



PHILIPPINE SOCIAL INSURANCE SYSTEM



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Vice President,
Social Security System

Outline

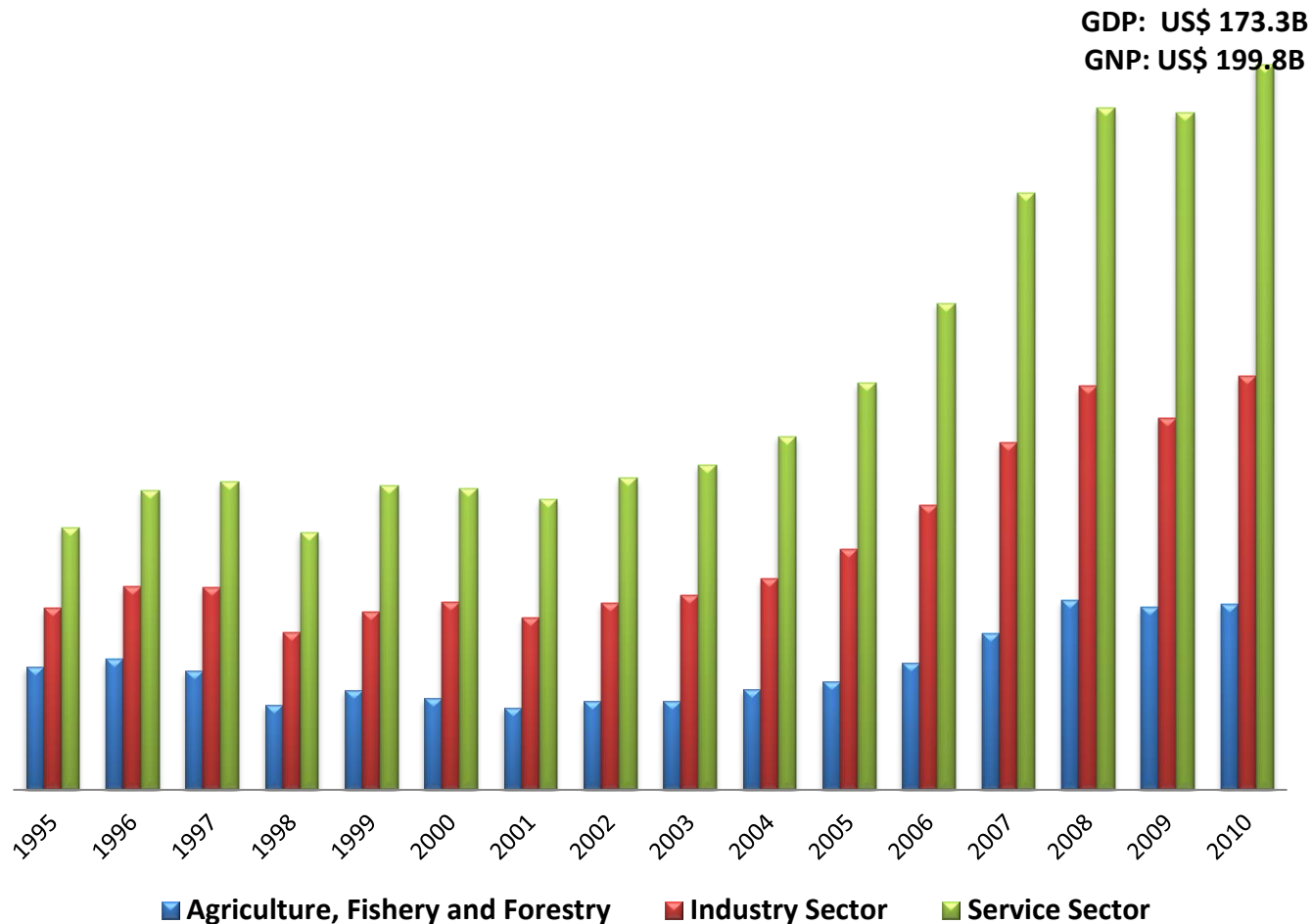
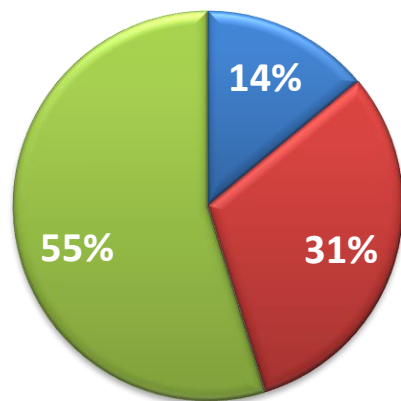
- **Profile of the Philippines**
- **Social Insurance Institutions**
- **Philippine SSS as a Social Insurance Institution**
- **Challenges**

Profile of the Philippines

Profile of the Philippines

The Philippine economy recorded its biggest growth in 2010 at 7.3%...

