



**THE EMPLOYMENT OF MATURE AND OLDER WORKERS:
STRATEGIES FOR MANAGING WORK AND CAREER
TRANSITIONS**

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PART I:

RECENT WORKPLACE TRENDS – THE IMPACT ON THE
EMPLOYMENT OF MATURE AND OLDER WORKERS

PART I: RECENT WORKPLACE TRENDS – THE IMPACT ON THE EMPLOYMENT OF MATURE AND OLDER WORKERS

1. INTRODUCTION

Many, if not all industries today are in a state of flux, due to discontinuities arising from globalisation, technological innovations and major social changes. These discontinuities are affecting the employment relationship and social contract between employers and employees as we have understood them for the last 50 years. The changes are also creating a profound impact on two groups of the working population, those between 40 to 59 years (mature workers) who grew up in the previous employment landscape; and those 60 and above, for whom the traditional concepts of "retirement" are becoming obsolete in this new world of work.

Past statistics show that the period that a person remains unemployed increases with age, and a recent US study on job displacement¹ has confirmed anecdotal reports on the difficulty of recovery of earnings losses encountered by older workers as a result of job loss.

In August 2002, unemployment in Singapore reached a high of almost 5%. The impact of this has been felt across the board, with displaced local professionals on the rise. Among those retrenched in 2001, mature workers above 40 years of age, as well as older workers above the age of 60² were the most badly hit. In that year, these two groups comprised 45.9% of all those retrenched.³

Singapore can expect to be a society with an increased number of older people in the near future. The life expectancy of the average Singaporean is among the highest in the world with the average lifespan in 2000 being 78 years.⁴ Furthermore, as Singapore has the fastest growing ratio of old to young people in the world in Asia after Japan, the impact of this ratio and on the essential mix of talent, knowledge and skills of the human capital pool will be significant. To equip the nation's human capital base and ensure its continued relevance as Singapore evolves into a 21st century global economy, and in view of the potential impact on society and welfare, the problems faced by mature and older workers in managing work and career transitions have to be addressed.

2. THE CHANGING NATURE OF EMPLOYMENT IN THE 21ST CENTURY

Employee expectations of secure lifetime jobs, predictable career advancements, and stable and progressive salary rises are fast becoming a thing of the past. Several developments in the past two decades have eroded this ideal⁵:

¹ Schultze, Charles L. *Has Job Security Eroded for American Workers?* in Blair, Margaret M. and Kochan, Thomas A. eds. 2000 *The New Relationship: Human Capital in the American Corporation*. Brookings Institute Press. Washington D.C.

² Manpower Research and Statistics Department, Ministry of Manpower. Labor Market 2001.

³ Ibid.

⁴ Ibid.

⁵ Cappelli, P. (1999). *The New Deal at Work: Managing the Market-Driven Workforce*. Boston: Harvard Business School Press; and Kennedy, A. A. (2000). *The End of Shareholder Value: Corporations at the Crossroads*. Cambridge: Perseus Publishing. See also Cappelli, P. (2000). *Market-Mediated Employment: The Historical Context*. In M. M. Blair & T. A. Kochan (Eds.), *The New Relationship: Human Capital in the American Corporation* (pp. 66 – 101). Washington: Brookings Institution Press.

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- (a) More competitive product markets and increasingly shorter product life spans have created pressure to cut costs and reduce time to market. These cost pressures and the constant threat of obsolescence have translated into a growing unwillingness to invest and commit long-term in people.
- (b) Information technology (IT), that great enabler of many workplace changes, has taken over not only repetitive tasks but also much of the coordination and monitoring work previously performed by supervisory and middle management. One consequence is that a wide range of activities can be contracted out, thus reducing the need for a large permanent workforce in the organisation. Employees remaining in their jobs are under constant threat that these too might become outsourced. This development has generated additional pressure on the long-term sustainability of the employment relationship.
- (c) The globalisation of financial markets has put pressure on firms to increase shareholders' value, resulting in on-going cost-cutting exercises, especially of direct costs, such as wages and salaries.
- (d) The discipline of the external market place has entered firms through management techniques such as profit centres, benchmarking, and focus on core competencies. In this process, every aspect of a business and every employee have become subject to market forces.

While these developments impact all employees, other emerging trends in the workplace are likely to have more serious implications for the long-term employability of the mature and older worker⁶:

- (a) The interweaving of technology and jobs

The first wave of IT (in the last two decades) into the workplace deskilled jobs, stripping many workers of their knowledge and skills base. For example, a voluntary organisation such as the Singapore Action Group of Elders (SAGE), while counselling some bank officers retrenched earlier this year as a result of the merger of two local banks, found that most of the IT skills these retrenched officers possessed were company specific, and not transferable.

