

Amidst the Demographic Shifts: The Case of the Silver Workforce in the Philippines

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Introduction

- The problem of **population ageing** is no longer confined to **high-income countries** but also extends to **low- & middle-income countries** where **two-thirds of their population will be over 60 years old by 2050** (WHO, in <https://www.who.int>).
- The **population of the Philippines this year** is estimated at **120,864,358** (in <https://www.macrotrends.net>)

Year	Population	Growth rate (%)
2024	119,106,224	1.51
2023	117,337,368	1.54
2022	115,559,009	1.47
2021	113,880,328	1.51
2020	112,190,977	1.64
2019	110,380,804	1.67
2018	108,568,836	1.71
2017	106,738,501	1.78
2016	104,875,266	1.79
2015	103,031,365	1.68

2014-2024 Philippine population growth.

Source: Macrotrends. (in <https://www.macrotrends.net>)

Age	2010		2015		2020	
	Male	Female	Male	Female	Male	Female
60 years & over	1,061,324	1,162,781	3,326,177	4,208,129	4,102,594	5,120,078
Total	2,224,105		7,534,306		9,222,672	

Population of senior citizens by age group & sex.

Source: Commission on Population & Development. Socio-Demographic Profile.

(in <https://cpd.gov.ph>).

- Population **increased four times more** from 2,224,105 in 2010, it ballooned to 9,222,672 in 2020.
 - This number is **expected to increase in 2030 to 13M** based on the projections of the Philippine Statistics Authority (in <https://psa.gov.ph>).

- A senior citizen or elderly is defined by Republic Act No. 9994, otherwise known as the “Expanded Senior Citizens Act of 2010”, as *“any Filipino citizen who is a resident of the Philippines & who is sixty (60) years old or above. It may apply to senior citizens with “dual citizenship” status provided they prove their Filipino citizenship & have at least six ((6) months residency in the Philippines”* (in <https://elibrary.judiciary.gov.ph>).

The study

- the intersection of the continuing demographic shift & the existing labor laws & workplace practices
 - specifically focuses on the gaps, challenges, opportunities & strategies to ensure inclusivity, productivity, & social protection for the senior citizens

Key programs & laws

- Article II Section 9 of the **Philippine Constitution** where it affirms that, *“The State shall promote a just & dynamic social order that will ensure the prosperity & independence of the nation & free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, & an improved quality of life for all”* (in <https://lawphil.net>).

1992

Republic Act
No. 7432. *An Act
to Maximize the
Contribution of
Senior Citizens to
Nation Building,
Grant Benefits &
Special Privileges
& for Other
Purposes*



2003

Republic Act
No. 9257. An Act
Granting
Additional
Benefits &
Privileges to
Senior Citizens
Amending for
the Purpose
Republic Act
No. 7432



2010

Republic Act
No. 9994.
Expanded
Senior Citizens
Act of 2010 An
Act Granting
Additional
Benefits &
Privileges to
Senior Citizens



2022

Republic Act
No. 11916. An
Act Increasing
the Social
Pension of
Indigent Senior
Citizens &
Appropriating
Funds Therefor,
Amending for
the Purpose
Republic Act
No. 7432



2024

House Bill 10985
Employment
Opportunities
for Senior
Citizens &
Private Entities'
Incentives Act

**1) Provision of benefits & special
privileges & creation of the Office for
Senior Citizens Affairs (OSCA)**

- ✓ 20% discount when availing services
- ✓ provision of information & matching services to those who are still capable & have the intention to land a job
- ✓ amount of the pension must be reviewed every two years taking into consideration economic changes
- ✓ free medical & dental services in all government health centers & hospitals
- ✓ opportunity to render services to the community
- ✓ regular upgrading of retirement benefits from both the government & private sectors
- ✓ DOLE, TLRC & DTI to assess, design & implement training programs to provide skills, reskill, & upskill senior citizens
- ✓ a monetary grant in the amount not less than PhP1,000 per month to support daily & medical needs
- ✓ establishment of the Office for Senior Citizens Affairs (OSCA) under the Office of the Mayor
- ✓ tax incentives/a 15% additional deduction to private establishments who employ senior citizens for at least six months