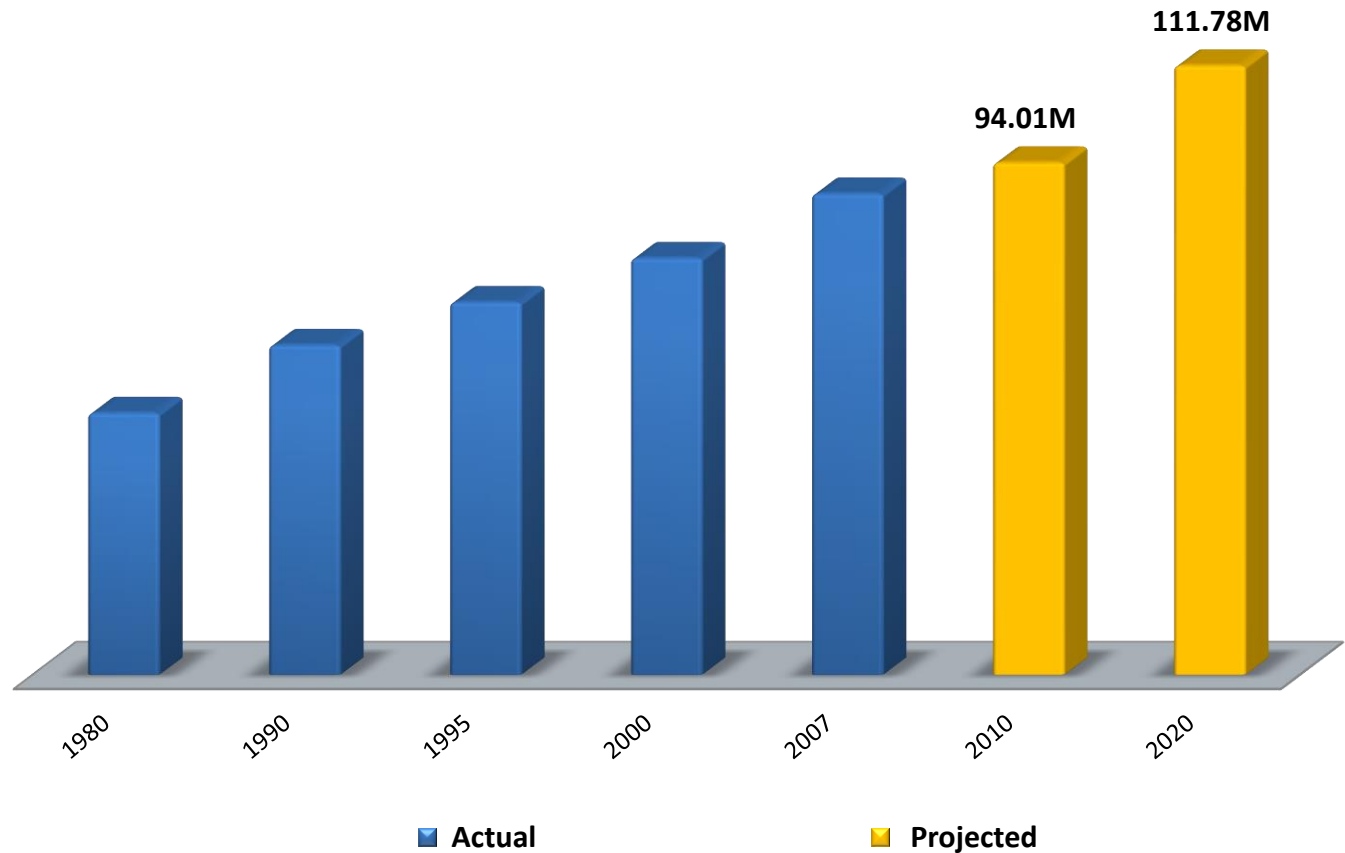
...on account of significant expansion in the industry and service sectors.



Profile of the Philippines

Today, the population of the Philippines stands at 94.01M.

The Philippines is the 12th most populated country in the world.