New IT developments such as the Internet, greater access to databases, information, and other IT-mediated work applications, have moved from person-technology interfaces that are machine-driven and relatively standardised, towards interfaces that are more person-driven, further aggravating the situation for mature and older workers. This has created new demands on employees in that work performance is to an increasing degree determined by one's ability to leverage on IT to improve and drive performance. This ability is less likely to be present in the current generation of mature and older workers.

- (b) The dynamic nature of jobs

The extent to which jobs remain constant enough to be classified for extended periods has been diminished by the dynamic nature of product and service markets.

⁶ See Ilgen, D. R., & Pulakos, E. D. (1999). Introduction: Employee Performance in Today's Organisations. In D. R. Ilgen & E. D. Pulakos (Eds.), The Changing Nature of Performance: Implications for Staffing, Motivation, and Development (pp. 1 – 18). San Francisco: Jossey-Bass Inc; and Murphy, P. R., & Jackson, S. E. (1999). Managing Work Role Performance: Challenges for Twenty-First-Century Organisations and Their Employees. In D. R. Ilgen & E. D. Pulakos (Eds.), The Changing Nature of Performance: Implications for Staffing, Motivation, and Development (pp. 325 – 365). San Francisco: Jossey-Bass Inc.

Some researchers⁷ argue that in future, there will be no fixed jobs as such, and work will be organised around projects and initiatives, and performed by employees contingent upon their roles. Hence it would be more useful to think in terms of "work roles" rather than jobs. For mature and older employees whose mental models of work in organisations were grounded in well defined job functions and classifications, major adjustments will be required of them in order to understand the new work role expectations and work performance standards that are evolving in the current climate.

(c) Increased emphasis on continuous learning

In the old paradigm, work performance was driven by well-defined standards of performance. In the new workplace, employees need to constantly learn new ways of performing their work while simultaneously maintaining and improving standards of efficiency. A Dutch research study (see page 5) found that for managers over the age of 40, the limited opportunities available for learning new skills and competencies were a cause for concern.

3. THREE RECENT STUDIES

Recent studies in various countries further explain the problems faced by the mature worker.

(i) The Australian Council on the Ageing (COTA) Study 1999

In its submission to the Commonwealth Government of Australia in May 1999, the Australian Council on the Ageing (COTA) identified age discrimination as the single most significant issue facing older people in the labour market in the following areas⁸:

- (a) Retrenchment practices;
- (b) Job searches;
- (c) Access to training, especially on-the-job training; and
- (d) Treatment by public and private employment agencies.

The COTA submission also included findings from discussions conducted with three focus groups of unemployed mature workers on their problems in seeking paid work.⁹ Key findings were as follows:

- (a) Mature workers experienced a long duration of unemployment and a high rate of hidden unemployment and underemployment in the 25 years prior to the report, during which time the Australian economy had undergone major restructuring;

⁷Murphy, P. R., & Jackson, S. E. (1999). Managing Work Role Performance: Challenges for Twenty-First-Century Organisations and Their Employees. In D. R. Ilgen & E. D. Pulakos (Eds.), The Changing Nature of Performance: Implications for Staffing, Motivation, and Development (pp. 325 – 365). San Francisco: Jossey-Bass Inc.

⁸Council on the Ageing (Australia). (May 1999). Inquiry Into Issues Specific To Older Workers Seeking Employment, Or Establishing A Business, Following Unemployment. Submission to the House of Representatives Standing Committee on Employment, Education, and Workplace Relations.

⁹Ibid. See also Council on the Ageing (Australia). (June 2000). Response To Employment For Mature Age Workers Issues Paper For The National Strategy For An Ageing Australia; Council on the Ageing (Australia). (February 2001). Investing In The Future: Australia's Ageing Workforce. Submission to Federal Budget 2001-02 for the Department of Employment, Workplace Relations and Small Business, the Department of Education and Youth Affairs, the Department of Family and Community Services, the Department of Health and Aged Care, the Department of Treasury, and the Department of Attorney-General; and Council on the Ageing (Australia). (January 2002). Coming Of Age: An Integrated Policy Framework For Australia's Ageing Workforce. Submission to Federal Budget 2002-03 for the Department of Employment and Workplace Relations, the Department of Education, Science and Training, the Department of Family and Community Services, and the Department of Attorney-General.

