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# **Firms' Adoption of Age-Positive Human Resource Practices**



**MINISTRY OF  
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## HIGHLIGHTS

- As at June 2006, nearly all private sector establishments surveyed (97%) hired Singapore citizens aged 40 to 49. However, the proportion employing workers in their 50s declined to 89% and more sharply to 54% for those older.
- Attesting to the importance of continual education and training, mature workers remain employable mainly due to their relevant skills and work experience. This was the most common reason workers in their 40s and 50s fit into organisations, with around seven in ten employers citing this. Although having relevant skills and work experience was also important for older workers aged 60 & over (52%), the top reason cited for employing them was their lower likelihood to job-hop (61%). A significant percentage (at least 40%) of establishments also cited the ability of mature and older workers to mentor and impart knowledge to younger staff, reinforcing the perception that older workers are more loyal and committed to the company. Willingness to accept salary adjustment (37%) was also a significant factor for employing older workers aged 60 & over.
- Among firms that did not employ mature workers, the most common barrier cited against employing workers in their 50s and 60s was their inability to meet physical demands of the job, with nearly four in ten employers citing this. This was also the second most cited barrier against hiring workers in their 40s (25%) after high wage expectation (31%). Interestingly, high wage expectation was not as much an issue for workers in their 50s and 60s, as the percentage of firms which cited this declined to 12% and 6.7% respectively, possibly reflecting more realistic salary expectations of older workers<sup>1</sup>. Other reasons cited were that mature workers were not flexible and adaptable to changes and were less receptive to training and skills, with less than one in five employers indicating each reason.
- About half (54%) of the establishments surveyed retained employees beyond the official retirement age, with the majority of them making no change to the workers' job scope, wages and benefits. There is therefore scope to put in place a better structure and guidelines for employers and employees to re-negotiate re-employment terms that can enable more workers to work beyond the retirement age.
- One in three (34%) establishments were aware of the ADVANTAGE! scheme introduced in Jan 06. Slightly more than half (54%) of the establishments surveyed indicated that they would consider tapping on the Scheme. There is therefore considerable room to raise the awareness of employers and encourage them to participate in the scheme.

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<sup>1</sup> Preliminary findings of the National Survey of Senior Citizens, 2004/2005 commissioned by MCYS found that nine out of ten senior citizens aged 55 & over who were looking for a job were prepared to accept lower salaries.

# Firms' Adoption of Age-Positive Human Resource Practices

## 1 INTRODUCTION

1.1 This report examines retirement policies and re-employment practices of firms as well as their perception towards employing mature workers. It also examines awareness of employers of the ADVANTAGE! Scheme, introduced in Jan 06 to encourage employers to hire mature workers aged 40 & above or re-employ them beyond the age of 62.

1.2 The findings are obtained from an ad-hoc survey on *Conditions of Employment for Older Workers, 2006* conducted by the Ministry of Manpower's Research and Statistics Department on an effective sample of about 2,900 private establishments each employing at least 25 employees. While the survey is designed to minimise response bias, there may be a tendency for firms to provide socially desirable responses especially when asked about their perception towards mature workers. Nevertheless, it does provide a useful baseline for tracking movements over time. The survey coverage and methodology is at [Appendix 1](#).

1.3 In this report, workers aged 40 and above are referred as mature workers while those aged 50 and above are referred as older workers.

## 2 EMPLOYMENT OF MATURE WORKERS

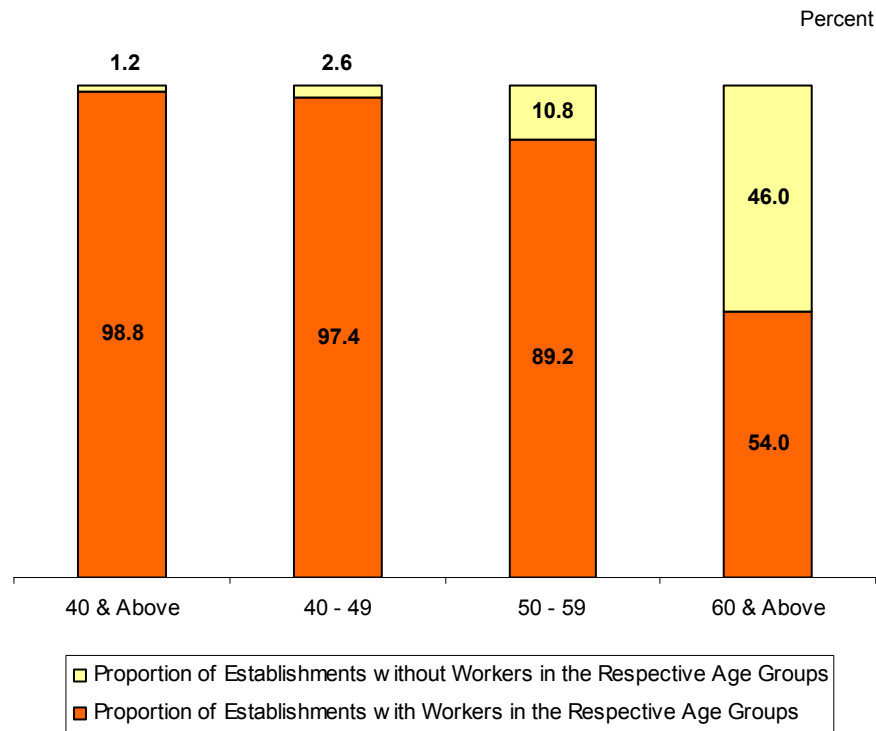
### **Majority of establishments employed mature workers**

2.1 As at June 2006, nearly all the establishments surveyed (97%) hired mature Singapore citizens aged 40 to 49. However, the proportion employing workers in their 50s declined to 89% and more sharply to 54% for those older. The steep decline for the age group 60 & above partly reflects the drop in labour force participation rate for older residents, given the official retirement age of 62<sup>2</sup>.

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<sup>2</sup> The resident labour force participation in June 2006 declined from over 90% for males in the prime working age of 25-54 to 82% for those aged 55-59 and 63% for 60-64 and further to 22% for 65 & over.

Chart 1: Establishments with Mature Workers by Age Group, June 2006



Note: (1) Figures are based on all establishments surveyed.  
 (2) For the age group of 40 & above, it includes establishments that hire workers in any of the three age groups.

### ***Incidence of mature workers decreases with age***

2.2 A similar trend was observed across the industries. Over 90% of firms across all the industries employed workers in their 40s. As for employment of workers aged 50 to 59, the incidence was lower but still above 80%, except for information & communications (63%) and construction (79%). The incidence of firms employing workers aged 60 & above was substantially lower, with many industries registering rates of below 60%.

2.3 The decline in incidence of mature workers with advancing age groups is more apparent in the information & communications industry where only one in four firms employed workers aged 60 & above (Table 1). This is a relatively young industry which requires workers with the latest technical skills and knowledge due to rapid technological changes.

Table 1: Establishments with Mature Workers by Industry, June 2006

| Industry                               | Incidence   |             |             |             |
|--|-------------|-------------|-------------|-------------|
|  | 40 & Above  | 40-49       | 50-59       | 60 & Above  |
| <b>ALL INDUSTRIES</b>                  | <b>98.8</b> | <b>97.4</b> | <b>89.2</b> | <b>54.0</b> |
| <b>MANUFACTURING</b>                   | <b>99.1</b> | <b>97.6</b> | <b>93.5</b> | <b>57.5</b> |
| <b>CONSTRUCTION</b>                    | <b>98.7</b> | <b>96.3</b> | <b>79.0</b> | <b>41.0</b> |
| <b>SERVICES</b>                        | <b>98.7</b> | <b>97.6</b> | <b>90.0</b> | <b>55.6</b> |
| Wholesale & Retail Trade               | 98.7        | 97.9        | 89.2        | 45.2        |
| Transport & Storage                    | 100.0       | 100.0       | 94.9        | 60.5        |
| Hotels & Restaurants                   | 100.0       | 98.9        | 96.4        | 73.3        |
| Information & Communications           | 99.5        | 98.9        | 62.6        | 24.7        |
| Financial Services                     | 100.0       | 100.0       | 95.6        | 55.6        |
| Real Estate, Rental & Leasing Services | 100.0       | 100.0       | 100.0       | 78.9        |
| Professional Services                  | 96.9        | 95.9        | 85.3        | 46.2        |
| Administrative & Support Services      | 98.6        | 93.2        | 92.6        | 74.1        |
| Community, Social & Personal Services  | 96.9        | 95.2        | 86.6        | 62.2        |
| OTHERS *                               | 100.0       | 100.0       | 100.0       | 100.0       |

