

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

EIGHTEENTH CONGRESS
First Regular Session

5362
House Bill No. _____



Introduced by Hon. **RONNIE L. ONG**

EXPLANATORY NOTE

Filipinos are known all over the world with how we, as a nation, treasure family ties and values, shown especially by the care, respect, and love we give to our elderly. Fondly called our "lolo's" and "lola's," the population of Filipinos aged 60 years old and above numbers to around 8.7 million, representing 8.2% of the country's total population of 107 million, based on the 2018 estimates of the Commission on Population and Development (CPD).

The CPD also projects that the Philippines will have an "aging" population between 2030 and 2035. The United Nations Population Fund supports this finding- it projected in 2012 that by 2050, the population of senior citizens will grow by 15% to 23.63 million. In December 2018, the Philippine Institute for Development Studies (PIDS) also conducted a study which showed that our country will transition to an aging society by year 2032.

But while the number of senior citizens is growing, the current social safety nets remain inadequate. Out of the 8.7 million senior citizens, around 5.8 million are not covered by contributory pension, such as the Social Security System, the Government Social Insurance System and other pension systems. And out of the 5.8 million, only 3.4 million are currently covered by the Social Pension Program for Indigent Senior Citizens of the Department of Social Welfare and Development, leaving around 2.4 million without any pension at all.

Widening the coverage and the amount of the social pension program is a laudable measure being sought right now to address these twin problems. However, there are other equally-demanding social programs that need funding too. In addition, under the law, senior citizens are also currently entitled to privileges such as the 20% discount on medicines, medical supplies and equipment, medical services like lab tests and x-rays, transportation fares, hotels, restaurants, recreation centers, and places of leisure. But using these discounts and benefits assume that senior citizens have the money in the first place.

Ang Probinsyano Party-List (APPL) believes that there is no other timely act of love that reaffirms the Filipino tradition of caring for the elderly, addresses the

inadequate social program for senior citizens, prevents their mental and physical deterioration, taps their wealth of life and work experiences, fosters their capacity to attain a more meaningful and productive aging, motivates and maximizes their contributions to nation building and augments their pensions and retirement savings, if they have any, than giving the elderly the access to employment opportunities.

This is what this bill is aiming for. Currently, while we have the Expanded Senior Citizens Act of 2010 and the Anti-Age Discrimination in Employment Act, we see that the government, despite having various unfilled positions, has only taken the passive role of providing information and matching services for senior citizens in private employment. Moreover, while private entities are entitled to tax deduction of 15% of the total amount paid as salaries, we observe that this barely encourages companies to actually hire senior citizens for 15 years now, since 2004.

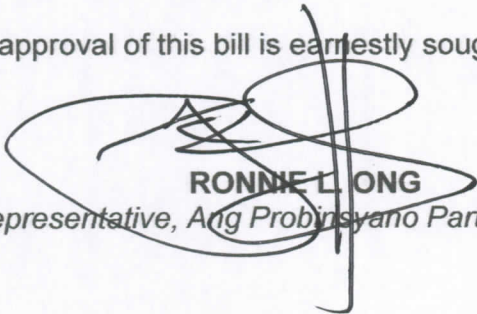
Hence, under the bill, we provided that government offices shall take active roles in inviting, selecting and hiring senior citizens. The Department of Labor and Employment and the National Commission of Senior Citizens shall also assist not just in information and job matching services but, all the more, in aggressively promoting the employment of senior citizens, especially those below the poverty threshold, and identifying industries and positions in both the public and private sectors.

In addition, private entities that will employ qualified senior citizens shall be entitled to a tax deduction equivalent to 70% of the total amount paid as wages to senior citizens. Usual requirements such as police, NBI or barangay clearance and medical or fit-to-work certificate shall also be provided for free to senior citizen applicants and employees.

An important component of the bill too is conducting a study on the socio-economic effect of either mandating a national policy or giving employers the option of (a) raising the retirement age of employees; (b) ensuring continued employment beyond retirement age but with reduced wages or other cost-effective arrangements based on factors such as productivity and duties and responsibilities; or (c) abolishing the retirement age. With this study as our guide, our country can unleash the potential of our own senior citizens, taking the cue from other countries with established senior citizen employment program (e.g. Japan, Singapore and Hong Kong) which, despite having social contexts different from us, have already gathered overwhelming proof that promoting senior citizen employment has benefits.

Again, this bill is about cherishing our elderly. More than the usual dole-outs, giving them another chance at employment will provide the means to free them from poverty and greatly motivate them to fully participate in society.

In view of the foregoing, the approval of this bill is earnestly sought.



RONNIE L. ONG
Representative, Ang Probinsyano Party-List (APPL)

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**AN ACT PROMOTING THE EMPLOYMENT OF SENIOR CITIZENS IN
GOVERNMENT OFFICES AND PRIVATE ENTITIES NATIONWIDE, FURTHER
AMENDING FOR THE PURPOSE SECTION 5 OF REPUBLIC ACT NO. 7432, AS
AMENDED**

*Be it enacted by the Senate and House of Representatives of the Philippines in
Congress assembled:*

Section 1. Short Title. This Act shall be known as the "Senior Citizens
Employment Opportunity Act."

