

**Comments on the House Bill Nos. 4635, 8238, 8242, 8280, 8298, 8307, 8335, 8473 and 8561, to amend Republic Act No. 7432, as amended, entitled, “AN ACT TO MAXIMIZE THE CONTRIBUTION OF SENIOR CITIZENS TO NATION BUILDING, GRANT BENEFITS AND SPECIAL PRIVILEGES AND FOR OTHER PURPOSES”.**

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I would like to thank the Special Committee on Senior Citizens for this opportunity to provide inputs on a number of proposed legislations. It is highly commendable that a consolidated version was written to avoid duplications. My comments, however, are limited to aspects that I have some prior knowledge about.

**House Bill No. 4635** argues the need for further amending certain provisions of RA 7432 because there is a need “to ensure the proper implementation” of the law pertaining to the development of a program to assist senior citizens in fully gaining access to public transport facilities. However, problems in the implementation of the law must be addressed at the implementation level and not necessarily at the level of policy formulation unless there is a hard evidence to show that the provisions being referred to are grossly inadequate. In this case, the bill is proposing for privileges namely 1) priority handling and assistance during ticketing..., priority on seat assignments (which is also proposed in **HB No. 8242**), and mobility assistance. Such can easily be ordered through Administrative Orders or similar formats. In the meantime, a research must be undertaken to examine the extent and prevalence of violation and the reasons why some transport providers and terminals are not providing priority access and assistance to senior citizens.

**House Bill No. 8238** proposes for the graduated discounts for elderly and the argument for this is the declining purchasing power of the elderly as an outcome of a lot of economic changes such as the Tax Reform for Acceleration and Inclusion (TRAIN). Specifically, the bill pushes to amend the 20 percent discount such that those aged 60 years old but not more than 70 years old will get 20 percent discount; those aged 70 but not more than 80 years old will get 30 percent discount; those 80 but not more than 90 years old will get a discount rate of 40 percent while those 90 years old and above will get 50 percent off their purchases. The discount rate is in addition to the VAT exemption, if applicable. While the argument for graduated assistance is sound, such should enter the proposal as a general principle. Legislating the form of assistance is in contrary to the need for

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flexibility which is necessary in these rapidly changing times. We highly suggest that the principle of graduated assistance and the need for needs-based approach in assisting the elderly be concretized into law, not the ways to do them. To determine the appropriate forms of assistance, we would like to suggest the conduct of a research to first examine the implementation of the 20 percent discount and how this have actually benefited the target population. Such study will help us devise more effective ways of assisting the elderly. There are a lot of ad-hoc programs that can be used to implement interventions that are appropriate to the situation. For instance, the Social Pension program of the DSWD can be used to provide greater assistance to older senior citizens. At the moment, the program does not make any distinction in the assistance provided to different ages. Greater assistance can also be given to more indigent and sickly elderly. The Universal Health Care program can also be utilized to assist the indigent elderly who cannot afford to pay for their hospital bills through PhilHealth.

**House Bill No. 8280 and 8307** both propose for providing privileges to senior citizens namely 1) exemption from parking fees (which is also proposed by **HB 8298** and including PWDs); and 2) exemption from local color-coding or number blocking provided that the senior citizen is operating the vehicle. There is a need to provide a more solid basis for providing such privileges. Instead of exempting the elderly and PWD in the payment of parking fees, it may be more realistic to provide them priority spaces in parking areas. But then how will such proposed laws be implemented? Do we require the elderly and PWD to be driving their own vehicle when they park it? Should the elderly and PWD need to show proper documents (like identification card and proof that they own the vehicle, not to mention a driver's license)? How many elderlies actually own a vehicle and drive the vehicle themselves? Are the proponents encouraging senior citizens to drive their own vehicle? With all the traffic congestion and road accidents, it may be safer for the elderly to not drive given their health-related vulnerabilities. People may also take advantage of this privilege by bringing their elderly/PWD relative just to save on parking cost and by doing so, expose them to greater risks.

**House Bill No. 8335** proposes for the universal social pension for senior citizens by providing a monthly stipend amounting to P1,500. The DSWD is already implementing a social pension program wherein the amount and target beneficiaries are easier to increase/alter depending on the needs.