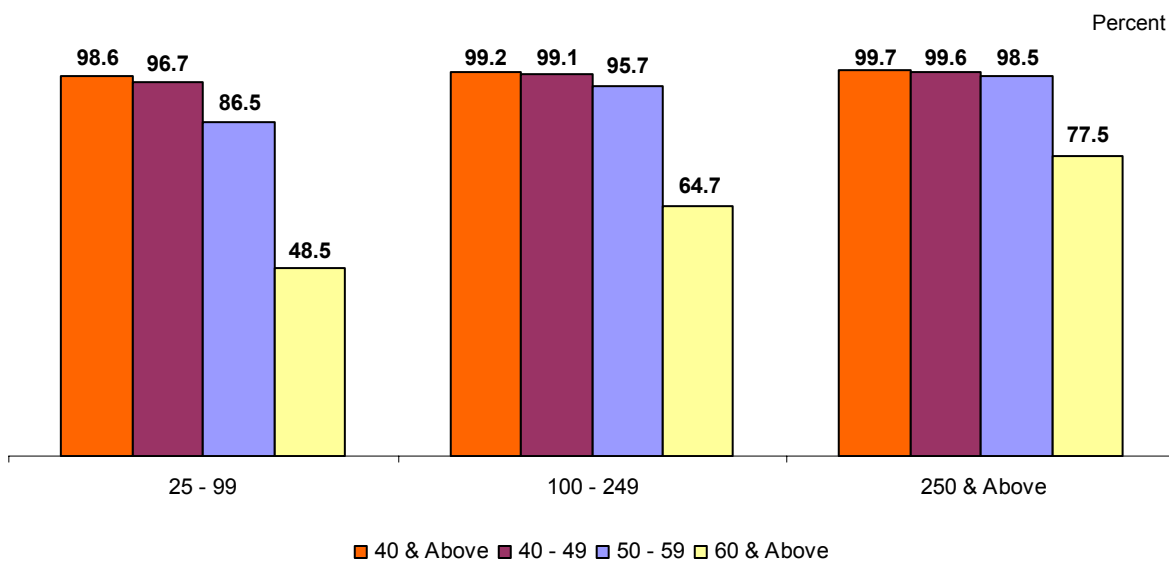
Notes: (1) For the age group of 40 & above, it includes establishments that hire workers in any of the three age groups.

\* Others include agriculture, fishing, quarrying & utilities.

### Larger establishments tend to hire more mature workers

2.4 Expectedly, a higher proportion of the large establishments employed older workers than the smaller establishments (Chart 2). Their larger employment base enables more of them to be inclusive of workers across the age groups.

Chart 2: Establishments with Mature Workers by Establishment Size and Age Group, June 2006



Note: (1) Figures are based on all establishments surveyed.

(2) For the age group of 40 & above, it includes establishments that hire workers in any of the three age groups.

### 3 REASONS MATURE WORKERS FIT INTO ESTABLISHMENTS

#### *Having relevant skills and work experience matters...*

3.1 Mature workers remain employable mainly due to their relevant skills and work experience. This was the most commonly cited reason workers in their 40s and 50s fit into organisations (Table 2), which reinforces the need for workers to equip themselves with relevant skills and knowledge to enhance employability.

Table 2: Reasons Mature Workers Fit Into Establishment by Age Group, June 2006

|   | Percent |         |            |
|---|---------|---------|------------|
|   | 40 - 49 | 50 - 59 | 60 & Above |
| Relevant Skills & Work Experience                 | 72.6    | 65.4    | 52.0       |
| Less Likely to Job-hop                            | 52.1    | 62.9    | 61.4       |
| Mentor & Impart Knowledge to Younger Staff        | 47.4    | 50.0    | 40.3       |
| Highly Competent                                  | 51.8    | 39.4    | 31.1       |
| Willing to Work Longer Hours                      | 40.4    | 40.2    | 34.0       |
| Project themselves well                           | 37.9    | 35.4    | 29.5       |
| Effective in Relating to Customers                | 31.9    | 26.1    | 18.6       |
| Limited in Supply (Compatible Skills & Knowledge) | 21.4    | 21.2    | 20.6       |
| Prepared to Accept Salary Adjustments             | 21.1    | 28.9    | 37.0       |

Note: (1) Figures are based on establishments with workers for the respective age groups.  
 (2) Figures do not add up to 100% as firms are allowed to give multiple reasons.  
 (3) Cells shaded indicate 3 most commonly cited reasons for the respective age groups.

3.2 Although having relevant skills and work experience was also important for older workers aged 60 & over, the top reason cited for employing them was their lower likelihood to job-hop (61%). A significant percentage (at least 40%) of establishments also cited the ability of mature and older workers to mentor and impart knowledge to younger staff, reinforcing the perception that older workers are more loyal and committed to the company.

3.3 Willingness to accept salary adjustments was an important factor for employing older workers aged 60 & over, with 37% of employers indicating this reason compared to 29% and 21% for employers of workers in their 50s and 40s respectively. Employers are given the discretion under the Retirement Age Act to reduce the wages of employees beyond the age of 60 by up to 10% when extending their employment beyond 60.

3.4 Other studies done by private research and consulting firms show that employers generally believed that older workers were valuable assets and that they were more committed, engaged and aligned with company goals. In a recent HSBC *Future of Retirement Survey*<sup>3</sup> on attitudes of employers regarding ageing and retirement, more than half of the employers surveyed in Singapore felt that retiring workers means a loss of valuable skills and knowledge.

**...reasons differ across industries for workers aged 60 & above**

3.5 Information & communications (80%), financial services (70%) and professional services (69%) stood out with an exceptionally high proportion of employers indicating relevant skills and work experience as the reason workers aged 60 & above fit into their organisations compared with the norm (52%) (Table 3). This is not surprising given the relatively high concentration of jobs that require professional skills and experience in knowledge-intensive industries.

3.6 In contrast, the lower likelihood to job-hop was the top reason cited for employing workers aged 60 & above in real estate & leasing services (70%), administrative & support services (69%) and hotels & restaurants (67%). As these industries experience high manpower turnover, it is not surprising that employers there value workers aged 60 & above who tend to be more loyal to the company. The latter two industries (41% for both), together with community, social & personal services (40%) and transport & storage (40%) were also more likely to cite the willingness of older workers to longer hours than the norm (34%). Being a cost-conscious industry, more employers in real estate & leasing services (51%) indicated willingness of older workers to accept salary adjustments as a reason than the average for all industries (37%). The diversity in reasons cited reflects the different type of older workers employed in these industries.

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<sup>3</sup> Source: HSBC survey on *The Future of Retirement 2006* is a global research commissioned by HSBC and Age Wave, conducted by market research firm Harris Interactive and the Oxford Institute of Ageing, part of Oxford University, analyzed the results. It was conducted amongst 21,329 individuals and 6,018 private sector employers in 20 countries, including UK, USA, China, Japan, Hong Kong and Singapore.

Table 3: Reasons Workers Aged 60 &amp; Above Fit Into Establishment by Industry, June 2006

|                                       | Relevant Skills & Work Experience | Less Likely to Job-hop | Mentor & Impart Knowledge to Younger staff | Highly Competent | Willing to Work Longer Hours | Project themselves well | Effective in Relating to Customer | Prepared to Accept Salary Adjustment | Limited in Supply |
|---------------------------------------|-----------------------------------|------------------------|--|------------------|------------------------------|-------------------------|-----------------------------------|--------------------------------------|-------------------|
| <b>ALL INDUSTRIES</b>                 | <b>52.0</b>                       | <b>61.4</b>            | <b>40.3</b>                                | <b>31.1</b>      | <b>34.0</b>                  | <b>29.5</b>             | <b>18.6</b>                       | <b>37.0</b>                          | <b>20.6</b>       |
| <b>MANUFACTURING</b>                  | <b>53.7</b>                       | <b>63.2</b>            | <b>38.0</b>                                | <b>26.9</b>      | <b>31.9</b>                  | <b>27.7</b>             | <b>13.7</b>                       | <b>38.3</b>                          | <b>21.1</b>       |
| <b>CONSTRUCTION</b>                   | <b>42.6</b>                       | <b>57.4</b>            | <b>46.2</b>                                | <b>27.1</b>      | <b>36.8</b>                  | <b>35.5</b>             | <b>18.3</b>                       | <b>39.1</b>                          | <b>15.8</b>       |
| <b>SERVICES</b>                       | <b>53.3</b>                       | <b>61.5</b>            | <b>40.2</b>                                | <b>33.7</b>      | <b>34.5</b>                  | <b>29.2</b>             | <b>21.0</b>                       | <b>36.2</b>                          | <b>21.3</b>       |
| Wholesale & Retail Trade              | 54.1                              | 59.4                   | 40.3                                       | 39.2             | 32.3                         | 34.0                    | 24.5                              | 28.6                                 | 16.1              |
| Transport & Storage                   | 69.0                              | 62.6                   | 48.9                                       | 36.8             | 40.1                         | 34.7                    | 18.2                              | 33.1                                 | 15.8              |
| Hotels and Restaurants                | 34.5                              | 66.8                   | 33.9                                       | 21.7             | 41.3                         | 18.9                    | 18.6                              | 39.1                                 | 23.9              |
| Information and Communications        | 80.0                              | 48.9                   | 28.9                                       | 71.7             | 31.1                         | 26.7                    | 11.1                              | 46.7                                 | 48.9              |
| Financial Services                    | 69.7                              | 64.0                   | 53.1                                       | 28.6             | 22.3                         | 34.3                    | 22.3                              | 36.0                                 | 9.7               |
| Real Estate & Leasing Services        | 39.0                              | 69.8                   | 37.8                                       | 14.0             | 27.3                         | 27.3                    | 18.0                              | 51.2                                 | 31.4              |
| Professional Services                 | 68.6                              | 50.0                   | 43.4                                       | 46.5             | 21.7                         | 27.9                    | 19.5                              | 30.5                                 | 22.1              |
| Administrative & Support Services     | 36.4                              | 69.1                   | 25.4                                       | 22.1             | 41.2                         | 21.0                    | 12.5                              | 38.6                                 | 33.1              |
| Community, Social & Personal Services | 53.1                              | 57.6                   | 43.0                                       | 38.5             | 40.1                         | 30.0                    | 27.6                              | 44.3                                 | 21.8              |
| OTHERS *                              | 38.1                              | 61.9                   | 33.3                                       | 35.7             | 26.2                         | 23.8                    | 7.1                               | 26.2                                 | 26.2              |

Note: (1) Figures do not add up to 100% as firms are allowed to give multiple reasons.

