

Singapore's labour crunch: The challenge of making the most of silver capital

Joanna Seow

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When Ms Premalatha Sadhasivan, 60, was asked to take a large pay cut in 2017 as her company was downsizing, she was anxious to find a new job.

Then a manager at a private education institution, she was paying off her elder daughter's education loans for postgraduate medical school overseas. Her husband was semi-retired.

But, she says, it is easy to lose confidence while looking for a job at her age. "Employers who look at resumes of mature workers may think 'slow, cannot work'."

She soon became a social worker at Sree Narayana Mission (Singapore), and was made head of the rehabilitation department, thanks to her past managerial experience.

She hopes to continue working after she reaches retirement age next year, by doing her part to stay valuable to her employer.

"I can feel that my younger co-workers are very fast with computer skills and are more nimble, so I have to spend a bit more time to learn and keep myself healthy," she says.

Ms Premalatha is among the one in three Singapore resident employees today aged 50 and above.

GAINFUL EMPLOYMENT

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MR CHRISTOPHER GEE, senior research fellow at the Institute of Policy Studies.

With an ageing workforce, Singapore's manpower challenges are only set to rise as the working-age citizen population - those aged 20 to 64 - is projected to peak next year.

Tapping the growing pool of older workers is one way to ensure companies and organisations can continue to flourish.

"At a national level, keeping older persons in productive employment can arrest or even reverse the deterioration in the old-age support ratio and possible weakening of the country's fiscal position from an increase in the number of old-age dependents," Institute of Policy Studies (IPS) senior research fellow Christopher Gee tells Insight.

Being gainfully employed also helps people age successfully, and relieves family members from the responsibility of financial support and care, he adds.

But even as the employment rate for older workers has improved, many worry about maintaining their income in their later years, while employers worry about medical costs and the ability of older staff to cope with technological changes.

This was among feedback gathered by a work group reviewing policies on re-employment and retirement adequacy, which was shared at an IPS forum last week.

Members of the Tripartite Workgroup on Older Workers - first announced in May last year and now six months into its review - were quizzed at the forum on the need for a legislated retirement age.

Former Nominated MP Kanwaljit Soin had commented at the forum that with so many years of good health expected here, it would be hard for people to work for 35 to 40 years and then sustain another 35 to 40 years of retirement.

"To keep the retirement age at 62, and then to give yearly extensions, workers feel very insecure and they cannot plan for their lives," she said.

The statutory retirement age is 62, meaning employees below 62 cannot be unfairly dismissed based on age. Companies must also offer eligible workers re-employment up to age 67, though there is flexibility for adjustment in employment terms such as wages and benefits.

Senior Parliamentary Secretary for Manpower Low Yen Ling, a member of the work group, said that based on the feedback received by the Tripartite Workgroup on Older Workers, the construct of a retirement age and re-employment age remains relevant.

The desire of older people to work as long as they want to with the same wages and benefits must be balanced with the need to ensure they remain employable and companies remain competitive, she said.

Companies should not be forced to employ people for too long, added fellow work group member Alexander Melchers, who is vice-president of the Singapore National Employers Federation.

Employers also take their cue from the state of the economy, he said. "The guarantee of a job comes only from a flourishing economy and not from legislation...

"Legislation can guarantee there's a job only if there are jobs."

While some workers are keen to take a break or move into less intense roles as they age, others, like Ms Premalatha, want to or need to keep working.

The Centre For Seniors, which helps older people manage transitions in life, surveyed over 1,100 people aged 50 and above in 2016, and found that only 10 per cent want to retire.

In fact, finding work in lower-skilled, low-pay service jobs is not difficult for older workers, and many are employed in industries like retail, security and cleaning, says NMP Walter Theseira, an economist at the Singapore University of Social Sciences.

"The challenge is whether employers are willing to consider older workers for more desirable, high-pay, high-skill jobs," Associate Professor Theseira tells Insight.

Employers still harbour concerns that an ageing workforce means that they face the rising cost of providing medical benefits and uncertainty over whether older workers can perform jobs redesigned to suit them, noted Mr Vikas Sharma, research director at Blackbox Research, which organised public engagement sessions for the tripartite work group.

An employer had said the challenge is to find what jobs older workers can do, as new jobs in the market may not be suitable for them, shared Mr Sharma at the IPS forum.

But some employers also see mature workers as an asset.

Ms Premalatha's employer, Mr S. Devendran, chief executive of Sree Narayana Mission (Singapore), says older employees are well positioned to empathise with people facing challenges.

"They have their life experience, which is not something that can be taught in a classroom," he says.

As more Singaporeans hit retirement age and wish to carry on working, many hope their employers - and would-be employers - share this view.