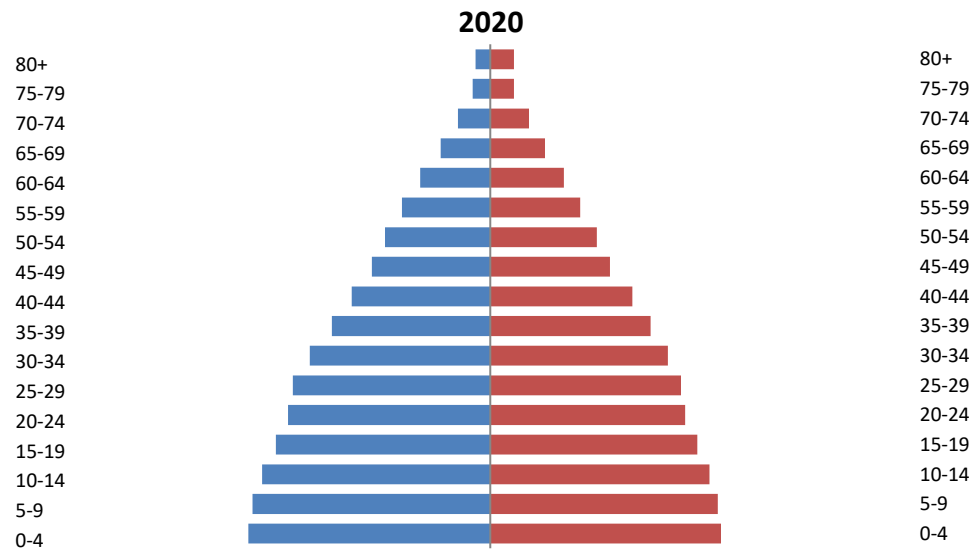
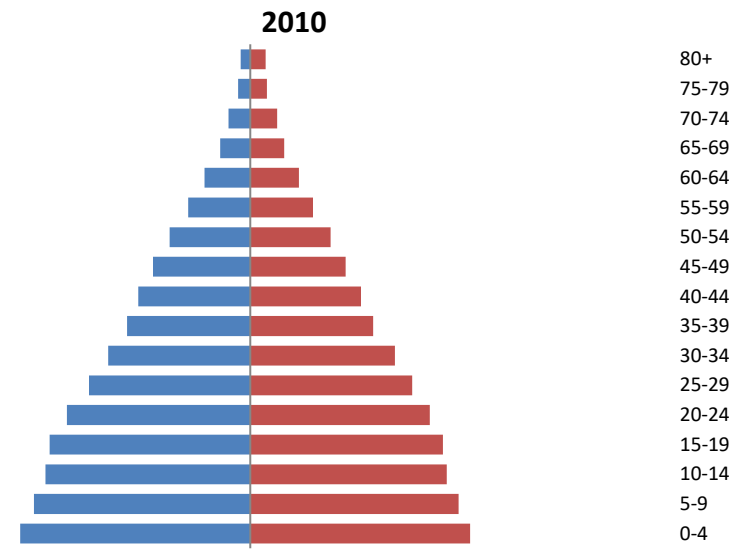
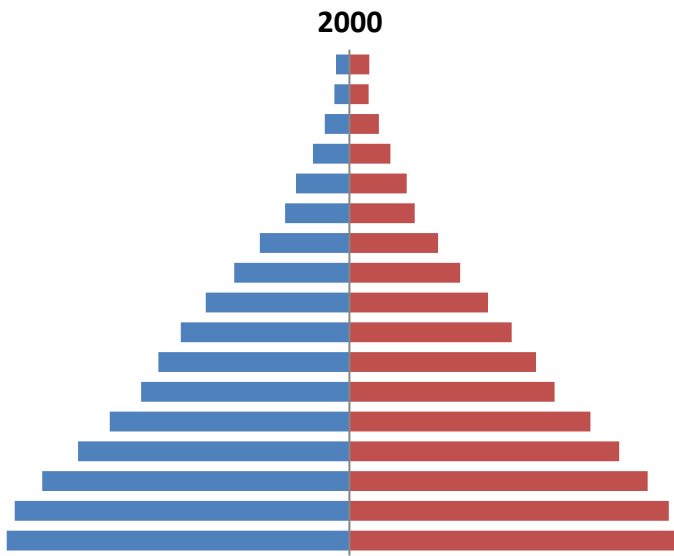


Profile of the Philippines

Over the years, the country has kept a young population base...

...with relatively equal gender distribution among all age groups.