2) **Mandatory Philhealth coverage for all senior citizens (Republic Act No. 10645, 2014)**

- ✓ hospital expenses & medical needs are covered even if they do not or have not contributed a single centavo to its monthly dues

3) **Prohibition of employment discrimination due to age (Republic Act 10911 also known as the “Anti-Age Discrimination Employment Act”, July 2015)**

- ✓ provides **equal employment opportunities** to everyone as it guarantees that age should not be used as a basis for employment but rather on the competencies of applicants
- ✓ ensures **equal treatment** to all employees notwithstanding their age, with regard to compensation, benefits, promotion, training, & other employment opportunities
- ✓ **prohibits labor organizations from denying membership or excluding from its membership** any worker because of one's age
- ✓ **vacancy announcements must not include age preferences, specifications, limitations, & discrimination**

4) Granting of PhP100,000 to senior citizens who reach the age of 100 years old (Centenarians Act of 2016 or Republic Act No. 10868)

- ✓ Filipinos who reach the age of 100 years old whether they live in the country or abroad will receive a **cash gift of PhP100,000 & a congratulatory letter from the sitting Philippine President.**
- ✓ **Republic Act No. 11982 (2024):** benefits were expanded to those who reach the age of **eighty (80), eighty-five (85), ninety (90), & ninety-five (95) years but with a lesser amount of PhP10,000.**

5) Creation of the National Commission of Senior Citizens (NCSC, RA 11350, 2019)

- ✓ make sure that laws, policies, & programs of the government are fully implemented; recommend policies to promote & protect the rights & welfare of senior citizens; & coordinate with local government units & national government agencies for concerns related to senior citizens among others

6) Short-term employment opportunities

- ✓ Department of Labor & Employment (DOLE): **Tulong Pangkabuhayan sa Ating Disadvantaged Workers (TUPAD)**, provides wage employment for 10 to 30 days to every beneficiary by working in infrastructure & non-infrastructure projects.

7) Provision of training

- ✓ Department of Trade & Industry (DTI): **Negosyo Serbisyo sa Barangay (NSB)** program; provides business advisory, information, & access to development services (in <https://www.dti.gov.ph>)
- ✓ Technical Education & Skills Development Authority (TESDA): livelihood training programs on farming & urban gardening (in <https://pia.gov.ph>)
- ✓ Cooperative Development Authority (CDA): offers Cooperative Fundamentals Training to promote economic empowerment, & inclusivity to senior citizens

8) Retirement Pay/Benefits

- ✓ Republic Act No. 7641, **private sector** employees who **served for at least five years** in the company upon retirement are entitled to **receive benefits under any collective bargaining & other agreements**.
- ✓ **Private sector member retirees of the Social Security System (SSS)** who have contributed at **least 120 monthly contributions** can either opt for a monthly pension or a lump sum benefit (in <https://www.sss.gov.ph>).
- ✓ The Government Service Insurance System or GSIS Act of 1997, government employees who have **rendered at least 15 years of service, are at least 60 years old upon retirement, & not a permanent total disability pensioner**, can opt for a 5-year lump sum & old age pension after five years of retirement or a cash payment equivalent to 18 times their basic monthly pension & a monthly pension for life effective upon retirement (in <https://www.gsis.gov.ph>).

Gaps & challenges

☹ Financial sustainability of programs for senior citizens

- February 2024: national government debt PhP15.18T (Bureau of the Treasury)
- For 2025, the proposed national budget is PhP6.352T, higher by 10.1% than in 2024. However, the budget both for social protection & health decreased from PhP746.1B to PhP691.8B, & PhP313.7B to PhP300B respectively (in <https://www.dbm.gov.ph>).