SEC. 2. Declaration of Policy. It is the policy of the State to ensure the
prosperity and independence of the people and free them from poverty through
policies that provide adequate social services, promote full employment, a rising
standard of living, and an improved quality of life for all.

The State also recognizes the growing population of senior citizens, their rights
to take their proper place in society, and the need to give them full support to improve
their total well-being and full participation therein.

Towards this end, the State shall create opportunities and promote the
employment of senior citizens nationwide as a way of tapping their wealth of life and
work experiences, of fostering their capacity to attain a more meaningful and
productive aging and of motivating and maximizing their contributions to nation
building. Necessary support and incentives should also be given to entities that
employs the elderly and promotes their welfare.

SEC. 3. Amendment to Section 5 of Republic Act No. 7432, as amended.
Section 5, specifically paragraphs (a) and (b), of Republic Act (R.A.) No. 7432, as
amended by R.A. 9257 or the "Expanded Senior Citizens Act of 2003" and R.A. 9994
or the "Expanded Senior Citizens Act of 2010", is further amended to read as follows:

"SEC. 5. Government Assistance. – The government shall provide the following:

(a) Employment

- (1) THE DEPARTMENT OF LABOR AND EMPLOYMENT (DOLE) AND THE NATIONAL COMMISSION OF SENIOR CITIZENS (NCSC) SHALL PROVIDE INFORMATION AND MATCHING SERVICES TO SENIOR CITIZENS, WHO HAVE THE CAPACITY AND DESIRE TO WORK, TO ENABLE THEM TO FIND JOBS AND BE PRODUCTIVE MEMBERS OF SOCIETY.

IN PROMOTING EMPLOYMENT BOTH IN THE PUBLIC AND PRIVATE SECTORS, PRIORITY SHALL BE GIVEN TO SENIOR CITIZENS WHOSE ANNUAL INCOME IS BELOW THE POVERTY THRESHOLD OF THE PHILIPPINE STATISTICS AUTHORITY (PSA).

- (2) ALL GOVERNMENT OFFICES SHALL TAKE ACTIVE ROLES IN INVITING, SELECTING AND HIRING QUALIFIED SENIOR CITIZENS TO BE PART OF THEIR RESPECTIVE WORKFORCE.

TO SUPPORT THIS, DOLE, NCSC AND THE CIVIL SERVICE COMMISSION (CSC), IN COORDINATION WITH CONCERNED GOVERNMENT AGENCIES, SHALL DETERMINE THE POSITIONS, QUALIFICATIONS, FUNCTIONS, CONTRACTUAL OR APPOINTMENT ARRANGEMENTS AND WORKING HOURS, CONDITIONS, SALARIES, BENEFITS, INSURANCE COVERAGE AND OTHER TERMS APPROPRIATE FOR SENIOR CITIZENS.

- (3) FOR THEIR PART, PRIVATE ENTITIES THAT WILL EMPLOY QUALIFIED SENIOR CITIZENS, UPON THE EFFECTIVITY OF THIS ACT, SHALL BE ENTITLED TO AN ADDITIONAL DEDUCTION FROM THEIR GROSS INCOME EQUIVALENT TO SEVENTY PERCENT (70%) OF THE TOTAL AMOUNT PAID AS WAGES TO SENIOR CITIZENS, SUBJECT TO THE PROVISION OF SECTION 34 OF THE NATIONAL INTERNAL REVENUE CODE, AS AMENDED.

- (4) TERMS OF EMPLOYMENT IN PRIVATE COMPANIES SHALL CONFORM TO THE PROVISIONS OF THE LABOR CODE, AS AMENDED, AND OTHER RULES AND REGULATIONS PROMULGATED OR TO BE PROMULGATED BY DOLE, WITH THE ASSISTANCE OF OTHER CONCERNED AGENCIES, ON THE PRIVATE EMPLOYMENT OF SENIOR CITIZENS, ESPECIALLY IN

TERMS OF WAGES, MEDICAL BENEFITS AND INSURANCE COVERAGE.

DOLE AND NCSC, WITH THE ASSISTANCE OF THE DEPARTMENT OF TRADE AND INDUSTRY (DTI), SHALL ALSO IDENTIFY PRIORITY INDUSTRIES SUCH AS, BUT NOT LIMITED TO, FAST FOOD JOINTS, HOTELS, HOSPITALITY COMPANIES, RETAIL OR GROCERY STORES, MANUFACTURING AND CLEANING AND MANPOWER SERVICES, WHERE EMPLOYMENT OF SENIOR CITIZENS MAY BE AGGRESSIVELY PROMOTED.

