

PHASED RETIREMENT WILL EASE TRANSITION, FED WORKERS AFFIRM



Last week, as per the usual norm, several bills were passed through Congress. One amongst them was one that mandated phased retirement for federal workers. This would allow federal employees to plan their retirement by working part-time, at the same time collecting a proportionate annuity. The plan is likely to succeed at it would reduce the government's costs and also increase its income. According to Congressional Budget Office estimates the government would spend around \$427 million less over the next decade. That is the savings from the curtailed annuities that the government would have to pay, to those employees who opt for part-time work. Add to this another \$24 million over the same ten years, coming from phased retirees, continuing to pay into the federal retirement fund from their salaries. The bill will have far-reaching consequences for workers. Not only will it allow workers to work part time after their retirement, however, with their salaries and other allowances distributed proportionately, it will also allow them to ease into their retirement smoothly. Moreover, employees who opted for the phased retirement would continue to receive retirement benefits for their part-time service and remain eligible to contribute to the Thrift Savings Plan. For the agencies to it is hugely beneficial. One of the conditions of the plan is that 20 percent of the employee's time will be spent in mentoring and advising new employees. It also means that the agencies would not lose high-value and experienced personnel suddenly. Colleen Kelley, president of the National Treasury Employees Union, said that phased plan was a "welcome option" for federal employees. "This is a workforce management tool that allows a great deal of flexibility. Under phased retirement, the employee continues to serve the agency and the public on a part-time basis and the agencies retain incredibly valuable knowledge and expertise," he added. Would the bill and its consequence appeal to the workers or would they be disinclined to it. The question put to a wide spectrum of workers, evoked disparate responses. **Katherine N. Lane**, resource adviser at the Moody Air Force Base, Ga. said that she would surely reflect on the new alternative. It is a win-win situation for both the agency and the retiree. Having fallen into the daily rut of getting up going to work, return home and go back the next day, not too many people think about retirement. She said that with the option of being allowed to work part-time the conclusiveness of retirement would be less. It would also mean that I would not be allowing my experience garnered from 28 years of work at the Department of Defense with the Air Force, to go to waste. Joe Rahall of the U.S. Navy, Navigation Branch, Washington D.C. said that it was a superb idea and good for all concerned. Retirement will not be thrust upon the workers abruptly and give them time to prepare. The agency will benefit because they do not lose out on the knowledge and experience of the worker and also use them to mentor and break-in the new workers. John McGing, Social Security Administration, Columbia, felt that the proposal seemed appealing, but felt that the numbers regarding pays and benefits, were at best speculative and one would have to see what the final numbers work out to be. It would be great if we could work for 20 hours each week and get 50 percent salary and 50 percent pension. It will smoothen the transition from being-employed to being-retired. Moreover, the agency should understand that instead of losing all its retiring employees at one go, you get them to put in half the hours, allowing the agency to work through the change, without having to bear too much of an extra financial burden. However, he questioned where the money would come from given that the US Office of Personnel Management is having trouble paying its pensions on time and any additional payments to retirees would only further aggravate that burden. Myles Boylan, National Science Foundation, said that the strong positive attributes of the phase out bill is what most universities were proclaiming decades ago and said that it was something that would be beneficial to both the outgoing worker and the agency. The agencies would be spared the worry of a sudden and mass exodus of experienced and competent employees. For example, at his workplace, the National Science Foundation, he said, 30 percent of professional workforce is eligible to retire. By being able to retain them as part-time workers, will allow for continuity in existing programs and provide time to orient new workers into the workplace. Another area where the agencies benefit is that it can choose which employee it wants to reemploy and which one it doesn't. Unions and legislation make it hard to sack under-performing employees. The agency can give part-time employment to only the productive and competent employees and say good bye to the rest, who were unwanted in the first place. The employees also benefit in multiple ways, you don't just step into a workless vacuum and work at a more leisurely pace. It also means that the retirement is not thrust upon them and they will be looked upon as specialists and experts in their fields whose advice and counsel will be widely respected. One of the last workers to be interviewed, Janice Fisher, Department of Veterans Affairs, Iowa City VA Health Care System, was not very convinced that the bill was very attractive. She said that there was a total lack of salary increases and with the economic situation being what it is, it was quite likely that the budgets would not entail much hope for increase in the near future too. Moreover, she said that for the privilege of being allowed to work part-time you would have to accept a curtailed retirement check. This would in fact mean that I am personally granting assent to accepting a lower salary. She said she would much rather, collect her full retirement check and look for a job in the private sector, thereby increasing her Social Security History. What would persuade her to stay would be getting her full retirement annuity and being allowed to work for a couple of years on part-time basis.