

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

Sixteenth Congress
First Regular Session

HOUSE BILL NO. 4750

Introduced by **Hon. Frederick F. Abueg**

EXPLANATORY NOTE

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. This is, in fact, embodied in the 1987 Constitution, providing 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



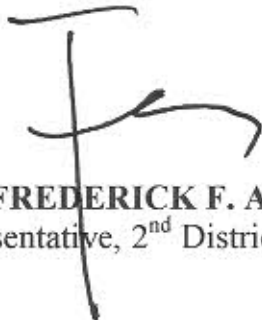
“pagsusumikap” to make ends meet. The fact that these pensions do not increase while expenses for basic commodities constantly rise makes it more difficult for our elderly to pay for their basic necessities.

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 thirty percent (30%).

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



FREDERICK F. ABUEG
Representative, 2nd District of Palawan

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AN ACT

**INCREASING THE GRANT GIVEN TO SENIOR CITIZENS FROM
TWENTY PERCENT (20%) TO THIRTY PERCENT (30%) 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 by
2 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%)] THIRTY PERCENT (30%) discount
7 and exemption from the value -added tax (VAT), if applicable, on the sale of

the following goods and services from all establishments, for the exclusive use
and enjoyment or availment of senior citizens:

xxx xxx xxx.”

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

Approved,