☹ Limited access to social safety nets

- access to social protection between 2013 to 2017, are still low; in 2017, only 51.4% senior citizens benefited from Philhealth, & social pension beneficiaries covered only 21.5% of those who are 60 years old or above; female senior citizens & those who belong to low-income households are disproportionately affected (Reyes et al., 2020, in <https://pidswebs.pids.gov.ph>).

☹️ **Unintended exclusivity of senior citizens' discount**

- senior citizens in **high income households** inevitably get to enjoy more from the discount & tax exemption benefits (Reyes et al, 2020)

☹️ **Employment constraints for senior citizens**

	2020 ^f	2021 ^f	2022 ^f	2023 ^f (June)	2024 ^p (June)
Labor force participation rate (%)	59.5	63.3	64.7	66.1	66.0
Employment rate (%)	89.7	92.2	94.6	95.5	96.9
Underemployment rate (%)	16.2	15.9	14.2	12.0	12.1
Unemployment rate (%)	10.3	7.8	5.4	4.5	3.1

^f Final; ^p Partial

Table 3. Labor Force Survey, 2020-2024.

Source: Philippine Statistics Authority. (in <https://psa.gov.ph>).

- Congressional Policy & Budget Research Department: **in 2024, only a slight decrease in unemployment for those aged between 55-64 & no decrease for those 65 years old & over** (in <https://cpbrd.congress.gov.ph>).
- **High number of: a) unemployed estimated at 1.89M in September 2024; & b) Filipinos who finish tertiary education every year**
- **The problem of skills mismatch**

☹ **Continuing employment discrimination due to age**

- 2024 Michael Page Philippines Talent Trends Report: **The Expectation Gap: 43% points to preventing age discrimination at work as the primary issue related to diversity, equity & inclusion**
- **Though overt discrimination may not be practiced, subtle forms were experienced by the survey respondents such as marginalization (14%), microaggressions (11%), & stereotyping (9%)** (in <https://www.michaelpage.com.ph>).

☹ **Incomplete data on senior citizens**

- Department of Social Work & Development on the Philippine Plan of Action for Senior Citizens 2019-2022: the **challenge of a lack of a comprehensive & accurate data on older persons**

☹ **Monitoring & implementation lapses**

- small drugstores either **increase their prices to cover up for possible loss of income or just refer them to big drugstores due to stock 'unavailability'** ((DSWD, in <https://www.population-trends-asiapacific.org>).
- Commission on Audit (COA): there were **unqualified TUPAD beneficiaries, excessive payments made, & beneficiaries who were able to avail of the program twice in a year by changing personal details** (Mangaluz, 2024 in <https://www.philstar.com>).
- The **geographical characteristic of the country** also makes monitoring and implementation difficult. The Philippines is an archipelago composed of more than 7,600 islands, some of which are difficult to reach.

☹️ Inadequate retirement & pension system

Using adequacy, sustainability, & integrity as measures, the Mercer CFA Institute Global Pension Index 2024 shows that **the Philippines has the third-worst pension system globally with an overall index value of 45.8 under the D-grade system**. This means, *“a system that has some sound features but also (has) major omissions or weaknesses”* (in <https://www.mercer.com>).

High pension payout of military & uniformed personnel may result to a “fiscal collapse” (Sy, 2024)

Massive reserve deficits experienced both by the SSS & the GSIS (Sy, 2024).

Conclusion

- The projected demographic shift presents both challenges & opportunities.
- Despite presence of laws & programs for senior citizens, significant gaps still remain.
- Ensuring inclusivity, productivity, & social protection, strategic reforms are needed by strengthening age-inclusive labor laws, expanding pension coverage & sustainability measures, promoting lifelong learning & reskilling initiatives, encouraging employers to adopt flexible work arrangements, & enhancing healthcare & social protection programs.
- All stakeholders must address the challenges & leverage on opportunities for the country to achieve a more inclusive & sustainable labor market that recognizes the contributions of senior citizens, ensure their economic security, & well-being.