Male
Female

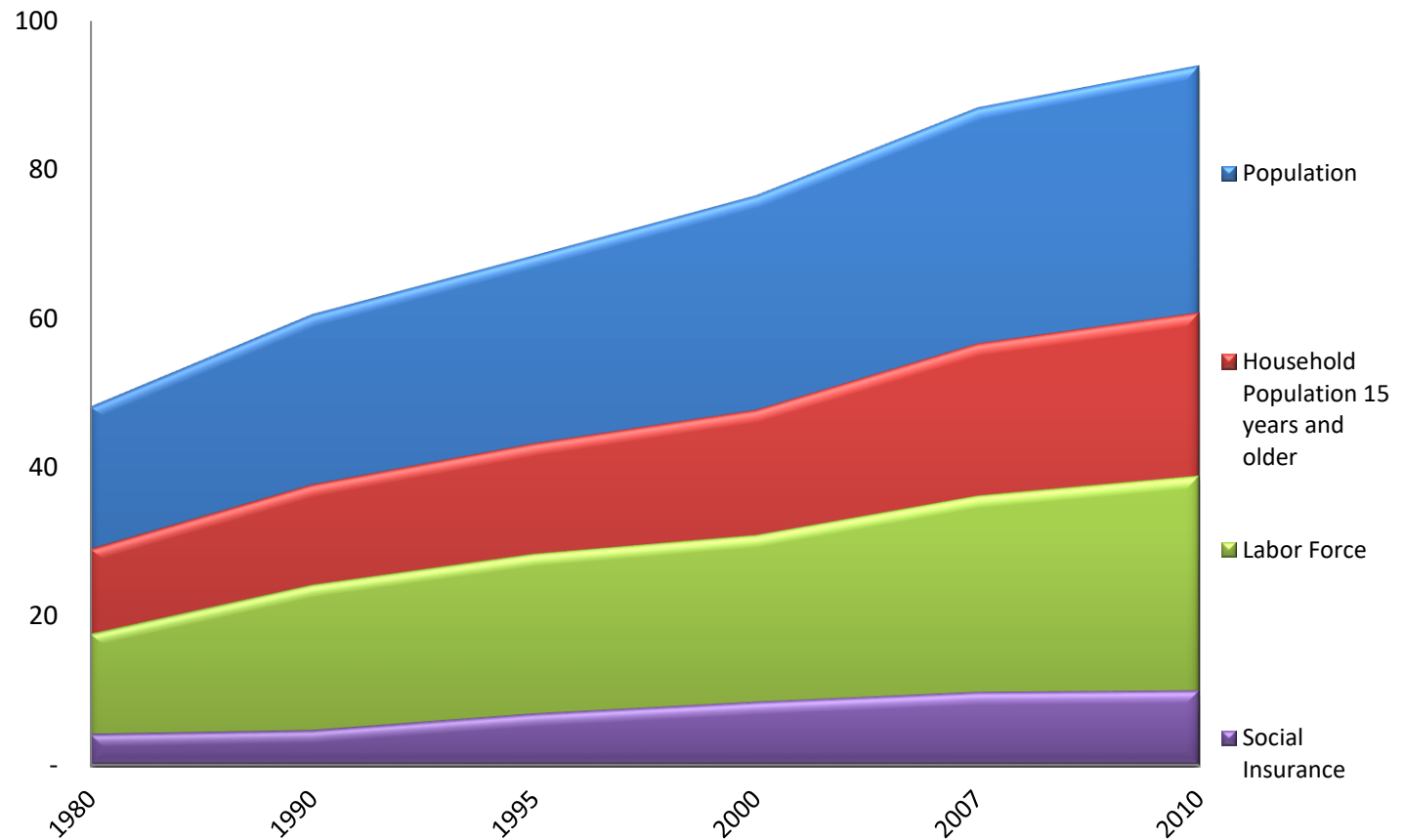


Source: National Statistical Coordinating Board

Profile of the Philippines

The country's labor force is estimated at 38.9M in 2010...

...27 percent of which are covered by Social Insurance.

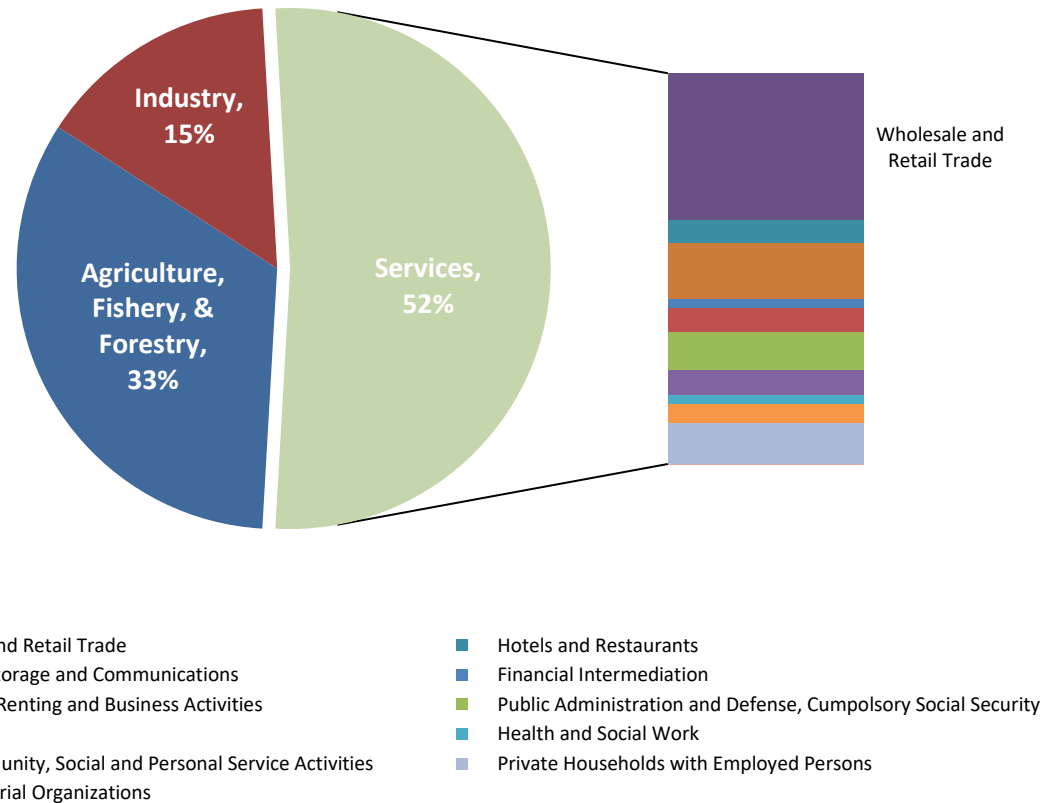


Profile of the Philippines

The service industry accounts for half of the total employment...

...most of which are engaged in wholesale and retail trade.

...BPOs growing at 46 percent since 2006.



Social Insurance Institutions

Social Insurance Institutions

Social Security definition and features

Social Security is the protection by society for members against the economic and social distress caused by contingencies such as sickness, child birth, disability, retirement and death.

Features of a Social Insurance Program:

- **Compulsory coverage**
- **Shared contributions (employer-employee)**
- **Pooled funds**
- **Investment reserves**
- **No-needs or means-test**
- **Earnings-related benefits**

Social Insurance Institutions







The Philippines has various public institutions performing social security and other related functions.

