

[PRESIDENTIAL DECREE NO. 1530, June 11, 1978]

INSTITUTING A SYSTEM OF VOLUNTARY CONTRIBUTION FOR HOUSING PURPOSES

WHEREAS, a prime concern of the New Society is the quality of human life, which cannot be improved without providing the citizens with sufficient human shelters and structures;

WHEREAS, the Constitution of the Philippines, in its Article II, Section 7, mandates that: "The State shall establish, maintain, and ensure adequate social services in the field of * * * housing * * * to guarantee the enjoyment by the people of a decent standard of living;"

WHEREAS, the government has concentrated its efforts in establishing decent human settlements and in uplifting the conditions in our communities;

WHEREAS, up to this time there exist an acute housing shortage which has remained a persistent problem due to the burgeoning population, the absence of adequate house financing, and increasing construction costs, which place satisfactory housing beyond the reach of the masses;

WHEREAS, there is an urgent need to provide massive financing to help solve the housing problem that impedes national development; and

WHEREAS, the difficulties in house financing may be greatly alleviated by establishing a system of voluntary contributions from government and private employees.

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Republic of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby order and decree the following:

SECTION 1. There are hereby created the Home Development Mutual Funds, one for the government employees and the other for private employees.

SEC. 2. The Fund for government employees shall be established and maintained by the contributions of government employees and the National Government to be administered by the Government Service Insurance System (GSIS) separately from all its other funds. The Home Development Mutual Fund for private employees shall be established and maintained by the contributions of private employees and their respective employers, to be administered by the Social Security System (SSS). With respect to the government and private employees, their contributions shall be on a voluntary basis, based on three per cent (3%) of their basic salaries. The National Government and the employer concerned shall give a counterpart contribution equivalent to the amount collected from their employees.

SEC. 3. An employee who contributes to the Fund in accordance with the rules and regulations to be adopted by the GSIS or the SSS, shall be considered a member thereof. He shall be a member of good standing if he is up to date in his monthly contributions. The employee's contributions shall earn interest annually at such rate as shall be provided in the implementing rules and regulations of this Decree. In