

More Pag-IBIG members upgrade their savings

Pag-IBIG Fund Chairman of the Board of Trustees Atty. Chito M. Cruz said recently that the amount collected from Pag-IBIG members who opted to save more than that which is mandated by law is increasing.

Cruz reported that Pag-IBIG in 2015 collected a total of P4.2 billion from the upgraded savings program of Pag-IBIG members, up by 8% from the P3.9 billion collected in 2014. In 2013, the Fund collected P3.5 billion from the same program.

"Upgraded savings" refers to the voluntary contribution by Pag-IBIG members over and above the mandatory monthly contribution of P100.

"Pag-IBIG offered this upgraded savings option to encourage more Pag-IBIG members to save for their future. Aside from bigger savings upon retirement, Pag-IBIG members who opt to increase their savings also get the benefit of higher dividend earnings – which are tax-free, and bigger loanable amounts in case they need to borrow," Pag-IBIG President & CEO Darlene Berberabe said.

She pointed out that Pag-IBIG's yearly dividend is significantly higher than the interest rates offered by other savings instrument, adding that in the last five years, Pag-IBIG's dividend rate has not gone down below the 4% level.

"For 2015, we declared a total of P14.2 billion in dividends, with a rate of 4.8%, which will be proportionately distributed and credited to the accounts of Pag-IBIG members," Atty. Berberabe said.

She added that the upgraded savings program is beneficial to both the Fund and the Pag-IBIG members.

"Campaigning for upgraded savings has been our strategy to generate more funds. Instead of increasing the mandatory monthly contribution, we decided that we will instead campaign for members to voluntarily upgrade their contributions. We had hoped that if members knew that Pag-IBIG is managing their money well, and they feel the benefits of

their membership, members will see the value of increasing their contributions, which are actually their savings, and then they will actually save more," Beberabe said.

Pag-IBIG has the twin mandates of savings generation and provision of affordable housing for its members.