

Republika ng Pilipinas
(Republic of the Philippines)
KAGAWARAN NG EDUKASYON, KULTURA AT ISPORTS
(DEPARTMENT OF EDUCATION, CULTURE AND SPORTS)
Maynila

September 11, 1987

DECO. DIR. D.E.R.
No. 94, s. 1987

APPLICATION FOR RETIREMENT UNDER SECTION 12(c) OF COMMONWEALTH
ACT NO. 186, AS AMENDED BY REPUBLIC ACTS NO. 1616 AND 4968
SHOULD NOT BE COURSED THRU MALACANANG CLINIC

To: Undersecretaries
Assistant Secretaries
Bureau Directors/Cultural Agency Directors
Regional Directors
School Superintendents
Chief of Service and Heads of Centers/Units
Presidents, State Colleges and Universities
Vocational School Superintendents/Administrators

1. Inclosed is a copy of Memorandum Circular No. 33 dated August 3, 1987 of the Office of the President of the Philippines, which is self-explanatory.

2. Conformably thereto, applications for optional retirement under Section 12(c) of Commonwealth Act No. 186, as amended by R.A. 1616 and R.A. 4968 should no longer be coursed thru the Malacanang Clinic for determination of the physical incapacity of applicants. Paragraph 1(b) of Department Memorandum No. 244, s. 1977, insofar as the coursing of applications for retirement under the said retirement plan is concerned is hereby amended accordingly.

3. It is desired that this Order be disseminated to all officials, teachers and other school employees for their information and guidance.

(BCCD.) LOURDES R. GUISUBMING
Secretary

Incl.: i

As stated

Reference:

Department Memorandum (No. 244, s. 1977)

Allotment: 1-2-3-(M.Q. 1-87)

To be indicated in the Periodical Index
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OFFICE OF THE PRESIDENT
OF THE PHILIPPINES
Malacanang

MEMORANDUM CIRCULAR NO. 33

SUPREME COURT DECISION ON OF MEMORANDUM CIRCULAR NO. 133
DATED OCTOBER 16, 1987.

For the information of all heads of offices, both national and local, including government-owned or controlled corporations, attention is invited to the decision of the Supreme Court in the case of Marasigan vs. Cruz, G. R. No. I-0648 promulgated on May 20, 1987, affirming a decision of the Court of First Instance of Manila declaring "void and of no effect" OP Memorandum Circular No. 133 prescribing certain conditions for optional retirement under Commonwealth Act No. 186, as amended by Republic Acts No. 1616 and No. 4968, the dispositive portion of which reads as follows:

"In its decision the trial court set out the perspective that is appropriate in respect of a retirement law like Commonwealth Act No. 186 as amended:

"A retirement law such as C.A. 186 and amendatory laws is in the nature of a contract between the government and its employees. When an employee joins the government service he has a right to expect that after rendering the required length of service and fulfilled the conditions stated in the law on retirement, he would be able to enjoy the benefits provided in said laws. He regularly pays the dues prescribed therefor. It would be cruel to deny him the benefits he had been expecting at the end of his service by imposing conditions for his retirement which are not found in the law. It is believed to be a legal duty as well as a moral obligation on the part of the government to honor its commitments to its employees when as in this case, they have met all the conditions prescribed by law and are therefore entitled to receive their retirement benefits."

We agree with the trial court in this respect."

Accordingly, applications for optional retirement benefits under C.A. 186 as amended by R.A. 1616 and R.A. 4968 shall no longer be submitted to the Malacanang Clinic for determination of the physical incapacity of applicants.

Please be guided accordingly.

By Authority of the President:

(SGD.) CATALINO MACARAIG, JR.
Deputy Executive Secretary

Manila, August 3, 1987

Certified Copy:

(SGD.) JMELOQUIADES T. DE LA CRUZ
Presidential Staff Director