**Institutions
mandated to
administer social
insurance
programs in the
Philippines are
the SSS, GSIS,
PhilHealth and
ECC.**



Social Insurance Institutions

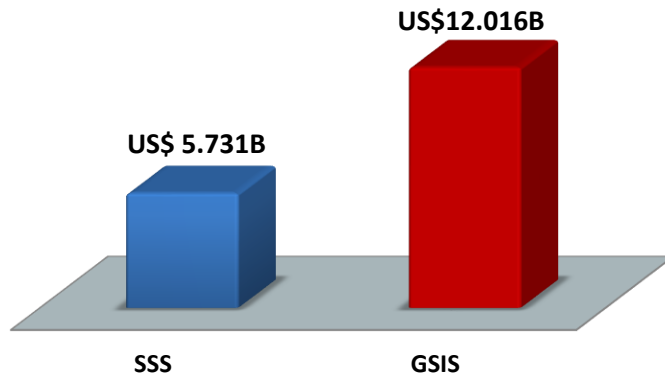
Programs and Coverage

	SOCIAL INSURANCE INSTITUTION	PROGRAM	COVERED GROUP
	Government Service Insurance System	Social Insurance	Public sector workers
	Social Security System	Social Insurance	Private sector workers
	Philippine Health Insurance Corporation	Healthcare	Public and private sector employees
	Home Development Mutual Fund	Provident fund and housing financing scheme	Public and private sector employees
	Employees' Compensation Commission	Employee Compensation	Public and private sector employees
	Armed Forces of the Philippines (AFP) – Retirement, Separation and Benefits System	Retirement and Separation	Military members of the AFP

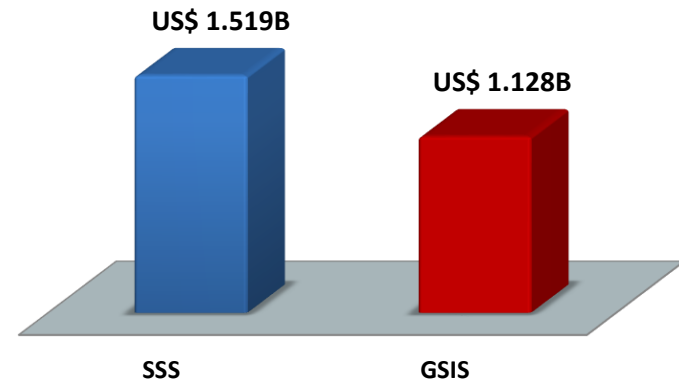
Social Insurance Institutions

Highlights of operations of SSS and GSIS (As of December 2009)

