

SM Tharman: Singapore needs to take its mature workers more seriously

Chia Han Keong

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Singapore still has some ways to go in having a job employment market that takes mature workers seriously, said Senior Minister Tharman Shanmugaratnam on Tuesday (12 January).

And with half of the bottom 10 per cent of income earners in Singapore aged above 55 years old, he urged employers to “take the high road” and be willing to hire and re-skill someone who has significant skills amid a tight labour market caused by the COVID-19 pandemic.

“In labour markets, you'll never get a perfect match of skills, except for certain specialised jobs. In general, you hire someone, you train them up, and they have to adapt. It can be done, but I think we still have a bias against our mature workers,” he said.

“We don't need to loosen up our foreign worker policies. Quite the opposite, we need to make the most of our Singapore workforce.”

Tharman, who is also the Coordinating Minister for Social Policies, was speaking at an online forum on jobs and skills, as part of the Institute of Policy Studies' (IPS) Singapore Perspectives annual conference.

He described the job landscape in the Singapore market as having a unique problem: while other developed countries are concerned with creating good jobs for their younger generation, Singapore is grappling instead with issues of creating employment for workers of the older generation.

In particular, he said that those who did not get to enjoy the transformation in Singapore's education system in the 1970s and 1980s are struggling to move up the social and income ladders, even as Singaporeans enjoyed a 65-per-cent growth in their median income in the last two decades.

“Most of them have very limited education, doing simple jobs, and the transformation in Singapore has led to inequality between the old and the youth,” he said during the forum.

“While we are debating about lifting the wages of those lower down (the income ladder), we need to also think about the capacity of our older workers to switch jobs or to be able to retain their jobs.

“That's why we're bringing about this in a calibrated manner, rather than a simple, across-the-board minimum wage. We're working on it sector by sector, together with our skills-upgrading schemes and in a way that ensures that we get not just a minimum wage, but also maximum employment. In other words, to give people the dignity of holding a job and earning a better wage. It can be done.”

Self-organisers have advantage in post-COVID-19 job markets

During the forum, Tharman also spoke about the importance of countries and workforces reacting to the changes brought about by the COVID-19 crisis.

While the Singapore government has been working very hard at limiting the unemployment rate by helping to coordinate the matching of employees' skills to suitable jobs, it is also "pressing the accelerator" in promoting lifelong learning among the workers.

"It's about constant up-skilling even when you have a job. It also helps you prepare for the tumbles that inevitably come," Tharman said.

Another speaker at the forum, Professor Tyler Cowen – the Holbert L. Harris chair of economics at the Center for Study of Public Choice at George Mason University – stressed the importance of self-organisation amid the current work-from-home job settings.

He believes that such settings favour the "self-organisers" – workers who are proactive in shaping their career paths and productivity without the supervision of their employers in an office setting.

"As people realise that what they learn now may become obsolete a few years down the line, and lifelong learning becomes a requirement for employment, the greater the gap will be between the self-organisers and those who just sit on their behinds and watch TV," Prof Cowen said.

The third speaker at the forum, Selena Ling – chief economist of OCBC Bank's Global Treasury Division – believes that while the man on the street knows that he needs to constantly upgrade and up-skill, he may be uncertain on how to do it.

She proposes better guidelines and references for these workers to help them progress in their careers. "This will empower them to actually craft their own learning journeys, and also give fresh graduates a sense of how to achieve their career destinations," she added.

The IPS Singapore Perspective conferences will continue until 25 January, concluding with a dialogue session with Minister for Education Lawrence Wong.