

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

Eighteenth Congress
First Regular Session

HOUSE BILL NO. 4314



Introduced by **Representative Cyrille "Beng" F. Abueg-Zaldivar**

EXPLANATORY NOTE

This bill was filed by Deputy Speaker Frederick F. Abueg in the Sixteenth Congress as House Bill (H.B.) No. 4664 and H.B. No. 206 in the Seventeenth Congress. These were referred to the Committee on Population and Family Relations. Since then, more Senior Citizens, people's organizations and concerned establishments have manifested their support for the bill. It is indeed essential that this legislative measure be enacted into law to reduce the burden of our elderly.

We, the Filipino people, value family more than anything. Despite external liberal influences, we remain family-oriented. The family is not complete without our elders, "*lolo* and *lola*," living with us under the same roof. It is part of Filipino tradition and practice that children and grandchildren give love and care to our elderly. The 1987 Constitution, in fact, provides in Section 4, Article XV thereof that, "The family has the duty to care for its elderly members but the State may also do so through just programs of social security."

In the 2010 National Statistical Coordinating Board (NSCB) Medium Assumption Population Projection, there are an estimated 6.3 million elderly Filipinos aged 60 years and above, making up 6.9 percent of our total population. In a report entitled, "Ageing in the Twenty-first Century: A Celebration and a Challenge," of the United Nations Population Fund (UNFPA), it is estimated that the Senior Citizen population in the country will reach 23.63 million by 2050. UNFPA Executive Director Dr. Babatunde Osotimehin observed that ageing is a lifelong process and today's young people will be part of the population of older people in 2050. The same report also noted, however, that some senior citizens feel ignored in our country and are unable to participate in the activities of the State. The UNFPA also highlighted that in the Philippines, age has become one of the barriers to employment.


Without a steady source of income or a stable job, our senior citizens only rely on their pensions, gifts or allowances given by relatives and sometimes, by their own "*pagsusumikap*" to make ends meet. The fact that these pensions do not increase while expenses for basic commodities constantly rise makes it more difficult for our elderly to pay for their basic necessities.

Under Republic Act No. 7432, as amended, Senior Citizens are entitled to a discount of twenty percent (20%) on health services, medicines, services in hotels, restaurants, and recreations centers, transportation, admission fees to theaters, cinema houses, etc., and funeral and burial services, as well as other discounts on prime commodities and basic necessities, and utilities, among others. However, the reprieve is still not sufficient. Although some people may think that senior citizens are pampered by these discounts, statistics show otherwise.

Out of the eight basic sectors in the Philippines, the Senior Citizen sector has the sixth (6th) highest poverty incidence, at 15.1 percent in 2003 and 16.2 percent in 2006. Only a small percentage from that sector is covered by pensions because a good portion belongs to the informal sector.

Knowing the plight of our senior citizens, this proposed bill seeks to lessen their burden and provide further vigor to the social justice clause of the 1987 Constitution (Section 10, Article III) by increasing the discount granted to senior citizens from twenty percent (20%) to twenty five percent (25%).

In line with the fulfillment of the obligation of the State as *parens patriae*, the approval of this bill is earnestly requested.


CYRILLE "BENG" FABUEG-ZALDIVAR
Representative, 2nd District of Palawan

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AN ACT
INCREASING THE GRANT GIVEN TO SENIOR CITIZENS FROM TWENTY PERCENT (20%) TO TWENTY FIVE PERCENT (25%) DISCOUNT, FURTHER AMENDING REPUBLIC ACT NO. 7432, AS AMENDED, OTHERWISE KNOWN AS “AN ACT TO MAXIMIZE THE CONTRIBUTION OF SENIOR CITIZENS TO NATION BUILDING, GRANT BENEFITS AND SPECIAL PRIVILEGES AND FOR OTHER PURPOSES”

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

1 **SECTION 1.** Section 4 Paragraph (a) of Republic Act No. 7432, as amended
2 by Republic Act No. 9994, otherwise known as the “Expanded Senior Citizens Act of
3 2010,” is hereby further amended to read as follows:

4 “SEC. 4. Privileges for the Senior Citizens. -

5 The senior citizens shall be entitled to the following:

6 “(a) the grant of [twenty percent (20%)] TWENTY FIVE PERCENT (25%)
7 discount and exemption from the value -added tax (VAT), if applicable, on the
8 sale of the following goods and services from all establishments, for the
9 exclusive use and enjoyment or availment of senior citizens:

10 xxx

xxx

xxx.”

11 **SEC. 2. Effectivity.** – This Act shall take effect fifteen (15) days after
12 publication in the Official Gazette or in two (2) national newspapers of general
13 circulation.

Approved,