\* Others include agriculture, fishing, quarrying & utilities.

### ***Larger establishments emphasised more on relevant skills and work experience***

3.7 Across all establishment size, lower likelihood to job-hop, having relevant skills and work experience and ability to mentor and impart knowledge to younger staff remain the top three reasons workers in their 60s fit into their organisation (Table 4). Generally, the larger establishments were more likely to give various reasons for workers aged 60 & above. The exceptions were willingness to work longer hours which were more valued by smaller establishments as well as low likelihood to job hop where there was no clear pattern observed across the establishment sizes. A detailed breakdown by establishment size and age group is in Annex 2.

Table 4: Reasons Workers Aged 60 & Above Fit Into Establishment by Establishment Size, June 2006

|   | Percent |         |           |             |
|---|---------|---------|-----------|-------------|
|   | Overall | 25 - 99 | 100 - 249 | 250 & Above |
| Less Likely to Job-hop                            | 61.4    | 59.9    | 65.1      | 63.4        |
| Relevant Skills & Work Experience                 | 52.0    | 48.9    | 55.5      | 61.4        |
| Mentor & Impart Knowledge to Younger Staff        | 40.3    | 37.7    | 41.3      | 51.2        |
| Prepared to Accept Salary Adjustments             | 37.0    | 35.5    | 39.5      | 40.7        |
| Willing to Work Longer Hours                      | 34.0    | 34.8    | 33.0      | 31.5        |
| Highly Competent                                  | 31.1    | 29.2    | 34.7      | 35.1        |
| Project themselves well                           | 29.5    | 30.0    | 28.3      | 29.0        |
| Limited in Supply (Compatible Skills & Knowledge) | 20.6    | 17.9    | 22.6      | 31.0        |
| Effective in Relating to Customers                | 18.6    | 18.6    | 18.4      | 18.7        |

Note: (1) Figures do not add up to 100% as firms are allowed to give multiple reasons.

(2) Cells shaded indicate the 3 most commonly cited reasons for the respective establishment sizes.

## 4 REASONS MATURE WORKERS DO NOT FIT INTO ESTABLISHMENTS

### *Inability to meet physical demand of the job most commonly cited barrier*

4.1 The most common reason that firms gave for not employing workers in their 50s and 60s was their inability to meet physical demands of the job (34% and 38% respectively). This was the second most cited barrier against hiring workers in their 40s (25%) after high wage expectation (31%). Interestingly, high wage expectation was not as much an issue for workers in their 50s and 60s as the percentages of firms which cited this declined to 12% and 6.7% respectively, possibly reflecting more realistic salary expectations of older workers<sup>4</sup>.

4.2 Other reasons cited especially for not employing older workers in their 50s and 60s were that the workers were not flexible and adaptable to changes and were less receptive to training and skills (Table 5). These are similar to findings from studies<sup>5</sup> done by OECD which showed that employers generally perceive older workers to be rigid to changes and less participative in training. National and corporate level surveys conducted in Canada and the United States also show that although older workers are highly valued for their stability and loyalty to the firm, the least positive attitudes cited concerned the ability of older workers to adapt to newer technologies<sup>6</sup>. However, the perception may not correspond to reality as older workers are a diverse group and generalisations may be misleading.

Table 5: Reasons Mature Workers Do Not Fit Into Establishment by Age Group, June 2006  
Percent

|  | 40 – 49 | 50 - 59 | 60 & Above |
|--|---------|---------|------------|
| Unable to Meet the Physical Demands of the Job | 25.4    | 34.2    | 38.4       |
| Not Flexible & Adaptable to Changes            | 10.0    | 18.2    | 18.9       |
| Less Receptive to Training & Skills            | 13.4    | 14.1    | 16.9       |
| High Wage Expectation                          | 31.1    | 11.7    | 6.7        |
| Less Positive Working Attitude                 | 9.1     | 8.1     | 9.5        |
| Lack Poise & Confidence                        | 4.8     | 5.8     | 7.3        |
| Costly Medical Expenses                        | 3.8     | 9.7     | 15.3       |
| Others   | -       | 2.9     | 0.8        |

Note: (1) Figures are based on establishments without workers in the respective age groups.  
 (2) Figures do not add up to 100% as firms are allowed to give multiple reasons.  
 (3) Cells shaded indicate the 3 most commonly cited reasons for the respective age groups.

<sup>4</sup> Preliminary findings of the National Survey of Senior Citizens, 2004/2005 commissioned by MCYS found that nine out of 10 senior citizens aged 55 & above who were looking for a job were prepared to accept lower salaries.

<sup>5</sup> Source: *Live Longer, Work Longer*, 2006 by OECD

<sup>6</sup> Source: Reinvest in Aging: Aging, Work and Productivity, Victor W Marshall, Paper presented at Symposium, Challenges and Opportunities for an Aging Population, Hong Kong, 8 June 2002.

**Barriers toward employing workers aged 60 & above differ among industries...**

4.3 Reflecting the higher concentration of physically demanding jobs in goods-producing industries, higher percentages of firms in manufacturing (51%) and construction (48%) cited inability to meet physical demands of job as a reason workers aged 60 & above do not fit into their organisations (Table 6). Within the services sector, employers were generally less likely to perceive inability to meet physical demands of the job as a significant barrier as evident in the low proportion of firms in financial services (11%), professional services (17%) and information & communication (19%) which cited inability to meet physical demands of the job as a reason. Hotels and restaurants industry is an exception with half (50%) of the employers indicating this reason.

Table 6: Reasons Workers Aged 60 & Above Do Not Fit Into Establishment by Industry, June 2006

Percent

|                                       | Unable to Meet Physical Demands of Job | Not Flexible & Adaptable to Changes | Less Receptive to Training & Skills | Costly Medical Expenses | Less Positive Working Attitude | High Wage Expectation | Lack Poise & Confidence | Others |
|---------------------------------------|--|-------------------------------------|-------------------------------------|-------------------------|--------------------------------|-----------------------|-------------------------|--------|
| <b>ALL INDUSTRIES</b>                 | 38.4                                   | 18.9                                | 16.9                                | 15.3                    | 9.5                            | 6.7                   | 7.3                     | 0.8    |
| <b>MANUFACTURING</b>                  | 51.1                                   | 23.0                                | 19.5                                | 17.6                    | 9.4                            | 8.3                   | 8.9                     | -      |
| <b>CONSTRUCTION</b>                   | 47.5                                   | 23.2                                | 20.3                                | 16.0                    | 12.5                           | 8.6                   | 9.2                     | -      |
| <b>SERVICES</b>                       | 29.8                                   | 15.7                                | 14.5                                | 14.1                    | 8.5                            | 5.4                   | 6.0                     | 1.3    |
| Wholesale & Retail Trade              | 34.3                                   | 12.6                                | 12.9                                | 12.3                    | 6.6                            | 3.8                   | 7.2                     | 0.7    |
| Transport & Storage                   | 35.3                                   | 12.6                                | 20.9                                | 14.4                    | 11.6                           | 2.3                   | 2.8                     | -      |
| Hotels and Restaurants                | 49.6                                   | 42.7                                | 22.2                                | 34.2                    | 25.6                           | 8.5                   | 9.4                     | -      |
| Information and Communications        | 19.0                                   | 8.8                                 | 10.9                                | 7.3                     | 3.6                            | 5.1                   | 3.6                     | 1.5    |
| Financial Services                    | 11.4                                   | 12.1                                | 8.6                                 | 12.9                    | -                              | 9.3                   | -                       | 3.6    |
| Real Estate & Leasing Services        | 41.3                                   | 10.9                                | 34.8                                | 37.0                    | 21.7                           | -                     | 10.9                    | -      |
| Professional Services                 | 17.1                                   | 10.3                                | 10.6                                | 13.7                    | 6.5                            | 7.6                   | 6.1                     | 1.9    |
| Administrative & Support Services     | 25.3                                   | 20.0                                | 24.2                                | 11.6                    | 16.8                           | 10.5                  | 1.1                     | 5.3    |
| Community, Social & Personal Services | 29.7                                   | 27.9                                | 12.7                                | 11.8                    | 8.3                            | 6.6                   | 8.7                     | 2.2    |
| OTHERS *                              | -                                      | -                                   | -                                   | -                       | -                              | -                     | -                       | -      |

Note: (1) Figures do not add up to 100% as firms are allowed to give multiple reasons.

