



## HOUSE OF REPRESENTATIVES

H. No. 4271

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BY REPRESENTATIVES COSALAN AND NOGRALES, PER COMMITTEE  
REPORT NO. 171

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AN ACT REDUCING THE RETIREMENT AGE OF SURFACE MINE  
WORKERS FROM SIXTY (60) TO FIFTY (50) YEARS,  
AMENDING FOR THE PURPOSE ARTICLE 287 OF  
PRESIDENTIAL DECREE NO. 442, AS AMENDED, OTHERWISE  
KNOWN AS THE LABOR CODE OF THE PHILIPPINES

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

1           SECTION 1. Article 287 of Presidential Decree No. 442, as amended,  
2 otherwise known as the Labor Code of the Philippines, is hereby amended to  
3 read as follows:

4                   “ART. 287. *Retirement.* – Any employee may be retired  
5 upon reaching the retirement age established in the collective  
6 bargaining agreement or other applicable employment contract.

7                   “In case of retirement, the employee shall be entitled to  
8 receive such retirement benefits as he may have earned under  
9 existing laws and any collective bargaining agreement and other  
10 agreements: *Provided, however,* That an employee’s retirement

1 benefits under any collective bargaining and other agreements  
2 shall not be less than those provided herein.

3 "In the absence of a retirement plan or agreement  
4 providing for retirement benefits of employees in the  
5 establishment, an employee upon reaching the age of sixty (60)  
6 years or more, but not beyond sixty-five (65) years which is  
7 hereby declared the compulsory retirement age, who has served  
8 at least five (5) years in the said establishment, may retire and  
9 shall be entitled to retirement pay equivalent to at least one-half  
10 (1/2) month salary for every year of service, a fraction of at least  
11 six (6) months being considered as one whole year.

12 "Unless the parties provide for broader inclusions, the  
13 term 'one-half (1/2) month salary' shall mean fifteen (15) days  
14 plus one-twelfth (1/12) of the 13<sup>th</sup> month pay and the cash  
15 equivalent of not more than five (5) days of service incentive  
16 leaves.

17 "An underground **OR SURFACE** mining employee upon  
18 reaching the age of fifty (50) years or more, but not beyond sixty  
19 (60) years which is hereby declared the compulsory retirement  
20 age for **BOTH** underground **AND SURFACE** mine workers, who  
21 has served at least five (5) years as underground **OR SURFACE**  
22 mine worker, may retire and shall be entitled to all the retirement  
23 benefits provided for in this Article.

24 **"FOR PURPOSES OF THIS ACT, SURFACE MINE WORKERS**  
25 **SHALL INCLUDE MILL PLANT WORKERS, ELECTRICAL,**  
26 **MECHANICAL AND TAILINGS POND PERSONNEL.**

1           “Retail, service and agricultural establishments or  
2 operations employing not more than ten (10) employees or  
3 workers are exempted from the coverage of this provision.

4           “Violation of this provision is hereby declared unlawful  
5 and subject to the penal provisions provided under Article 288 of  
6 this Code.

7           “Nothing in this Article shall deprive any employee of  
8 benefits to which he may be entitled under **SECTION 12-B OF**  
9 **REPUBLIC ACT NO. 1161, AS AMENDED, OTHERWISE KNOWN**  
10 **AS THE SOCIAL SECURITY ACT OF 1997 AND OTHER** existing  
11 laws or company policies or practices.”

12           **SEC. 2. *Implementing Rules and Regulations.*** – Within thirty (30)  
13 days from the effectivity of this Act, the Secretary of Labor and Employment  
14 shall, in consultation and coordination with the President of the Social Security  
15 System, promulgate the necessary rules and regulations for the effective  
16 implementation of this Act.

17           **SEC. 3. *Repealing Clause.*** – Section 12-B of Republic Act No. 1161,  
18 as amended, otherwise known as the Social Security Act of 1997, is hereby  
19 amended and modified accordingly to entitle underground or surface mining  
20 employees to the benefits provided therein upon reaching the retirement age of  
21 fifty (50) years old. All other laws, decrees, executive orders, proclamations,  
22 rules and regulations, and other issuances or parts thereof inconsistent with the  
23 provisions of this Act are hereby repealed or modified accordingly.

24           **SEC. 4. *Effectivity.*** – This Act shall take effect fifteen (15) days after  
25 its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,