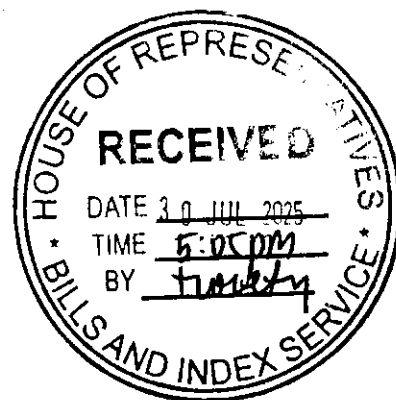


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 2723



Introduced by REP. RODOLFO "OMPONG" M. ORDANES

AN ACT
AMENDING ARTICLE 302 OF PRESIDENTIAL DECREE NO. 442, OTHERWISE
KNOWN AS THE "LABOR CODE OF THE PHILIPPINES", AS AMENDED, TO
REMOVE COMPULSORY RETIREMENT BASED ON AGE

EXPLANATORY NOTE

The 1987 Constitution mandates the State to give full respect to the dignity of every human person and to uphold the right of all citizens to equal protection of the law. It also directs the State to prioritize the needs of the underprivileged, including senior citizens, in all phases of national development.

Currently, under Article 302 of the Labor Code of the Philippines, the compulsory retirement age is set at sixty-five (65) years old. While this policy was initially intended to make room for younger members of the workforce, it has also unintentionally restricted the rights of senior citizens who are still physically and mentally capable of gainful employment.

This bill seeks to amend Article 302 to remove the blanket imposition of compulsory retirement at age sixty-five (65) and instead allow senior citizens to decide whether they wish to continue working, provided that they remain fit for their duties and meet the bona fide occupational qualifications of their position. The burden of proving otherwise rests with the employer.

In an era where people live longer, healthier lives, and in the context of economic pressures that require continued employment, many senior citizens wish to remain productive beyond the age of sixty-five (65). Mandatory retirement based solely on age disregards the individual capacity, experience, and willingness of senior citizens to contribute meaningfully to society and the economy.

This measure not only promotes the right to equal opportunity in employment but also aligns with our nation's goals of inclusivity, productivity, and respect for the elderly.

Given the foregoing, the immediate passage of this bill is earnestly sought.

A handwritten signature in black ink, appearing to be 'Rodolfo', written over the printed name.

RODOLFO "OMPONG" M. ORDANES

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

1 SECTION 1. *Declaration of Policy.* – It is the declared policy of the State to give
2 full respect to the dignity of every human person and to uphold the right of all citizens
3 to equal protection of the law. In line with this, the State shall promote and protect the
4 right of senior citizens to freely determine the length of their productive participation
5 in the labor force, without discrimination based solely on age. The State also
6 recognizes the valuable contributions of the elderly and shall prioritize their needs in
7 all phases of national development, consistent with the principles of social justice and
8 inclusivity.

9 SEC. 2. Article 302 of Presidential Decree No. 442, as amended, otherwise known
10 as the "*Labor Code of the Philippines*", is hereby amended to read as follows:

11 "Art. 302. Retirement. Any employee may be retired upon
12 reaching the retirement age established in the collective bargaining
13 agreement or other applicable employment contract.

14 "In case of retirement, the employee shall be entitled to receive
15 such retirement benefits as he may have earned under existing laws
16 and any collective bargaining agreement and other agreements:
17 Provided, however, That an employee's retirement benefits under any
18 collective bargaining and other agreements shall not be less than those
19 provided herein.

1 "In the absence of a retirement plan or agreement providing for
2 retirement benefits of employees in the establishment, an employee
3 upon reaching the age of sixty (60) years or more, [~~but not beyond~~
4 ~~sixty-five (65) years which is hereby declared the compulsory~~
5 ~~retirement age,~~] who has served at least five (5) years in the said
6 establishment, may retire and shall be entitled to retirement pay
7 equivalent to at least one-half (1/2) month salary for every year of
8 service, a fraction of at least six (6) months-being considered as one (1)
9 whole year.

10 xxx

11 **"AN EMPLOYEE WHO REACHES THE AGE OF SIXTY-FIVE**
12 **(65) YEARS SHALL NOT BE MANDATORILY RETIRED SOLELY**
13 **ON THE BASIS OF AGE AND MAY CHOOSE TO CONTINUE**
14 **THEIR EMPLOYMENT, PROVIDED THAT THEY REMAIN**
15 **QUALIFIED UNDER THE BONA FIDE OCCUPATIONAL**
16 **QUALIFICATIONS OF THEIR JOB. THE BURDEN OF PROOF TO**
17 **JUSTIFY ANY LIMITATION OR TERMINATION BASED ON**
18 **AGE SHALL REST WITH THE EMPLOYER."**

19 xxx."

20
21 SEC. 3. *Repealing Clause.* – All law, executive orders, rules, and regulations or
22 any part thereof inconsistent herewith are deemed repealed or modified accordingly.

23 SEC. 4. *Separability Clause.* – If any part or provision of this Act shall be
24 declared unconstitutional and invalid, such declaration shall not invalidate other parts
25 thereof, which shall remain in full force and effect.

26 SEC. 5. *Transitory Provision.* – Nothing in this Act shall affect existing
27 retirement contracts or benefits already granted prior to the effectivity of this Act.

28 SEC. 6. *Effectivity.* – This Act shall take effect fifteen (15) days after its complete
29 publication in the Official Gazette or in at least two (2) newspapers of general
30 circulation, whichever comes earlier.

31 *Approved,*