

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 1671



Introduced by **HONORABLE STRIKE B. REVILLA**

EXPLANATORY NOTE

The Constitution, Article II, Section 18 states:

“Section 18. The State affirms labor as a primary social economic force. It shall protect the rights of workers and promote their welfare.”

This bill seeks to adjust the retirement age of government employees thereby amending Sections 13(b) and 13-A of Republic Act 8291 otherwise known as the GSIS Act of 1997 that sets the mandatory and optional retirement age for government employees except those in the military and police service.

According to the latest Labor Force Survey (June 2013) the unemployment in the country rose to 7.5 percent in April (2013) from last year's 6.9 percent. Furthermore, the National Statistics Office reported that Philippine employment dipped to 37.82 million in April 2013 from the 37.84 million in April 2012. This is a clear indication that the reported country's robust economic growth failed to offset figures in the jobless rate.

Majority of the unemployed were high school graduates (31.7 percent), college graduates (21.3 percent) and college undergraduates (14.6 percent).

About half (48.2 percent) of the unemployed are those between aged 15-24 years old, 27.5 percent of which are male while 20.7 percent are female.

Lowering the retirement age will ensure that senior citizens will be able to enjoy the fruits of their labor and spend more time with their family and friends as well as pursue other endeavors as they approach the twilight of their years. Thus, lowering the retirement age will help solve the problem of unemployment in the country because those retiring would make room in the labor market for all the recent college graduates who are now finding it so hard to find a job.

At the same time, young people who are educated, skilled and tuned but find it hard to look for a job will find a job that will enable them to be productive citizens of the country.

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


REP. STRIKE B. REVILLA
2nd District, Cavite

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AN ACT
LOWERING THE MANDATORY RETIREMENT AGE OF GOVERNMENT
EMPLOYEES, AMENDING FOR THIS PURPOSE SECTIONS 13 (B) AND 13-A OF
R.A. 8291, OTHERWISE KNOWN AS THE EXPANDED GOVERNMENT SERVICE
INSURANCE ACT OF 1997

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

SECTION 1. Section 13, subparagraph (b) and Section 13-A, subparagraph 2 of R.A. 8291, otherwise known as the Government Service Insurance Act of 1997, is hereby amended to read as follows:

SECTION 13. *Retirement Benefits.*

- (a) *Xxx*
1) *xxx*
2) *xxx*

(b) Unless the service is extended by appropriate authorities, retirement shall be compulsory for an employee at sixty years of age with at least fifteen (15) years of service, he may be allowed to continue in the service in accordance with existing civil service rules and regulations.

SECTION 13-A. Conditions for Entitlement – A member who retires from the service shall be entitled to the retirement benefits enumerated in paragraph(a) of Section 13 hereof; Provided, That:

1. *He has rendered at least fifteen (15) years of service;*
2. *He is at least sixty (60) years of age at the time of retirement; and*
3. *Xxx*

SECTION 2. The provision under Section 13, paragraph (b) and Section 13-A, subparagraph (2) of R.A. 8291 and its Implementing Rules and Regulations, which are inconsistent with this Act are hereby repealed or modified accordingly.

SECTION 3. This Act shall take effect after fifteen days (15) following its publication in at least two (2) newspapers of general circulation.

Approved,