\* Others include agriculture, fishing, quarrying & utilities.

4.4 Interestingly, hotels and restaurants (34%) and real estate & leasing (37%) were more likely to view costly medical expenses as a barrier, with the percentage of establishments citing this being more than double the average for all industries (15%). High wage expectation stood out as a reason for cost-conscious administrative & support services industry (11% as against norm of 6.7%) which includes security agencies, travel agencies, building-cleaning and call centre services.

***Inability to meet physical demands of job is major obstacle across all firm sizes***

4.5 Across all establishment sizes, the predominant obstacle towards employment of workers aged 60 & above is their inability to meet physical demands of the job (Table 7). Detailed breakdown by establishment size and age group is in Annex 4.

Table 7: Reasons Workers Aged 60 & Above Do Not Fit Into Establishment by Establishment Size, June 2006

|  | Percent |         |           |             |
|--|---------|---------|-----------|-------------|
|  | Overall | 25 - 99 | 100 - 249 | 250 & Above |
| Unable to Meet the Physical Demands of the Job | 38.4    | 37.4    | 43.7      | 41.1        |
| Not Flexible & Adaptable to Changes            | 18.9    | 18.9    | 18.7      | 19.4        |
| Less Receptive to Training & Skills            | 16.9    | 17.2    | 15.3      | 16.0        |
| Costly Medical Expenses                        | 15.3    | 15.6    | 14.2      | 13.7        |
| Less Positive Working Attitude                 | 9.5     | 9.7     | 8.2       | 9.1         |
| High Wage Expectation                          | 6.7     | 6.8     | 4.7       | 10.3        |
| Lack Poise & Confidence                        | 7.3     | 7.7     | 4.7       | 6.9         |
| Others   | 0.8     | 0.8     | 0.4       | 0.6         |

Note: (1) Figures do not add up to 100% as firms are allowed to give multiple reasons.

(2) Cells shaded indicate the 3 most commonly cited reasons for the respective establishment sizes.

## 5 RETIREMENT POLICY AND PRACTICE

### *Retirement policies and practices vary across establishments*

5.1 There was a range of retirement policies and practices across establishments. Four in ten establishments did not make it mandatory for workers to retire at the statutory retirement age of 62 and employees can continue to work without any age cap. Another 34% indicated that they did not have an official retirement policy as employees tend to leave on their own initiative before reaching 62. A quarter (25%) of establishments required employees to officially retire from their current position. This comprised 19% that indicated there were prospects of rehiring the employees and 6% which indicated otherwise. A small minority (1.5%) allowed employees to continue working after 62 but subject to maximum age limit averaging around 67 years ([Table 8](#)).

### *Re-employment prospects lower in construction and information & communications*

5.2 A high proportion of establishments in construction (46%) and information & communications (43%) indicated that they did not have the official retirement policy because employees tend to leave before 62, making it the most dominant retirement practice in these industries. This possibly stems from physical demands of the job in the case of former and skills obsolescence in the latter.

Table 8: Establishments' Retirement Policy for Majority of Employees Who Have Reached Official Retirement Age by Industry, June 2006

Percent

|  | Retire Officially                  |  | Need Not Retire Officially           |   | No Official Retirement Age Policy As Employees Tend to Leave Before 62 |
|--|------------------------------------|--|--------------------------------------|---|--|
|  | Without Prospects of Being Rehired | With Prospects of Being Rehired <sup>2</sup> | Continue Working without Max Age Cap | Continue Working but Subject to Max Age Cap |  |
| <b>ALL INDUSTRIES</b>                  | <b>5.9</b>                         | <b>18.7</b>                                  | <b>39.8</b>                          | <b>1.5</b>                                  | <b>34.1</b>  |
| <b>MANUFACTURING</b>                   | <b>5.8</b>                         | <b>18.4</b>                                  | <b>42.9</b>                          | <b>0.5</b>                                  | <b>32.3</b>  |
| <b>CONSTRUCTION</b>                    | <b>6.4</b>                         | <b>7.0</b>                                   | <b>39.9</b>                          | <b>0.8</b>                                  | <b>45.9</b>  |
| <b>SERVICES</b>                        | <b>5.9</b>                         | <b>22.0</b>                                  | <b>38.1</b>                          | <b>2.1</b>                                  | <b>31.9</b>  |
| Wholesale & Retail Trade               | 8.2                                | 16.1   | 41.7                                 | 2.5   | 31.5   |
| Transport & Storage                    | 7.5                                | 24.3   | 32.5                                 | 0.4   | 35.3   |
| Hotels & Restaurants                   | 0.5                                | 15.9   | 49.4                                 | 0.5   | 33.7   |
| Information & Communications           | 7.1                                | 30.2   | 19.2                                 | -   | 43.4   |
| Financial Services                     | 8.3                                | 52.1   | 27.6                                 | -   | 12.1   |
| Real Estate, Rental & Leasing Services | 6.9                                | 28.4   | 38.1                                 | 3.2   | 23.4   |
| Professional Services                  | 7.8                                | 19.6   | 34.4                                 | 1.4   | 36.8   |
| Administrative & Support Services      | -                                  | 3.0  | 49.3                                 | 10.1  | 37.6   |
| Community, Social & Personal Services  | 2.3                                | 32.3   | 33.5                                 | 0.7   | 31.2   |
| OTHERS*                                | 2.4                                | 19.0   | 66.7                                 | -   | 11.9   |

Note: (1) Figures are based on establishments for the respective industries.

(2) Establishments which require employees to retire with prospects of being rehired include those with official retirement age policy of 62 and companies' own retirement age policy.

(3) Figures may not add up due to rounding.

\* Others include agriculture, fishing, quarrying & utilities.

### **Larger firms more likely to allow employees to work beyond official retirement age**

5.3 Larger establishments were more likely to allow employees to work beyond official retirement age<sup>7</sup>. The proportion increased from 57% for smaller establishments employing 25 to 99 employees to 68% for medium sized establishments employing 100 to 249 employees and 73% for larger establishments (Chart 3). Conversely, there were more employees leaving on

<sup>7</sup> Comprises those who need not retire at the official retirement age and those who have to retire but with prospects of being rehired.

their own initiative before age 62 in smaller firms. This is consistent with the lower incidence of smaller firms with workers aged 60 and above (Chart 2).

Chart 3: Establishments' Retirement Policy and Practice by Establishment Size, June 2006



## 6 CONDITIONS OF RE-EMPLOYMENT AND EMPLOYMENT OF EMPLOYEES BEYOND OFFICIAL RETIREMENT AGE

### *Most firms made no change to job scope and wages & benefits of employees working beyond official retirement age*

6.1 About half (54%) of establishments surveyed either offered re-employment to retirees or allowed employees to continue working after the age of 62<sup>8</sup>. The majority (71%) of these establishments made no change to the job scope and wages & benefits for the employees, representing 39% of *all* establishments. Another 16% of the establishments that re-employed older workers reduced the wages & benefits without a change in job scope and a further 11% redeployed these employees to other job functions (Table 9).

6.2 Changes in job scope and adjustment of wages & benefits were not common in re-employment terms, even while a significant proportion of employers with workers aged 60 & above (37%) felt that older workers were willing to adjust salary (Table 2). The National Survey on Senior Citizens, 2004/2005 also found that nine out of ten senior citizens aged 55 and over who were looking for a job were prepared to accept lower salaries. A better structure and guidelines for employers and employees to re-negotiate terms of re-employment or continuation of employment may enable more firms to retain older workers beyond the official retirement age.

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<sup>8</sup> The 54% figure excluded establishments which has a policy to allow employees to work beyond the official retirement age of 62 but have not actually implemented it as they did not have employees who have reached 62. If we include these establishments, the figure will be 60%.

Table 9: Proportion of Establishments by Terms of Employment for Employees Beyond Official Retirement Age, June 2006