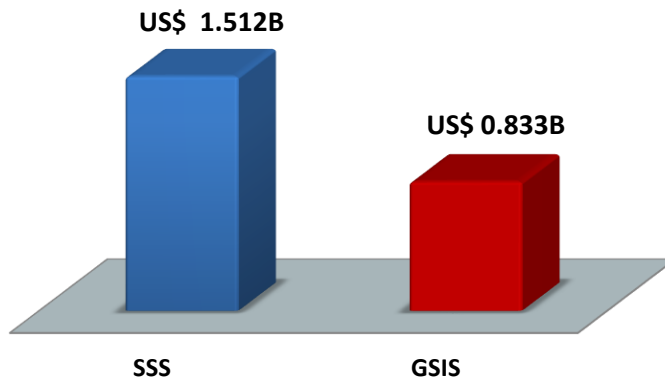
Assets: US\$17.741B



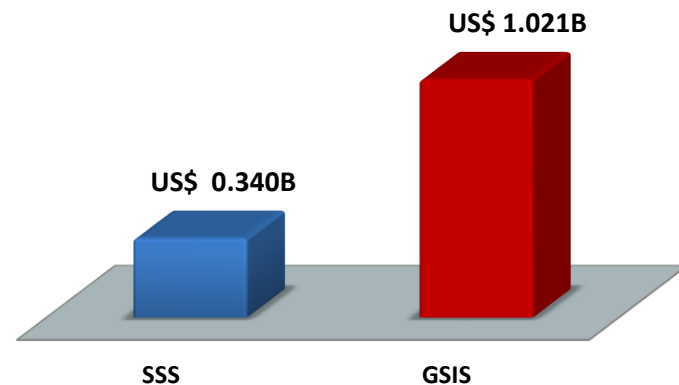
Contributions: US\$2.647B



Benefits: US\$2.345B



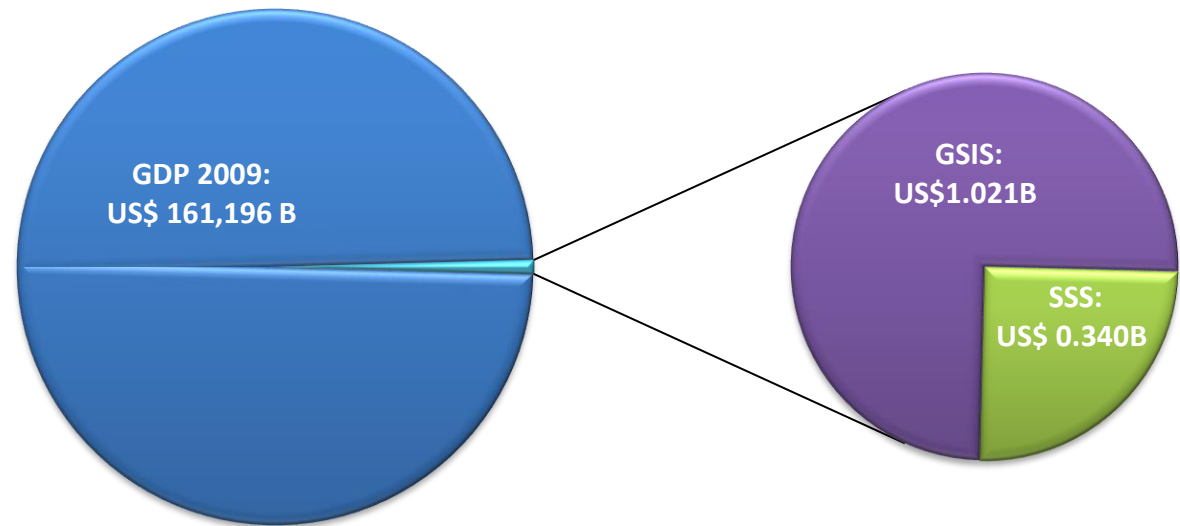
Net Revenues: US\$1.361B



Social Insurance Institutions

Social Insurance Institutions contribute US\$1.36B to the country's GDP.

The combined net revenues of SSS and GSIS account for about 4 percent of the government's expenditures in 2009.





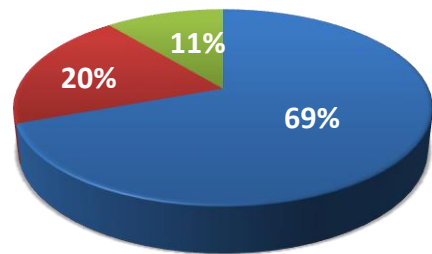
SSS as a Social Insurance Institution

SSS as a Social Insurance Institution

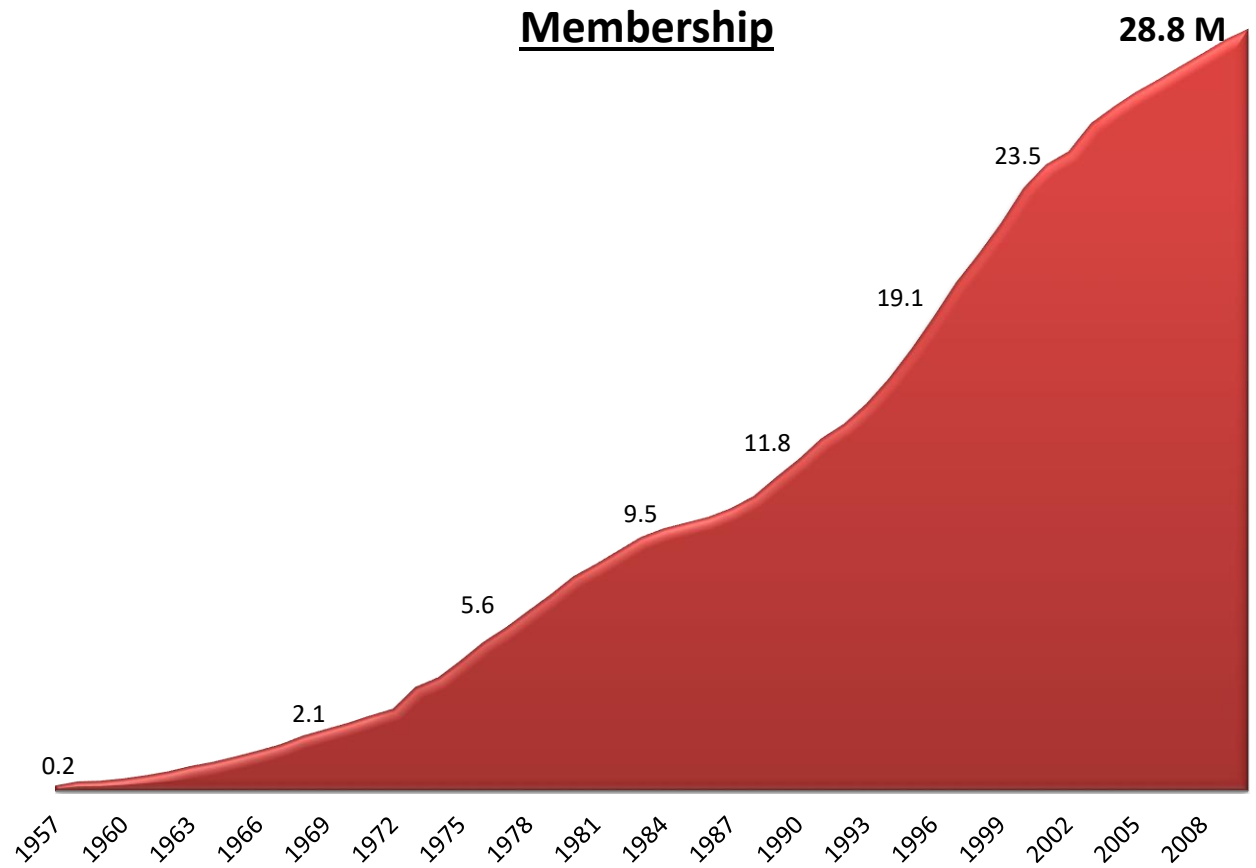


SSS has recorded growth in membership over the years.

