



**PRESS STATEMENT
HONOURABLE MINISTER OF HUMAN RESOURCES**

**IMPLEMENTATION OF MINIMUM RETIREMENT AGE
FOR PRIVATE SECTOR**

Minimum Retirement Age 2012 Bill was passed by Dewan Rakyat on 27 June 2012 and Dewan Negara on 17 July 2012.

Minimum Retirement Age Act 2012 was gazetted on 16 August 2012.

The Act stipulates that the minimum retirement age of an employee shall be upon the employee attaining the age of sixty years. Thus, an employer shall not prematurely retire an employee before the employee attains the minimum retirement age. However, this Act does not prevent an employee from retiring upon attaining the age of optional retirement, as per agreed in the contract of service or collective agreement.

Ministry of Human Resources held series of tripartite consultations involving the representatives of employers and employees as well as various government agencies to discuss the implementation of minimum retirement age.

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Based on the outcome of such consultations, the Government has decided that the effective date of this Act is on 1st July 2013 and the date will be gazetted on 1st January 2013.

However, employers who need extension period may apply to the Honourable Minister of Human Resources to defer the implementation. If such application is considered, the deferment will only be given up to 31st December 2013 in the form of an exemption of application of the Act. The application must be submitted with strong reasons and justifications to the Ministry of Human Resources not later than 28 February 2013.

(DATUK SERI DR. S.SUBRAMANIAM)

Minister of Human Resources

Putrajaya

Date : 6 December 2012