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- (b) Mature people were disadvantaged by factors such as stereotyping, an overemphasis of government policy on the employment of younger workers, and a targeting of older workers in redundancy and retrenchment exercises undertaken by some industries;
- (c) Focus group participants stated that work was important because it provided mental and intellectual stimulation, and allowed them to make efficient use of their time. The Australian society viewed employment as a measure of individual worth in a way similar to that in other societies. The social identity and networks derived from a person's employment were also considered important;
- (d) Focus group participants said their age and high level of experience could work against them when they were seeking employment. There were still many barriers to career transition as some technical skills were not readily transferable from one industry sector to another. The competition for job vacancies in non-specialist or generalist positions was therefore very intense;
- (e) There was a prevailing view among participants that the age barrier is moving downwards and that age discrimination practices could affect workers in the age group of late-30s and early-40s;
- (f) Many participants indicated that they had difficulties in finding a suitable job that matched the security and salary of their previous job. Others spoke of the difficulty in selling themselves in an industry outside their experience; and
- (g) Participants felt that training has to be closely linked to definite employment options given the cost and the length of time involved. Given the prevailing employment situation, some saw self-employment as an attractive long-term solution to employment, provided they had the necessary financial resources to sustain a business venture.

(ii) The Dutch Study on job contributions and learning opportunities for workers over 40s

A study by Dutch researchers to examine job contributions and learning opportunities of more than 700 middle- and top-level managers over the age of 40 in ten large Dutch companies¹⁰ found that:

- (a) As a rule, the quality of job contributions of those over 40 years of age met the norms set by their supervisors;
- (b) The relatively low learning value of job functions (i.e., the value of a job function that conveys an impetus for an employee's further development) was a cause for concern as it affected the development of new expertise, especially for middle-level managers; and
- (c) Opportunities for training and development in courses outside an employee's field of work were restricted, and more than 65% of those over the age of 40 were hardly ever given (or took advantage of) such opportunities for training and development.

(iii) The Social Policy Research Centre (SPRC) Survey on recruitment practices

¹⁰Boerlijst, J. G., & van der Heijden, B. I. J. M. (1999). The older employee in the organisation: a managerial and a developmental problem. In R. H. Rosenfeld & D. C. Wilson, *Managing organisations: text, readings and cases* (pp. 392 – 403). New York: McGraw-Hill.

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Another Australian study, this time conducted by the Social Policy Research Centre, University of New South Wales, surveyed the actual recruitment practices of employers in the business services industry.¹¹ Its major findings and policy implications were:

- (a) Small businesses were the greatest source of employment for mature workers;
- (b) Despite the conventional perception that employers preferred younger risk-taking innovators, employers actually preferred a diverse workforce of intelligent, reliable and committed team workers with industry background rather than computing experience;
- (c) Employers recruited workers through personal networks and advertisements and rarely made use of the services of employment agencies;
- (d) Incentives, including wage subsidies for the employment of mature people, had the potential to influence recruitment decisions;
- (e) A programme designed to maintain industry experience and skills might influence the employment opportunities of mature people; and
- (f) Early intervention was crucial to maximise the job-readiness of unemployed mature people.

The first two studies confirm that the long-term employability of mature and older workers has been adversely affected by the new workplace trends, including the accelerated interweaving of technology and jobs, and the changing nature of jobs and work performance. The situation has been made worse by a lack of training opportunities offered by employers to older employees and/or the failure of mature workers to take advantage of these opportunities, hence further crippling their ability to manage work and career transitions successfully. The findings of the SPRC study do have some key policy implications in connection with the formulation of innovative strategies to manage the work and career transitions of the mature and older worker.

4. EMPLOYMENT ISSUES AMONG MATURE AND OLDER WORKERS

One of the major threats to the mature and older workforce has come from technological advancements in this age of cost-cutting tactics and corporate downsizing. The demand for new skills and knowledge has placed many older workers at a disadvantage, as their earlier training in life is likely to have become obsolete. Outsourcing core production activities and the resultant downsizing of workforces have had a direct and adverse impact on older employees. An increasingly fragmented labour market structure has also provided employers with the flexibility to respond quickly to changing market conditions without having to incur high overhead costs in pensions, health and other benefits. At the same time, these practices have reduced the ability of firms to re-deploy older manual workers internally to "lighter" work because such work may have been outsourced or subcontracted.