Percent

|  | No Change in Job Scope        |                               | Redeploy To Other Job Functions |                               | Other Terms of Re-employment |
|--|-------------------------------|-------------------------------|---------------------------------|-------------------------------|------------------------------|
|  | No Change in Wages & Benefits | Reduction in Wages & Benefits | No Change in Wages & Benefits   | Reduction in Wages & Benefits |                              |
| <b>ALL INDUSTRIES</b>                  | <b>70.7</b><br><b>(38.5)</b>  | <b>15.6</b><br><b>(8.5)</b>   | <b>2.9</b><br><b>(1.6)</b>      | <b>7.7</b><br><b>(4.2)</b>    | <b>3.0</b><br><b>(1.7)</b>   |
| <b>MANUFACTURING</b>                   | <b>68.9</b><br><b>(38.7)</b>  | <b>14.2</b><br><b>(8.0)</b>   | <b>4.0</b><br><b>(2.3)</b>      | <b>8.8</b><br><b>(4.9)</b>    | <b>4.1</b><br><b>(2.3)</b>   |
| <b>CONSTRUCTION</b>                    | <b>76.6</b><br><b>(34.0)</b>  | <b>8.6</b><br><b>(3.8)</b>    | <b>4.6</b><br><b>(2.0)</b>      | <b>9.9</b><br><b>(4.4)</b>    | <b>0.4</b><br><b>(0.2)</b>   |
| <b>SERVICES</b>                        | <b>70.3</b><br><b>(39.5)</b>  | <b>17.5</b><br><b>(9.8)</b>   | <b>2.1</b><br><b>(1.2)</b>      | <b>6.9</b><br><b>(3.9)</b>    | <b>3.2</b><br><b>(1.8)</b>   |
| Wholesale & Retail Trade               | 72.4<br>(39.3)                | 16.5<br>(8.9)                 | 2.7<br>(1.5)                    | 6.8<br>(3.7)                  | 1.6<br>(0.8)                 |
| Transport & Storage                    | 59.5<br>(32.4)                | 23.0<br>(12.5)                | 4.1<br>(2.2)                    | 11.5<br>(6.3)                 | 2.0<br>(1.1)                 |
| Hotels & Restaurants                   | 75.1<br>(46.0)                | 13.4<br>(8.2)                 | 2.2<br>(1.4)                    | 7.1<br>(4.3)                  | 2.2<br>(1.4)                 |
| Information & Communications           | 69.4<br>(27.5)                | 16.7<br>(6.6)                 | 1.4<br>(0.5)                    | 1.4<br>(0.5)                  | 11.1<br>(4.4)                |
| Financial Services                     | 61.4<br>(40.3)                | 19.8<br>(13.0)                | -                               | 12.1<br>(7.9)                 | 6.8<br>(4.4)                 |
| Real Estate, Rental & Leasing Services | 70.3<br>(46.8)                | 11.7<br>(7.8)                 | -                               | 11.0<br>(7.3)                 | 6.9<br>(4.6)                 |
| Professional Services                  | 68.7<br>(31.9)                | 22.5<br>(10.4)                | -                               | 5.7<br>(2.7)                  | 3.1<br>(12.8)                |
| Administrative & Support Services      | 90.9<br>(54.2)                | 1.4<br>(0.8)                  | 3.2<br>(1.9)                    | 4.6<br>(2.7)                  | -                            |
| Community, Social & Personal Services  | 64.8<br>(39.4)                | 26.0<br>(15.8)                | 1.9<br>(1.2)                    | 1.9<br>(1.2)                  | 5.4<br>(3.3)                 |

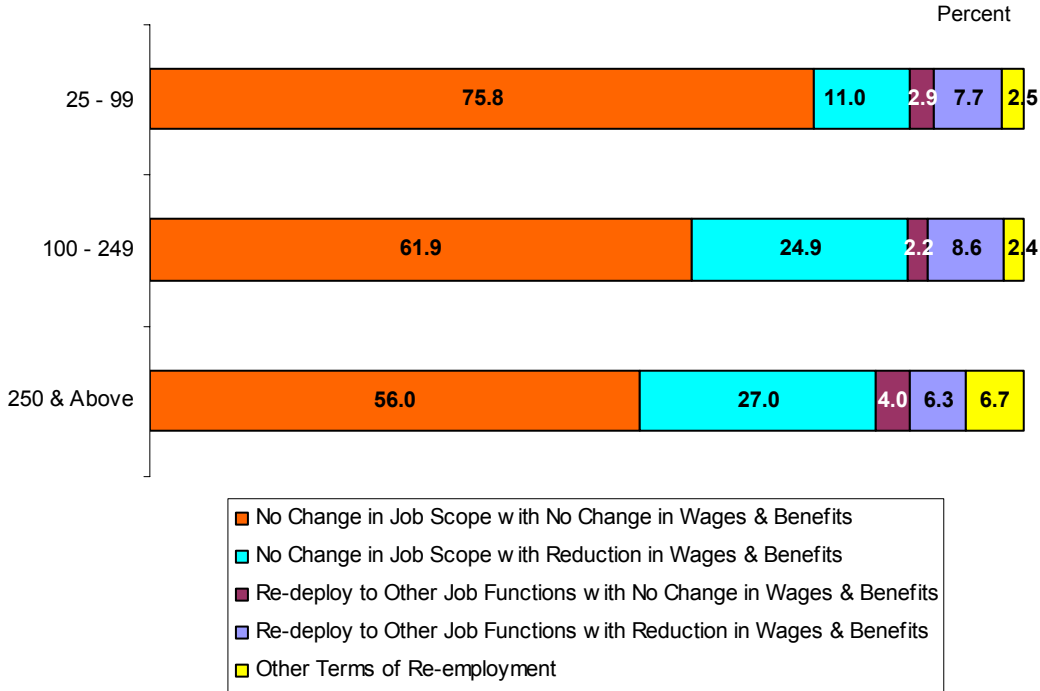
Note: (1) Figures are based on establishments with workers who (i) retired officially at 62 and were offered re-employment or (ii) allowed to continue working without having to retire at 62. Figures in parenthesis are based on all establishments.

(2) The terms of re-employment or continuation of employment are based on those which were offered to majority of these workers.

**Reduction in wages and benefits for same job scope more prevalent in larger firms**

6.3 While it is the predominant practice to retain existing job scope and wages & benefits when employing older workers beyond the official retirement age, more firms reduced the wages and benefits for the same job scope as the employment size increased (Chart 4).

Chart 4: Proportion of Establishments by Terms of Employment for Employees Beyond Official Retirement Age by Establishment Size, June 2006



**Offering full-time contracts were preferred to part-time contracts**

6.4 Consistent with the practice of retaining existing job scope, more than nine in ten establishments that retained older workers beyond the official retirement age, offered full-time jobs to these workers. Only a handful of establishments (6.3%) offered part-time contracts (Table 10).

6.5 About half (53%) the establishments that retained older workers offered full-time jobs of at least three years. Another 36% offered full-time jobs of one year to less than three years. Offering full-time jobs of at least three years was most common across the industries, except in financial services, information & communications, professional services and community, social & personal services where the norm is to give contracts of one year to less than three years. Offering part-time jobs were relatively more prevalent for the lower paying industries namely construction, hotels & restaurants as well as real estate, rental & leasing services (Table 10).

Table 10: Proportion of Establishments by Types of Employment for Employees Beyond Official Retirement Age, June 2006

Percent

|  | Full-Time                    |                              |                              |                            | Part-Time                  |                            |                            |                            |
|--|------------------------------|------------------------------|------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
|  | Total                        | ≥ 3 Years                    | 1 to < 3 Years               | < 1 Year                   | Total                      | ≥ 3 Years                  | 1 to < 3 Years             | < 1 Year                   |
| <b>ALL INDUSTRIES</b>                  | <b>93.7</b><br><b>(51.1)</b> | <b>52.8</b><br><b>(28.8)</b> | <b>35.9</b><br><b>(19.6)</b> | <b>5.0</b><br><b>(2.7)</b> | <b>6.3</b><br><b>(3.5)</b> | <b>1.8</b><br><b>(1.0)</b> | <b>2.7</b><br><b>(1.5)</b> | <b>1.8</b><br><b>(1.0)</b> |
| <b>MANUFACTURING</b>                   | <b>94.0</b><br><b>(52.9)</b> | <b>55.3</b><br><b>(31.1)</b> | <b>33.4</b><br><b>(18.8)</b> | <b>5.3</b><br><b>(3.0)</b> | <b>6.1</b><br><b>(3.3)</b> | <b>1.5</b><br><b>(0.8)</b> | <b>2.9</b><br><b>(1.6)</b> | <b>1.7</b><br><b>(0.9)</b> |
| <b>CONSTRUCTION</b>                    | <b>90.7</b><br><b>(40.3)</b> | <b>58.5</b><br><b>(26.0)</b> | <b>28.0</b><br><b>(12.4)</b> | <b>4.2</b><br><b>(1.9)</b> | <b>9.3</b><br><b>(4.2)</b> | <b>3.3</b><br><b>(1.5)</b> | <b>4.4</b><br><b>(2.0)</b> | <b>1.6</b><br><b>(0.7)</b> |
| <b>SERVICES</b>                        | <b>94.2</b><br><b>(53.0)</b> | <b>50.1</b><br><b>(28.2)</b> | <b>39.0</b><br><b>(21.9)</b> | <b>5.1</b><br><b>(2.9)</b> | <b>5.8</b><br><b>(3.3)</b> | <b>1.7</b><br><b>(1.0)</b> | <b>2.3</b><br><b>(1.3)</b> | <b>1.8</b><br><b>(1.0)</b> |
| Wholesale & Retail Trade               | 95.9<br>(52.3)               | 56.7<br>(30.9)               | 35.0<br>(19.1)               | 4.2<br>(2.3)               | 4.2<br>(2.2)               | 2.3<br>(1.2)               | 1.3<br>(0.7)               | 0.6<br>(0.3)               |
| Transport & Storage                    | 92.6<br>(50.7)               | 43.6<br>(23.9)               | 43.6<br>(23.9)               | 5.4<br>(2.9)               | 7.3<br>(4.1)               | 2.0<br>(1.1)               | 2.3<br>(1.3)               | 3.0<br>(1.7)               |
| Hotels & Restaurants                   | 90.1<br>(56.3)               | 54.0<br>(33.7)               | 32.8<br>(20.5)               | 3.3<br>(2.1)               | 9.8<br>(6.2)               | 3.6<br>(2.3)               | 4.0<br>(2.5)               | 2.2<br>(1.4)               |
| Information & Communications           | 97.3<br>(38.4)               | 41.7<br>(16.5)               | 51.4<br>(20.3)               | 4.2<br>(1.6)               | 2.8<br>(1.0)               | -                          | 1.4<br>(0.5)               | 1.4<br>(0.5)               |
| Financial Services                     | 97.7<br>(64.4)               | 22.6<br>(14.9)               | 56.3<br>(37.1)               | 18.8<br>(12.4)             | 2.4<br>(1.6)               | -                          | 2.4<br>(1.6)               | -                          |
| Real Estate, Rental & Leasing Services | 89.0<br>(59.2)               | 53.1<br>(35.3)               | 35.2<br>(23.4)               | 0.7<br>(0.5)               | 11.0<br>(7.3)              | -                          | 7.6<br>(5.0)               | 3.4<br>(2.3)               |
| Professional Services                  | 100.0<br>(100.0)             | 45.1<br>(20.7)               | 48.7<br>(22.3)               | 6.3<br>(2.9)               | -                          | -                          | -                          | -                          |
| Administrative & Support Services      | 90.8<br>(53.7)               | 77.0<br>(45.5)               | 11.5<br>(6.8)                | 2.3<br>(1.4)               | 9.2<br>(5.5)               | 2.3<br>(1.4)               | 2.3<br>(1.4)               | 4.6<br>(2.7)               |
| Community, Social & Personal Services  | 92.7<br>(56.5)               | 40.7<br>(24.8)               | 48.2<br>(29.4)               | 3.8<br>(2.3)               | 7.3<br>(4.4)               | 1.4<br>(0.8)               | 2.4<br>(1.5)               | 3.5<br>(2.1)               |

