Gone are the good old days when the true value of the peso was 100% its face value. Its purchasing power was high. With but a peso bills the housewife takes it to the market and goes back home with a basketful of foodstuffs that makes four or five meals for an average size family.

Those were the days before the war, when the centavo was still a respected part of a peso. The centavo had high intrinsic value then for it could buy such useful items as pencil, writing paper, cookies and many more other items that cost twenty or more higher these days.

At that time, the salary of the classroom teacher was only P50.00 a month. The amount was considered handsome pay during those days and was adequate to provide the teachers and their families with a decent living in the community.

Today, time has changed greatly while it is true that teachers nowadays receive a five-digit salary, the amount still could hardly meet the basic needs of the teachers and his family like food, clothing and shelter.

This situation in the teacher’s life compels our teachers to go into borrowing. They borrow loans from almost every money lending institution like GSIS, PAG-IBIG, MANILA TEACHERS, COCOLIFE, CITY SAVINGS and credit unions. Others borrow from loan sharks who are ever present in their respective communities.
Teachers borrow loans to augment the meager salary they receive. According to statistics, to be able to live adequately these days, an average size family must at least have an income of no less than P20,000.00 a month.

Other reasons why our teachers borrow loans is that they used money to finance a backyard project or to finance the education of their children who are studying in college. Nowadays, if the poor teacher has no source of income other than her salary she cannot send her children to college. If you happen to talk to a teacher who has a son or daughter who finished a college degree, she would tell you that education of her child was made possible with the loans from the mentioned lending institutions or from the bank. She may even tell you that some little sideline greatly helped him in the education of her children. In addition to that, some teachers nowadays avail the housing loan at PAG-IBIG and GSIS. Additional burden if they need to pay for the ARRERS. They have no choice but to avail the said loan to have a decent house to live.

Vince Shorb, CEO, National Financial Educators Council said “Teachers are the single most important influence on student success. The qualifications of financial educators have direct impact both on short-term student outcomes and on their long-term financial well-being.”

It is hoped that a more comprehensive and more realistic salary increase for teachers will be enacted soon by our lawmakers in order to alleviate the poor economic living condition of the thousands throughout the country. For these reasons, teachers will no longer cross the “LoanDON Bridge” and pay for what they have spent yesterday but instead look forward and save for their tomorrow. That there wouldn’t be an “Eat Now pay Later” scenario but rather “: Save Now for Tomorrow” outlook.
References:

“The Perks of Crossing the LoanDon Bridge”

www.vinceshorb.com

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