**Employed persons
comprise most of the
registered SSS
members, followed
by self-employed
persons, and
voluntary members.**



■ Employees ■ Self-Employed ■ Voluntary

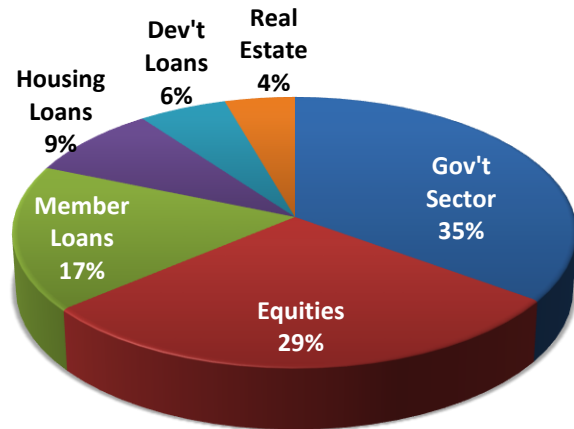


SSS as a Social Insurance Institution

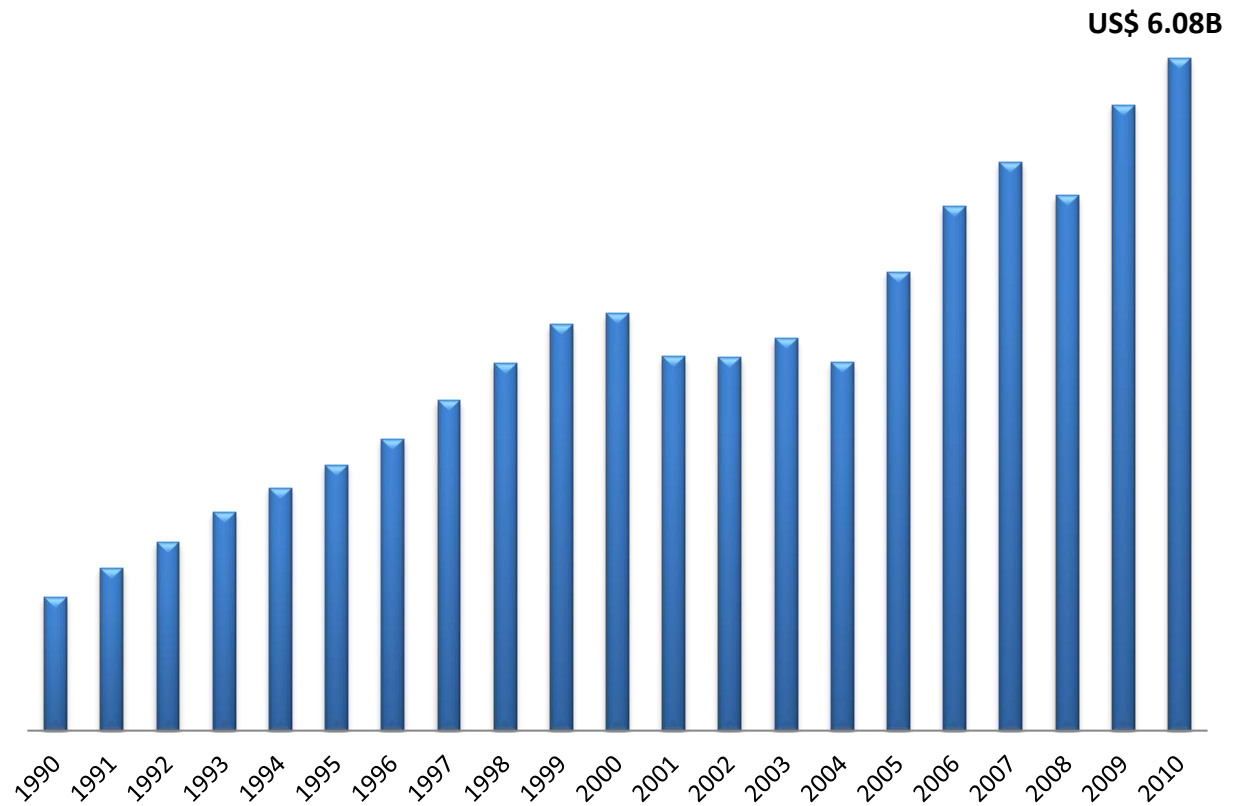


Assets as of December 2010: US\$ 6.08B.

About 84 percent of SSS assets are invested in government securities, equities and member loans.



Assets



SSS as a Social Insurance Institution



Profile of Operations

- **Benefits Paid: US\$1.57B to 2.48M beneficiaries**
- **Total transaction volume: 22.01M (Daily: 84,648)**
- **Total branches: 181 (Local: 168; Foreign: 13)**
- **Total workforce: 5,190**



