

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

First Regular Session
SIXTEENTH CONGRESS

House Bill No. 242



Introduced by Rep. Maria Carmen S. Zamora

EXPLANATORY NOTE

This proposal seeks to amend sections 13(b) and 13-A of Republic Act No. 8291, otherwise known as the Government Service Insurance System Act of 1997, by lowering the mandatory retirement age for government employees except those in the military and police services.

If favorably considered by the legislature and approved by the executive branch, the new enactment will correct the slow manpower turn-over in government because only a few avail of early retirement. Most government employees opt to retire at the age of sixty-five (65) thereby creating a stand-off in terms of position movement and the accommodation of new entrants. This scenario affects government's productivity since studies show that people reaching the age of fifty (50) tend to suffer from a decline of cognitive and physical abilities. Likewise, the inability of the older set of public servants to adapt to the infusion of modern technology and methods also impacts negatively on output and efficiency.

The reduction of the age of retirement is the only viable solution to increasing productivity and decreasing unemployment by allowing new entrants to civil service positions. More retirees would mean more job openings for the unemployed. Lowering the compulsory retirement age would also allow retirees to thoroughly enjoy the benefits and assistance extended to them, while giving the GSIS the ability to fully prepare and manage the increase in the transaction volume of retirement applications and their processing.

The passage of this bill is urgently requested.


MARIA CARMEN S. ZAMORA

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AN ACT
LOWERING THE MANDATORY RETIREMENT AGE OF GOVERNMENT
EMPLOYEES, AMENDING FOR THE PURPOSE SECTIONS 13(b) AND 13-A OF
REPUBLIC ACT NO. 8291, OTHERWISE KNOWN AS THE GOVERNMENT SERVICE
INSURANCE SYSTEM ACT OF 1997, AND FOR OTHER PURPOSES

Be it enacted by the Senate and the 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 System 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 (60) years of age with at least fifteen (15) years of service: Provided, That, if he has less than 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 fifty-five (55) years of age at the time of retirement; and*

3) xxx

SEC. 2. The provision under Section 13, subparagraph (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.

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

Approved,