These changing work requirements mean that older workers' employability has come to depend on access to relevant training and skills upgrading. Workers are less likely to face redundancy in later life if they have had the benefit of access to life-long learning opportunities through subsidised employer training, training levies that subsidise company expenditure on mature workers, loans to help workers finance investments in their own skills training, and an expansion of institutions for skills development. Job-search and counselling

¹¹Bittman, M., Flick, M., & Rice, J. (December 2001). The Recruitment of Older Australian Workers: A Survey of Employers in a High Growth Industry. A component of the Research Project on Work Force Circumstances and Retirement Attitudes of Older Australians. Final Report prepared for the Department of Family and Community Services. Submitted in September 2000 and finalized in 2001. Social Policy Research Centre, University of New South Wales. (Social Policy Research Centre Report No. 6/01).

programmes have also proven to be effective for many older workers who possess marketable skills but require assistance in identifying good matches with employers in the changing economy.

In many developed countries, declining fertility rates and increasing life expectancy rates have resulted in rapidly ageing populations, at a time when the post-industrial economies of these societies are moving towards new models of work and employment. Given this situation, the transition of mature and older workers to these new employment and work models have to be managed at state, corporate and individual levels, if these workers are to continue to contribute economically to their societies and at the same time, maintain their sense of self worth and social identity.

5. STRATEGIES FOR MANAGING WORK AND CAREER TRANSITIONS

State-led Policy Initiatives

Given the far-reaching impact of a graying population on countries' social and welfare systems, infrastructures as well as economic growth, several developed nations have promoted and adopted social policies to address the issues faced by older workers.

In Japan and Australia, the respective governments have implemented separate regulations to extend or repeal the mandatory retirement age.

In Europe, the European Union Council of Ministers has outlawed age discrimination in the workplace through the enactment of a piece of legislation known as the Employment Directive. The European Union Council Directive 2000/78/EC, commonly referred to as the Employment Directive, is designed to ban discrimination at work on the grounds of age, sexual orientation, disability and religion or belief, effective by 2006.¹² The provisions of the Directive on anti-age discrimination focus on equal opportunities for employment and training. Member states have been allowed up to six years to decide whether to implement these provisions, in view of the fact that they require member states to handle complex and politically-sensitive problems related to the employment of older people. Such issues include the abolition of the mandatory retirement age, changes in well-known attitudes and myths entertained against older workers, and the effect on pension schemes and minimum wage systems.¹³

The USA has since 1967, through the Age Discrimination Act, prohibited workplace discrimination against individuals aged 40 and above.

The Japanese Government amended the Employment Measures Law in 2001 to include provisions similar to those of the European Union Employment Directive on Age Discrimination.¹⁴

The governments in these developed countries have also adopted a wide range of programmes and measures to manage the issue of employment of older workers.

In Singapore, the government has initiated many national employment and learning schemes to increase the availability of employment and training opportunities for mature and older workers.

¹²Council of the European Union. (26 February 2002). Draft Joint Report from the Commission and the Council: Report requested by the Stockholm European Council "Increasing labour-force participation and promoting active ageing". Brussels.

¹³Ibid.

¹⁴Employment and Policy Development Relating to Older People in Japan, op. cit.

Initiatives of non-governmental organisations (NGOs)

Although NGOs play a leading role in initiatives to promote age-related employment issues in the USA, NGOs are also active in the UK, Australia and even in Japan, in promoting the interests of the older workforce.

In Singapore, SAGE is the only NGO which is actively involved in issues related to the employment of older workers.

PART II:

CASE STUDIES OF CURRENT INITIATIVES & PROGRAMMES
IN FIVE COUNTRIES

Part II: CASE STUDIES OF CURRENT INITIATIVES & PROGRAMMES IN FIVE COUNTRIES

A. JAPAN

Profile of the Mature Workforce

A report in 2002 noted that the population in Japan is ageing more rapidly than anticipated in previous population estimates due to a steep decline in the national birth rate.¹⁵ It also estimated that between 2000 and 2010 the number of young people (in the age group of 15 – 29 years) will decline by 5.3 million and that of those in the age group of 60 and above will increase by 8.9 million.¹⁶ By 2010 one in three Japanese will most likely be over 60 years old.¹⁷

The report further indicated that older people in Japan are extremely motivated to work.¹⁸ Two-thirds of males in their early-60s and more than half of those in their late-60s are in the labour force.¹⁹ For females, motivation to work is also high with 40% of those in their early-60s in active employment.²⁰

The prolonged period of economic stagnation in Japan has led to a deterioration of employment conditions. The unemployment rate reached a record high of 5.6% in December 2001.²¹ Of the unemployed, workers in the age group of 55 – 64 recorded the second highest level of unemployment, behind the group of workers under the age of 24.²²

Post-War Developments

The mandatory retirement age in Japan was progressively raised after the Second World War from 55 years to 60 years in the late-1980s.²³ However, as eligibility for public pension payments was also raised to 65 years, the Japanese government regarded the extension of employment beyond 60 as an important issue. Hence in 1994 the law was amended to extend the retirement age beyond 60 by 1998. However, by 2002, less than 7% of employers in Japan had actually moved the mandatory retirement age to 65.