**House Bill No 8473** proposes for the exemption of poor elderly who are owners of real property from the payment of real property tax. This proposal is commendable for its being pro-poor. However, it should first be established how many poor elderly people actually own real properties and how much they are paying for real property tax. If the amount is substantial, then the person may be owning significant real properties and therefore may not be considered truly poor. Indigent elderlies are already provided social pension which can be adjusted to cover for such needs. But if this law/provision pushes through, the possible constraints would be the identification of poor

elderly people. Right now, the DSWD uses a *Listahanan* to identify poor households (particularly for the 4Ps) but this would require frequent validation to ensure that the beneficiaries are indeed poor. An outdated list means that the program may already be assisting people that are no longer poor and have already improved their well-being through time. But then frequent validation is also administratively expensive. Moreover, it would be useful to estimate the foregone revenues should this proposal move forward so that necessary adjustments in the government's resources can be made. Again, this is a bill that requires further study as to whether a similar program/intervention that is more ad-hoc and flexible in nature, where there are already existing administrative arrangements, can be implemented on its stead.

**House Bill No. 8561** consolidates the different proposals and further expanded some of the provisions. One of the most notable propositions of this bill is the reduction of the age of a senior citizen from 60 to 56 years. Unfortunately, if a worker retires at age 56 and ceases to contribute to the pension fund, this may lower the amount of monthly pension that he or she will get unless the person is allowed to work for as long as he/she desires and consequently continue contributing. If at age 56, the person will also be entitled to many privileges such as discount privileges, this will also have an adverse effect on tax revenues. It would be very crucial to conduct a cost-benefit analysis of this provision to guide decision-makers more effectively.

On the other hand, this bill is highly commendable for incentivizing private companies to employ the elderly but this should not be confined to only the indigent. The longer we allow elderly people, regardless of economic status, to contribute to the economy, the better. Policymakers must look into the viability of allowing the elderly to work on a part-time basis as they may not be able to carry out work on a full-time basis due to health-related concerns. Since the country has a serious shortage of teachers, retirees can be tapped to teach part-time so they can still share their talents. The idea of a welfare fund is also highly commendable. This is a proactive initiative that if developed and implemented well will bring benefits for the improvement of the lives of senior citizens.

### **Some general insights**

We would like to offer some general insights. First, feedback or evaluation must be concretized in the policymaking process. While there are certainly a lot of needs that must be met, we also need to continuously examine/re-examine the policies that have been implemented. Existing laws for the elderly must be strengthened particularly in terms of the implementation. There are already a lot of sound policies that have been created for the benefit of the elderly. Analyses must be done as to the aspects that are reaping benefits and those that are not working so that these can be improved if not discontinued.

Second, policymaking must learn to adapt to the rapidly changing times, hence flexibility is very essential and this means being less prescriptive and being more proactive. We suggest that the

proponents look into the programs of the government that can be enhanced to benefit the elderly in a more efficient and sustainable way. It would be good to take advantage of existing programs like the Social Pension in the expansion of benefits for the elderly because these programs are much easier to alter depending on the needs. For health-related provisions, the proponents may want to institutionalize such using the universal healthcare platform.

Moreover, more efforts should be invested in formulating proactive policies. Much of the problems of the elderly particularly the indigent stems from the lack of preparation for retirement. Legislators must think of ways on how to make or help those in the informal sector (not covered by SSS/GSIS) save for their retirement. The country is slowly ageing and that means that we would require higher productivity of the younger population to care for the needs of the growing population of the elderly. Therefore, we need to install systems to prepare for an ageing population. The revision of senior citizen from 60 to 56 years may have adverse repercussion in the ability of retirement funds to provide a more sustainable pension for the elderly if at 56, people would cease to contribute to the funds. Since we want to expand our sources of funds for the future because the needs for it will expand, reducing the age range in which people contribute to the society, holding other factors constant, runs in contrary to this idea, unless we allow the elderly to continue working or there is a lucrative alternative source for financing the expanded benefits. Having said these, there should be more encouragements for the elderly to contribute to the economy in the best way they can. Because of the health-related constraints, elderlies must be allowed to work part-time and this is where legislations must be made to ensure their protection and welfare.

Finally, while the needs are abundant but our resources are very finite, prioritization or targeting is very essential. Providing more privileges to the elderly must prioritize the indigent and those without pension benefits. Based on a cost-benefit analysis, if the expanded provision of discounts to all other elderlies is deemed sustainable in the long run, then all other elderlies may be provided the same privileges. There is also a need to focus the provision of discount privileges and freebies on the basic needs such as food, medical and dental including diagnostics, mobility devices, and transport.