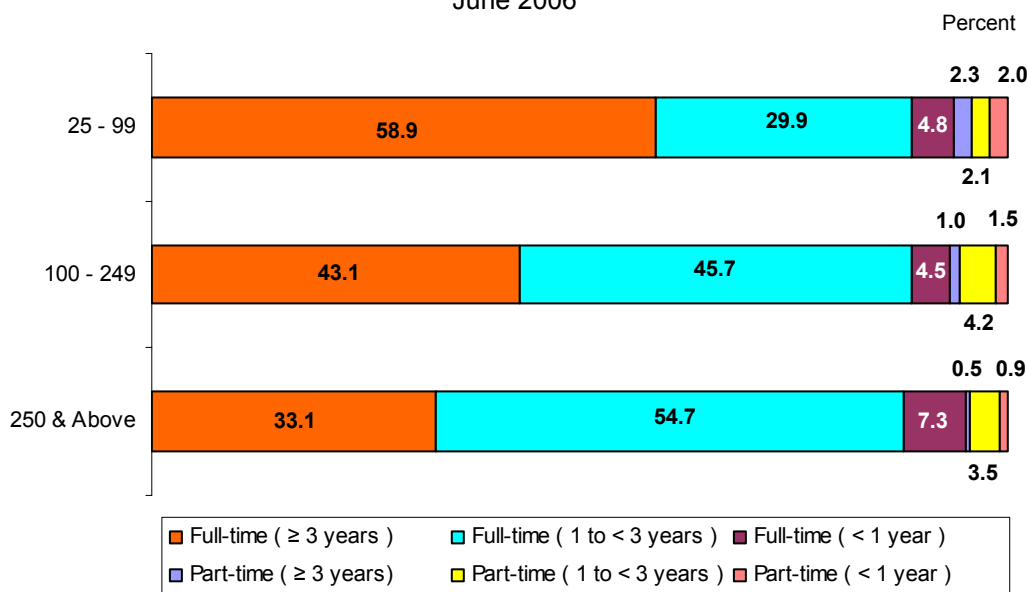
Note: (1) Figures are based on establishments with workers who (i) retired officially at 62 and were offered re-employment or (ii) allowed to continue working without having to retire at 62. Figures in parenthesis are based on all establishments surveyed.

(2) The types of re-employment or continuation of employment are based on those which were offered to majority of these workers.

**Most establishments offer full-time contracts regardless of establishment size**

6.6 Regardless of establishment size, full-time job was still the most prevalent terms for retaining older workers beyond retirement age. However, the length of contracts tended to be shorter with large firms. While close to three out of five firms (59%) employing 25 to 99 workers offered full-time jobs of at least three years, the share declined steadily to one out of three larger firms (33%) employing 250 workers and above (Chart 5).

Chart 5: Types of Employment for Employees Beyond Official Retirement Age by Establishment Size, June 2006

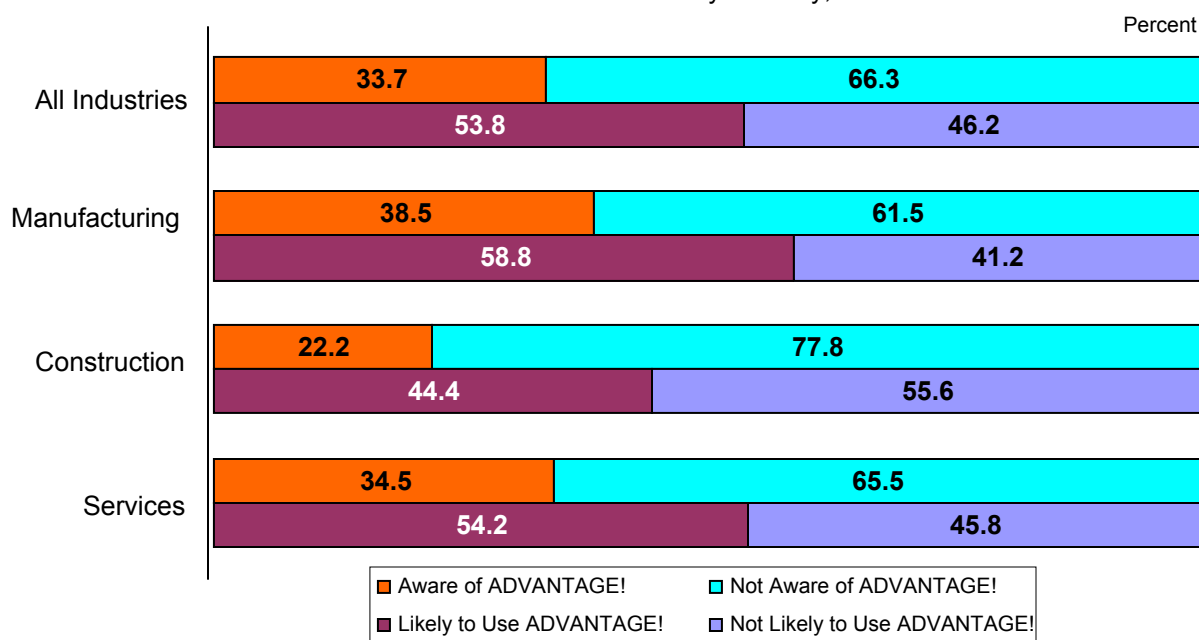


## 7 AWARENESS AND LIKELIHOOD OF USING ADVANTAGE! SCHEME

### **Most firms are not aware of ADVANTAGE!**

7.1 The ADVANTAGE! Scheme was introduced in Jan 06 to encourage companies to employ mature workers over the age of 40 or re-employ workers beyond 62 years old. Employers can leverage on the financial support offered by the scheme to implement various key changes in their employment practices and operations, which include job redesign and automation, wage structuring, as well as employment, re-employment and retention of mature workers.

Chart 6: Distribution of Firms that were Aware of the ADVANTAGE! Scheme and their Likelihood of Using the ADVANTAGE! Scheme by Industry, June 2006



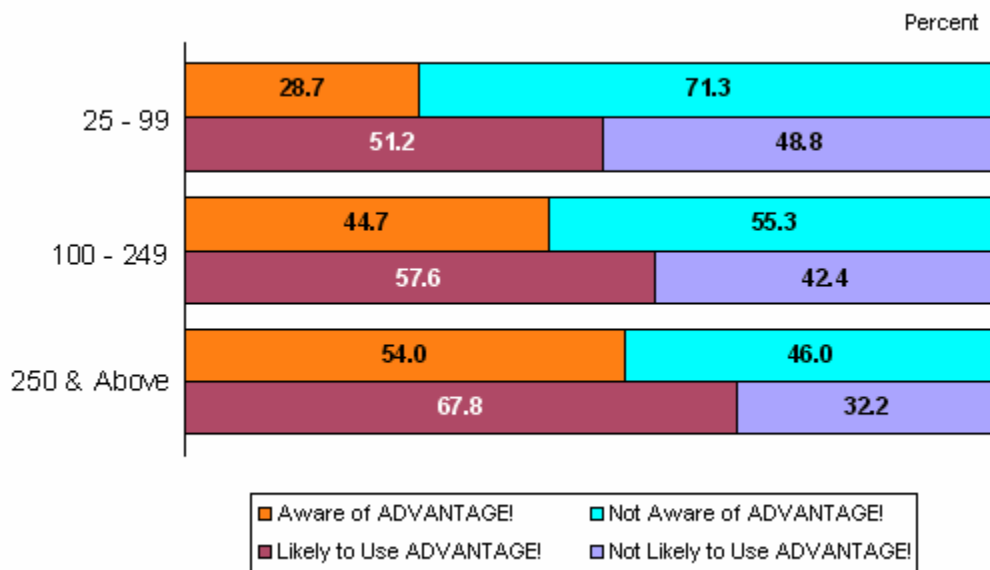
7.2 One in three (34%) establishments was aware of the ADVANTAGE! Scheme ([Chart 6](#)). There is therefore considerable room to raise firms' awareness. This is especially so for construction industry where only one in five firms were aware of the scheme. Industries that were more aware of the scheme were financial services (54%), real estate & renting (45%) and transport & storage (41%) ([Annex 6](#)).