Challenges

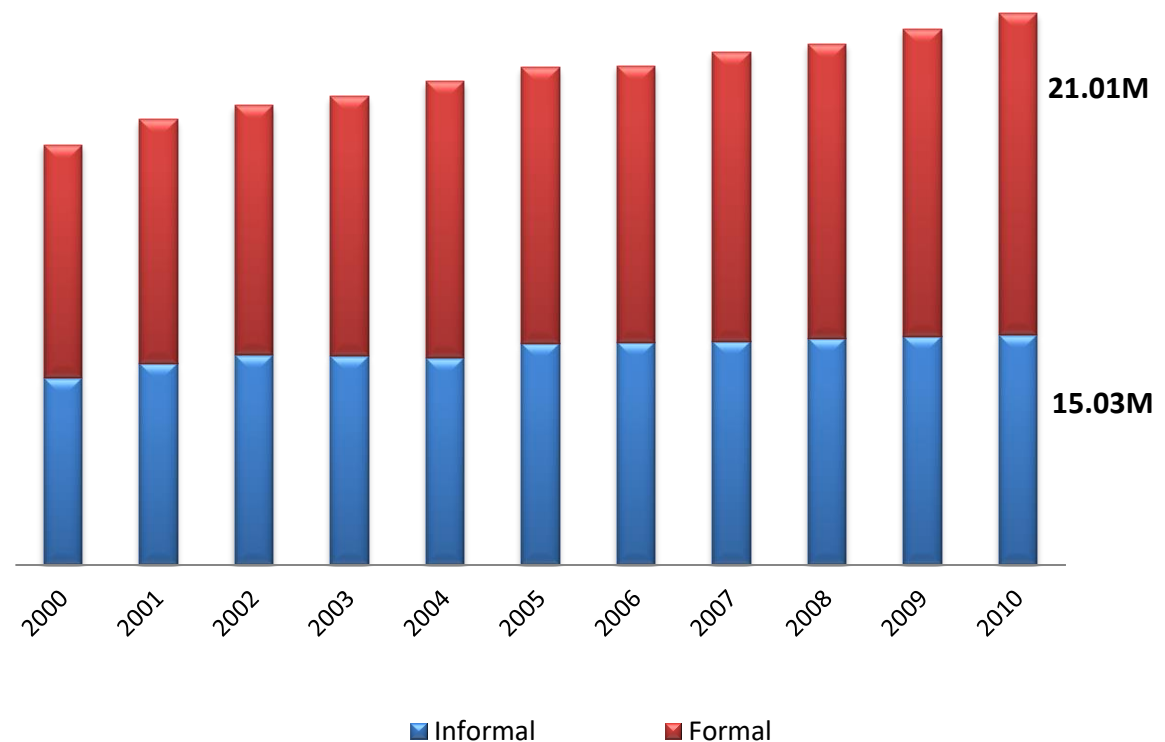
Challenges...

Universal Coverage



- **Social security should extend protection to the whole country.**
- **Informal sector workers continue to be a challenge.**

Profile of Employment in the Philippines

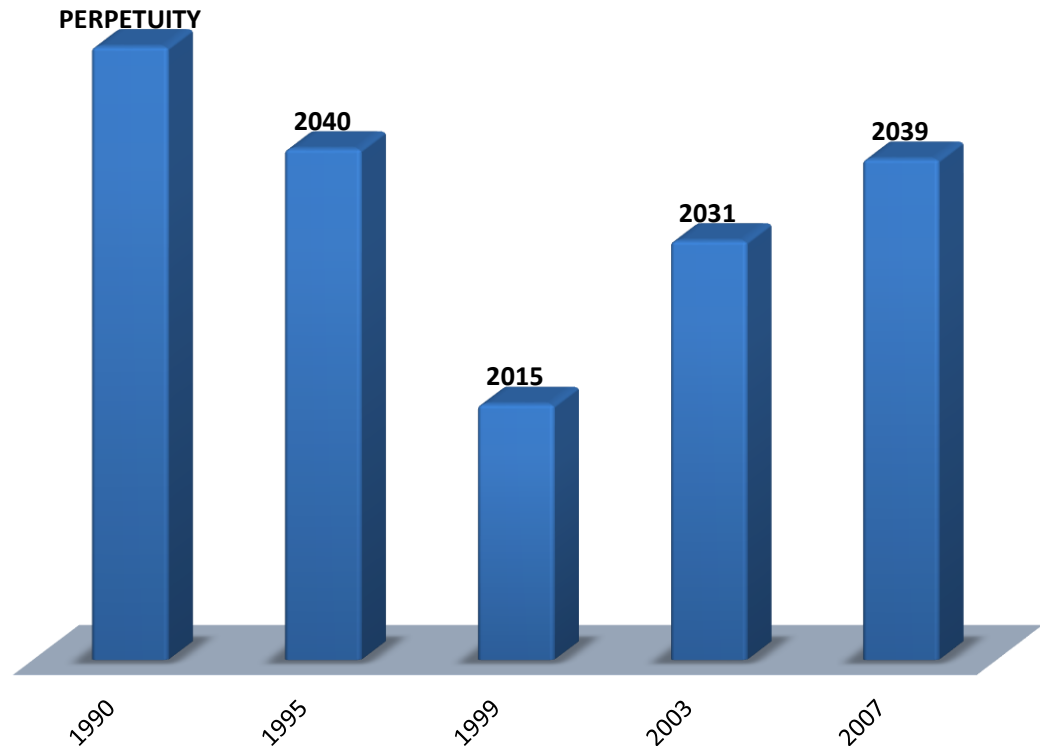


Challenges...



Viability vs. Meaningful Benefits

- Latest actuarial valuation show that the fund is projected to last until 2039
- Regular increase in benefits payments vs. increase in contributions payments



Challenges...



Customer Service (Retail vs. Wholesale)

- Increasing transaction volumes
- Need to adapt to the changing technologies and demands.





www.sss.gov.ph

Thank you.