as follows:

"SEC. 3. Social Security System. — (a) To carry out the purposes of this Act, the Social Security System with principal place of business in Manila or Quezon City, Philippines is hereby created. The SSS shall be directed and controlled by a Social Security Commission composed of the Secretary of Labor, the SSS Administrator and six appointive members, two of whom shall represent the labor group, two, the management group and two, the general public, to be appointed by the President. The Chairman of the Commission shall be designated by the President of the Philippines from among the members of the Commission. The term of the appointive members shall be three years: *Provided*, That the terms of the first six appointive members shall be one, two, and three years for every two members, respectively. All vacancies, except through the expiration of the term, shall be filled for the unexpired term only. The appointive members of the Commission shall receive one hundred pesos per diem for each meeting actually attended by them: *Provided*, That no compensation shall be paid for more than eight meetings a month."

SEC. 2. Section 12 of the Social Security Law, as amended, is further amended by adding paragraph (d) to read as follows:

"SEC. 12. Retirement Benefits. — (d) Effective January 1, 1974, upon the death of a retiree, a funeral grant of seven hundred fifty pesos will be given to help defray the cost of funeral expenses."

SEC. 3. Section 13 of the same Act is further amended and Section 13-A is added to read as follows:

"SEC. 13. Death Benefits. — Effective January 1, 1974, upon the covered employee's death, the following benefits shall be paid by the SSS:

"(A) To his beneficiaries or legal heirs, the basic lump sum amount, plus five-twelfths of one percent of the basic lump sum amount for each monthly contribution in excess of one hundred twenty and paid as of the last day of the second quarter preceding the quarter of death;

"(B) To each of his minor unmarried legitimate children, but not exceeding five, a monthly pension equivalent to twenty percent of the pension amount computed in accordance with the schedule in Section 12(A) and under such rules and regulations as the SSS may prescribe, until the child reaches the age of twenty-one, gets married or becomes gainfully employed: *Provided*, That any of the following conditions is satisfied at the time of death:

"1. He shall have paid eighteen monthly contributions within the thirty-six calendar month period ending on the last day of the second quarter preceding the quarter of death.

"2. His payment ratio is not less than eighty percent: *Provided, further*, That if none of the foregoing conditions are satisfied, the SSS will pay his beneficiaries or legal heirs the benefit described in Paragraph (A) of this Section multiplied by one and one-fourth and further multiplied by his payment ratio: *Provided, however*, That the death benefit shall not be less than the total contributions paid by him and his employer in his behalf to the SSS nor less than five hundred pesos: *Provided, finally*, That the covered employee who dies in the month of coverage shall be entitled to the minimum benefit.

"(C) A funeral grant of seven hundred fifty pesos to help defray the cost of funeral expenses.

"SEC. 13-A. Permanent disability benefits. — Upon the covered employee's permanent total disability, if such disability occurs before he has paid thirty-six monthly contributions to the SSS, he shall be entitled to the basic lump sum amount: *Provided*, That any of the following conditions is satisfied at the time of permanent total disability:

"1. He shall have paid eighteen monthly contributions within the thirty-six calendar month period ending on the last day of the second quarter preceding the quarter of permanent total disability;

"2. His payment ratio is not less than eighty percent: *Provided*, That if none of the foregoing conditions are satisfied, his permanent total disability benefit shall be the basic lump sum amount multiplied by one and one-fourth and further multiplied by his payment ratio: *Provided, finally*, That the permanent total disability benefit shall not be less than the total contributions paid by him and his employer in his behalf to the SSS nor less than five hundred pesos: *Provided, however*, That a covered employee who becomes permanently totally disabled in the month of coverage shall be entitled to the minimum benefit.