7.3 The establishments surveyed were informed briefly that the scheme offers a package of incentives of up to \$300,000 per company which can be used to redesign jobs, provide training and placement services to enhance the employability of older workers. Slightly more than half (54%) of the establishments surveyed indicated that they would consider tapping on

the Scheme. A number of services industries namely administrative & support services (62%), information & communications (61%), financial services (61%) were more likely to consider tapping on the scheme (Annex 6).

7.4 Awareness of the scheme increased with establishment size, rising from 29% among small establishments with 25 to 99 employees to 54% for large firms employing 250 employees and beyond. Similarly, a higher proportion of large firms were likely to consider using the scheme (Chart 7).

Chart 7: Distribution of Firms that were Aware of the ADVANTAGE! Scheme and their Likelihood of Using the ADVANTAGE! Scheme by Establishment Size, June 2006



## **8 CONCLUDING REMARKS**

8.1 Attesting to the importance of continual education and training, mature workers remain employable mainly due to their relevant skills and work experience. Lower likelihood to job-hop, ability to mentor and impart knowledge to younger staff, and willingness to accept salary adjustments were other qualities that employers appreciate in their older workers.

8.2 Among firms that did not employ mature workers, the most common barrier cited against employing workers in their 50s and 60s was their inability to meet physical demands of the job. This was also the second most cited barrier against hiring workers in their 40s after high wage expectation. Interestingly, high wage expectation was not as much an issue for workers in their 50s and 60s, possibly reflecting more realistic salary expectations of older workers. Other reasons cited were that mature workers were not flexible and adaptable to changes and were less receptive to training and skills.

8.3 A significant proportion of establishments did not have any retirement policy as employees tend to leave before the age of 62. About half of the establishments retained employees beyond the official retirement age, with the majority of them making no change to the workers' job scope, wages and benefits. There is therefore scope to put in place a better structure and guidelines for employers and employees to re-negotiate re-employment terms that can enable more workers to work beyond the retirement age.

## **SURVEY COVERAGE AND METHODOLOGY**

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### **Introduction**

1 The Survey on *Conditions of Employment for Older Workers, 2006* was conducted by the Manpower Research and Statistics Department of the Ministry of Manpower from 27 June to 31 August 2006. The survey was conducted under the Statistics Act (Chapter 317), 1991.

### **Objective**

2 The survey was conducted to collect information on retirement policies and re-employment practices of firms as well as their perception towards mature workers. It also examines awareness of employers of the ADVANTAGE! Scheme, introduced in Jan 06 to incentivise employers to hire mature workers aged 40 and above, and re-employ them beyond the age of 62.

### **Coverage**

3 The survey covered only establishments in the private sector. A representative sample of establishments with at least 25 employees, stratified by industry, was surveyed. A total of about 2,900 establishments were surveyed, yielding a effective response rate of 91.3%.

### **Methodology**

4 The survey was conducted using mail questionnaires with clarifications made over the phone.

### **Reference Period**

5 Most of the information provided in the survey returns was based on the establishments' practice as at 30 June 2006.

**Data Collected**

6 Establishments were asked to provide employment details of their existing workforce in various age groups and reasons why the older Singapore citizens in respective age groups fit or did not fit into their establishments' work arrangements. Information pertaining to the establishments' retirement policies was also collected in the survey.

**Classification**

7 The industries of the surveyed establishments were classified according to the Singapore Standard Industrial Classification (SSIC) 2005.

## REASONS MATURE WORKERS FIT INTO ESTABLISHMENT BY MAJOR SECTOR &amp; AGE GROUP, JUNE 2006

Percent

| Industry       | Age Group  | Relevant Skills & Work Experience | Less Likely to Job-hop | Highly Competent | Mentor & Impart Knowledge to Younger staff | Willing to Work Longer Hours | Project Themselves well | Effective in Relating to Customers | Limited in Supply | Prepared to Accept Salary Adjustments |
|----------------|------------|-----------------------------------|------------------------|------------------|--|------------------------------|-------------------------|------------------------------------|-------------------|---------------------------------------|
| All Industries | 40 – 49    | 72.6                              | 52.1                   | 51.8             | 47.4                                       | 40.4                         | 37.9                    | 31.9                               | 21.4              | 21.1                                  |
|                | 50 – 59    | 65.4                              | 62.9                   | 39.4             | 50.0                                       | 40.2                         | 35.4                    | 26.1                               | 21.2              | 28.9                                  |
|                | 60 & Above | 52.0                              | 61.4                   | 31.1             | 40.3                                       | 34.0                         | 29.5                    | 18.6                               | 20.6              | 37.0                                  |
| Manufacturing  | 40 – 49    | 74.8                              | 54.3                   | 48.3             | 44.5                                       | 42.9                         | 35.4                    | 26.6                               | 24.8              | 20.4                                  |
|                | 50 – 59    | 64.1                              | 63.9                   | 34.1             | 50.6                                       | 38.6                         | 31.4                    | 19.0                               | 23.3              | 29.9                                  |
|                | 60 & Above | 53.7                              | 63.2                   | 26.9             | 38.0                                       | 31.9                         | 27.7                    | 13.7                               | 21.1              | 38.3                                  |
| Construction   | 40 – 49    | 69.5                              | 49.5                   | 52.4             | 52.8                                       | 49.8                         | 34.9                    | 30.4                               | 16.9              | 26.9                                  |
|                | 50 – 59    | 60.4                              | 61.9                   | 37.9             | 56.7                                       | 45.5                         | 33.8                    | 27.2                               | 18.1              | 33.7                                  |
|                | 60 & Above | 42.6                              | 57.4                   | 27.1             | 46.2                                       | 36.8                         | 35.5                    | 18.3                               | 15.8              | 39.1                                  |
| Services       | 40 – 49    | 72.5                              | 51.8                   | 53.2             | 47.4                                       | 36.8                         | 39.8                    | 34.7                               | 21.2              | 19.8                                  |
|                | 50 – 59    | 67.3                              | 62.6                   | 42.2             | 48.2                                       | 39.7                         | 37.6                    | 29.1                               | 21.0              | 27.3                                  |
|                | 60 & Above | 53.3                              | 61.5                   | 33.7             | 40.2                                       | 34.5                         | 29.2                    | 21.0                               | 21.3              | 36.2                                  |

Notes: Figures are based on establishments with workers in the respective age group and industry.

## REASONS MATURE WORKERS FIT INTO ESTABLISHMENT BY ESTABLISHMENT SIZE &amp; AGE GROUP, JUNE 2006

Percent

| Establishment Size | Age Group  | Relevant Skills & Work Experience | Less Likely to Job-hop | Highly Competent | Mentor & Impart Knowledge to Younger staff | Willing to Work Longer Hours | Project Themselves well | Effective in Relating to Customers | Prepared to Accept Salary Adjustments | Limited in Supply |
|--------------------|------------|-----------------------------------|------------------------|------------------|--|------------------------------|-------------------------|------------------------------------|---------------------------------------|-------------------|
| 25 – 99            | 40 – 49    | 71.5                              | 52.4                   | 50.8             | 45.1                                       | 40.9                         | 37.1                    | 32.3                               | 21.1                                  | 19.6              |
|                    | 50 – 59    | 64.0                              | 62.4                   | 38.1             | 47.4                                       | 41.6                         | 34.9                    | 26.4                               | 28.4                                  | 19.4              |
|                    | 60 & Above | 48.9                              | 59.9                   | 29.2             | 37.7                                       | 34.8                         | 30.0                    | 18.6                               | 35.5                                  | 17.9              |
| 100 – 249          | 40 – 49    | 74.0                              | 51.0                   | 53.3             | 51.1                                       | 39.6                         | 38.3                    | 29.8                               | 21.3                                  | 24.3              |
|                    | 50 – 59    | 67.8                              | 64.7                   | 41.8             | 54.8                                       | 36.7                         | 36.8                    | 24.6                               | 30.7                                  | 23.9              |
|                    | 60 & Above | 55.5                              | 65.1                   | 34.7             | 41.3                                       | 33.0                         | 28.3                    | 18.4                               | 39.5                                  | 22.6              |
| 250 & Above        | 40 – 49    | 78.2                              | 51.8                   | 56.8             | 58.0                                       | 37.5                         | 43.3                    | 32.5                               | 21.0                                  | 30.3              |
|                    | 50 – 59    | 70.7                              | 63.8                   | 44.1             | 59.7                                       | 36.2                         | 37.0                    | 26.2                               | 28.9                                  | 29.3              |
|                    | 60 & Above | 61.4                              | 63.4                   | 35.1             | 51.2                                       | 31.5                         | 29.0                    | 18.7                               | 40.7                                  | 31.0              |

Notes: Figures are based on establishments with workers in the respective age group and establishment size.