(5) UNLESS OTHERWISE PRESCRIBED BY THE CONCERNED AGENCIES AS PROVIDED ABOVE, SENIOR CITIZENS MAY WORK FOR A MAXIMUM OF FOUR (4) HOURS PER DAY EITHER IN THE MORNING OR AFTERNOON SHIFT. THEY SHALL NOT ALSO BE REQUIRED TO RENDER ANY TASK REQUIRING EXCESSIVE PHYSICAL LABOR OR THOSE THAT MAY POSE A THREAT TO THEIR HEALTH, SAFETY, AND WELL-BEING.

(6) FOR PURPOSES OF EMPLOYMENT, POLICE CLEARANCE, NBI CLEARANCE, BARANGAY CLEARANCE AND/OR MEDICAL SCREENING TO DETERMINE FIT-TO-WORK CAPACITY SHALL BE PROVIDED FOR FREE TO SENIOR CITIZENS BY THE ISSUING GOVERNMENT OFFICE.

NOTHING IN THIS ACT EXCLUDES ANY COMPANY OR OFFICE FROM HIRING QUALIFIED SENIOR CITIZENS OR PREVENTS ANY EMPLOYER FROM INITIATING OR PROVIDING GREATER BENEFITS OR IMPROVING THE WORKING CONDITIONS AND TERMS OF EMPLOYMENT OF SENIOR CITIZENS BEYOND THE MINIMUM REQUIREMENTS PROVIDED BY LAW.

(b) EDUCATION AND TRAINING

(1) THE DEPARTMENT OF EDUCATION (DEPED), THE TECHNICAL EDUCATION AND SKILLS DEVELOPMENT AUTHORITY (TESDA) AND THE COMMISSION ON HIGHER EDUCATION (CHED), IN CONSULTATION WITH NON-GOVERNMENTAL ORGANIZATIONS (NGOs) AND PEOPLE'S ORGANIZATIONS (POs) FOR SENIOR CITIZENS, SHALL INSTITUTE PROGRAMS THAT WILL ENSURE ACCESS TO FORMAL AND NON-FORMAL EDUCATION WITH THE END GOAL OF IMPROVING THEIR KNOWLEDGE AND SKILLS AND INCREASING THEIR CHANCES AT BEING EMPLOYED.

- (2) IT SHALL BE THE DUTY OF ANY EMPLOYER, WHETHER GOVERNMENT OR PRIVATE, REGARDLESS OF CONTRACTUAL ARRANGEMENT, TO ORIENT AND TRAIN THE SENIOR CITIZEN APPLICANTS OR EMPLOYEES ON MATTERS THAT AFFECT THEIR HEALTH AND SAFETY AND TO PROVIDE ANY NEEDED PROTECTIVE EQUIPMENT AND GEARS.

EMPLOYERS SHALL ALSO ENSURE THAT OTHER EMPLOYEES TAKE PART IN PROVIDING A SAFE AND SECURE WORKING ENVIRONMENT WHERE SENIOR CITIZENS CAN BE INTEGRATED AS PART OF THE OFFICE COMMUNITY.

- (3) DOLE AND NCSC SHALL ENDEAVOR TO EDUCATE THE PUBLIC AND PRIVATE SECTORS IN PROVIDING AGE-FRIENDLY WORKPLACES AND SHALL SHOWCASE PRACTICAL GUIDELINES AND GOOD PRACTICES OF SELECTED ORGANIZATIONS IN PROMOTING THE WELFARE OF SENIOR CITIZEN EMPLOYEES."

SEC. 4. Report to Congress. Within two (2) years from the implementation of this Act and every year thereafter as may be appropriate, the following reports shall be submitted to Congress:

- 1) The Department of Finance (DOF) shall conduct studies and researches on the appropriate incentives or subsidies to be given to private entities employing senior citizens and the effect of such incentives or subsidies to the efforts of the government to raise revenues and to provide social safety nets for senior citizens especially those under the poverty threshold.
- 2) The DOLE, NCSC and CSC, in coordination with the DOF, DTI, the National Economic and Development Authority (NEDA), Government Service Insurance System (GSIS) and the Social Security System (SSS), shall conduct studies and researches on the socio-economic effect of either mandating a national policy or giving employers the option of (a) raising the retirement age of employees; (b) ensuring continued employment beyond retirement age but with reduced wages or other cost-effective arrangements based on factors such as productivity and duties and responsibilities; or (c) abolishing the retirement age.

SEC. 5. Implementing Rules and Regulations. The DOLE, NCSC and CSC, in coordination with concerned agencies and private stakeholders, shall formulate its rules and regulations within ninety (90) days after the effectivity of this Act.

SEC. 6. Suppletory Application. Republic Act No. 10911 or the "Anti-Age Discrimination in Employment Act" and all other applicable laws, rules and regulations

shall have suppletory application in cases involving employment of senior citizens not provided for under this Act.

SEC. 7. *Separability Clause.* If any provision or part hereof is held invalid or unconstitutional, the remaining provisions not affected thereby shall remain valid and subsisting.

SEC. 8. *Repealing Clause.* Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule or regulation contrary to or inconsistent with the provisions of this Act is hereby repealed, modified or amended accordingly.

SEC. 9. *Effectivity.* This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in any two (2) newspapers of general circulation in the Philippines.

Approved,