## REASONS MATURE WORKERS DO NOT FIT INTO ESTABLISHMENT BY MAJOR SECTOR &amp; AGE GROUP, JUNE 2006

| Industry       | Age Group  | Unable to Meet Physical Demands of Job | Not Flexible & Adaptable to Changes | Less Receptive to Training & Skills | Costly Medical Expenses | Less Positive Working Attitude | High Wage Expectation | Lack Poise & Confidence | Percent |
|----------------|------------|--|-------------------------------------|-------------------------------------|-------------------------|--------------------------------|-----------------------|-------------------------|---------|
|                |            |  |                                     |                                     |                         |                                |                       |                         | Others  |
| All Industries | 40 – 49    | 25.4                                   | 10.0                                | 13.4                                | 3.8                     | 9.1                            | 31.1                  | 4.8                     | -       |
|                | 50 – 59    | 34.2                                   | 18.2                                | 14.1                                | 9.7                     | 8.1                            | 11.7                  | 5.8                     | 2.9     |
|                | 60 & Above | 38.4                                   | 18.9                                | 16.9                                | 15.3                    | 9.5                            | 6.7                   | 7.3                     | 0.8     |
| Manufacturing  | 40 – 49    | 32.7                                   | 10.2                                | 24.5                                | 12.2                    | 20.4                           | 51.0                  | 12.2                    | -       |
|                | 50 – 59    | 43.6                                   | 27.8                                | 9.8                                 | 13.5                    | 3.8                            | 12.8                  | 6.0                     | -       |
|                | 60 & Above | 51.1                                   | 23.0                                | 19.5                                | 17.6                    | 9.4                            | 8.3                   | 8.9                     | -       |
| Construction   | 40 – 49    | 10.6                                   | -                                   | 10.6                                | -                       | -                              | 10.6                  | -                       | -       |
|                | 50 – 59    | 46.3                                   | 22.0                                | 22.4                                | 16.8                    | 11.6                           | 15.7                  | 11.9                    | -       |
|                | 60 & Above | 47.5                                   | 23.2                                | 20.3                                | 16.0                    | 12.5                           | 8.6                   | 9.2                     | -       |
| Services       | 40 – 49    | 28.3                                   | 14.2                                | 9.7                                 | 1.8                     | 8.0                            | 31.0                  | 3.5                     | -       |
|                | 50 – 59    | 24.8                                   | 13.3                                | 10.6                                | 4.7                     | 7.4                            | 9.1                   | 2.3                     | 5.3     |
|                | 60 & Above | 29.8                                   | 15.7                                | 14.5                                | 14.1                    | 8.5                            | 5.4                   | 6.0                     | 1.3     |

Notes: Figures are based on establishments without workers in the respective age group and industry.

## REASONS MATURE WORKERS DO NOT FIT INTO ESTABLISHMENT BY ESTABLISHMENT SIZE &amp; AGE GROUP, JUNE 2006

Percent

| Establishment Size | Age Group  | Unable to Meet Physical Demands of Job | Not Flexible & Adaptable to Changes | Less Receptive to Training & Skills | Costly Medical Expenses | Less Positive Working Attitude | High Wage Expectation | Lack Poise & Confidence | Others |
|--------------------|------------|--|-------------------------------------|-------------------------------------|-------------------------|--------------------------------|-----------------------|-------------------------|--------|
| 25 – 99            | 40 – 49    | 22.7                                   | 9.8                                 | 12.4                                | 2.6                     | 9.8                            | 33.5                  | 4.6                     | -      |
|                    | 50 – 59    | 32.7                                   | 18.0                                | 13.8                                | 9.6                     | 7.3                            | 11.4                  | 5.8                     | 3.1    |
|                    | 60 & Above | 37.4                                   | 18.9                                | 17.2                                | 15.6                    | 9.7                            | 6.8                   | 7.7                     | 0.8    |
| 100 – 249          | 40 – 49    | 58.3                                   | 16.7                                | 33.3                                | 16.7                    | -                              | -                     | -                       | -      |
|                    | 50 – 59    | 54.4                                   | 17.5                                | 10.5                                | 7.0                     | 12.3                           | 10.5                  | 3.5                     | -      |
|                    | 60 & Above | 43.7                                   | 18.7                                | 15.3                                | 14.2                    | 8.2                            | 4.7                   | 4.7                     | 0.4    |
| 250 & Above        | 40 – 49    | s                                      | s                                   | s                                   | s                       | s                              | s                     | s                       | s      |
|                    | 50 – 59    | 41.7                                   | 33.3                                | 50.0                                | 33.3                    | 41.7                           | 33.3                  | 16.7                    | -      |
|                    | 60 & Above | 41.1                                   | 19.4                                | 16.0                                | 13.7                    | 9.1                            | 10.3                  | 6.9                     | 0.6    |

Notes: Figures are based on establishments without workers in the respective age group and establishment size.  
s: Data is suppressed as the number of establishments is less than 5.

**TERMS OF RE-EMPLOYMENT & EMPLOYMENT OF EMPLOYEES BEYOND OFFICIAL RETIREMENT AGE BY  
MAJOR SECTOR & ESTABLISHMENT SIZE, JUNE 2006**

Percent

| Establishment Size | Industry       | No Change in Job Scope        |                               | Re-deploy to other job functions |                               | Other Terms of Re-employment |
|--------------------|----------------|-------------------------------|-------------------------------|----------------------------------|-------------------------------|------------------------------|
|                    |                | No Change in Wages & Benefits | Reduction in Wages & Benefits | No Change in Wages & Benefits    | Reduction in Wages & Benefits |                              |
| 25 – 99            | All Industries | 75.8                          | 11.0                          | 2.9                              | 7.7                           | 2.5                          |
|                    | Manufacturing  | 78.7                          | 6.7                           | 2.9                              | 8.2                           | 3.6                          |
|                    | Construction   | 77.7                          | 6.2                           | 5.0                              | 11.1                          | -                            |
|                    | Services       | 74.3                          | 13.5                          | 2.5                              | 6.9                           | 2.7                          |
| 100 - 249          | All Industries | 61.9                          | 24.9                          | 2.2                              | 8.6                           | 2.4                          |
|                    | Manufacturing  | 56.4                          | 23.2                          | 6.0                              | 10.8                          | 3.6                          |
|                    | Construction   | 71.1                          | 17.5                          | 0.9                              | 8.8                           | 1.8                          |
|                    | Services       | 62.6                          | 27.8                          | 0.5                              | 7.3                           | 1.8                          |
| 250 & Above        | All Industries | 56.0                          | 27.0                          | 4.0                              | 6.3                           | 6.7                          |
|                    | Manufacturing  | 49.5                          | 29.7                          | 5.7                              | 8.3                           | 6.8                          |
|                    | Construction   | 80.0                          | 8.0                           | 10.0                             | 2.0                           | -                            |
|                    | Services       | 56.7                          | 27.5                          | 2.0                              | 5.9                           | 7.9                          |

## AWARENESS AND LIKELIHOOD OF USING ADVANTAGE! SCHEME BY INDUSTRY, JUNE 2006

Percent

|  | Awareness of Scheme |             | Likelihood of Using Scheme |             |
|--|---------------------|-------------|----------------------------|-------------|
|  | Yes                 | No          | Yes                        | No          |
| <b>ALL INDUSTRIES</b>                  | <b>33.7</b>         | <b>66.3</b> | <b>53.8</b>                | <b>46.2</b> |
| <b>MANUFACTURING</b>                   | <b>38.5</b>         | <b>61.5</b> | <b>58.8</b>                | <b>41.2</b> |
| <b>CONSTRUCTION</b>                    | <b>22.2</b>         | <b>77.8</b> | <b>44.4</b>                | <b>55.6</b> |
| <b>SERVICES</b>                        | <b>34.5</b>         | <b>65.5</b> | <b>54.2</b>                | <b>45.8</b> |
| Wholesale & Retail Trade               | 31.5                | 68.5        | 50.0                       | 50.0        |
| Transport & Storage                    | 40.8                | 59.2        | 51.3                       | 48.7        |
| Hotels & Restaurants                   | 28.5                | 71.5        | 48.1                       | 51.9        |
| Information & Communications           | 35.7                | 64.3        | 61.0                       | 39.0        |
| Financial Services                     | 54.0                | 46.0        | 60.6                       | 39.4        |
| Real Estate, Rental & Leasing Services | 45.4                | 54.6        | 57.3                       | 42.7        |
| Professional Services                  | 26.8                | 73.2        | 59.3                       | 40.7        |
| Administrative & Support Services      | 32.2                | 67.8        | 62.1                       | 37.9        |
| Community, Social & Personal Services  | 34.3                | 65.7        | 56.6                       | 43.4        |
| OTHERS *                               | 61.9                | 38.1        | 57.1                       | 42.9        |

\*Includes Agriculture, Fishing, Quarrying &amp; Utilities

Feedback Form

**Report Title : Firms' Adoption of Age-Positive Human Resource Practices**

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