From the policy-makers' perspective, the seniority-based wage system had to be revised to enable the full-time employment of people up to the age of 65.²⁴ A Survey of Employment Management conducted by the then Ministry of Labour in 2000²⁵ found that Japanese employers regarded the introduction of a new wage system as a key consideration in deciding whether to extend the retirement age beyond 60 years.

Government Initiatives

In addition to prohibiting companies from setting the mandatory retirement age to below 60 years, the Law for Employment Stabilization for Older People also requires that

¹⁵Japan. (2002). Employment and Policy Development Relating to Older People in Japan. Background document presented at the Ninth European-Japan Symposium, Improving Employment Opportunities for Older Workers, 21– 22 March 2002, Brussels.

¹⁶Ibid.

¹⁷Ibid.

¹⁸Ibid.

¹⁹Ibid.

²⁰Ibid.

²¹Ibid.

²²Ibid.

²³Ibid.

²⁴Ibid.

²⁵Watanabe, S. (2000). The Japan Model and the future of employment and wage systems. International Labour Review, 139, 307 – 333.

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employers draw up re-employment assistance plans in a written format for middle aged and older workers who are leaving the employment of a company because of retirement or discharge.²⁶ Re-employment support to be provided by employers must include:

- (a) Granting of days off for job seeking activities, including attending job interviews, education and training classes, and undertaking job qualifying entrance examinations;
- (b) Collation and provision of recruitment information, and recommendations of re-employment to related companies;
- (c) Provision of counselling, training and education courses that contribute to an employee's re-employment opportunities; and
- (d) Development of re-employment support systems between employers.

Besides implementing measures to enhance support provided by employers to retiring employees, the Public Employment Security Offices (PESOs) have also undertaken several initiatives to increase employment opportunities of older workers.²⁷ The initiatives are as follows:

- (a) Development of Human Resource Banks (HR Banks) in major cities as affiliates of the local PESO. The role of the HR Banks is to deploy middle aged and older people for work in smaller companies;
- (b) Establishment of Career Exchange Plazas for middle aged and older white-collar job seekers before they become unemployable in the long-term. These plazas offer job-hunting support seminars, provide venues for job seekers to voluntarily exchange their experiences, and offer free skills training conducted by private agencies;
- (c) Establishment of Silver Human Resources Centres that offer community-based jobs to older people who want to work temporarily or for a short period only, following their mandatory retirement. These centres function similarly to that of an employment agency for temporary jobs by matching the short-term work requests of local businesses, households and public offices with interested affiliates in accordance with their working backgrounds. In March 2001, there were 640,000 older persons who were affiliates of these centres; and
- (d) To tackle the problem of mismatches in job skills between those offering work and job applicants, the Japanese Government, in a fundamental shift from the life-time employment system which had come to characterise Japanese labour-management practices, now sees the encouragement of labour mobility as a major component in the transformation of the Japanese industrial system. The Government has begun to stress the need for workers to think about their own career development and to take responsibility for their own skills enhancement, in addition to the long-term and systematic skills upgrading undertaken by corporations.

Steps taken to promote autonomous skills development by individuals include:

- (a) Assignment of career counsellors to PESOs, human resource banks and elsewhere, to provide support and advise middle aged and older white-collar job leavers. A target has been set for 50,000 career counsellors to be trained within five years;

²⁶Employment and Policy Development Relating to Older People in Japan, op. cit.

²⁷Ibid.

- (b) Harnessing a wide range of educational resources including private sector training institutions, universities and colleges to promote the effective development of job skills leading to employment for middle aged and older job leavers; and
- (c) An educational training benefit system for the eligible unemployed (introduced in December 1998) that provides subsidies of up to 80% of course fees for more than 22,000 courses provided by more than 2,500 training facilities. Courses include computer & IT training, bookkeeping, and preparatory courses leading to different qualifications.

The Japanese Government amended the Employment Measures Law in 2001 to include provisions similar to those of the European Union Employment Directive on Age Discrimination.²⁸

In the spring of 2001, the Expert Council for the Achievement of a Society in which People can Work Regardless of Age was formed to explore issues of ageing and compile proposals from diverse sections of society.²⁹ A study group was set up under this Council to improve work conditions regardless of age. The issues it was tasked to examine were:

- (a) The establishment of a work ability evaluation system across corporations based on job descriptions and capabilities;
- (b) The appraisal of wage and personnel evaluation systems;
- (c) The review of workplace environments to facilitate an assortment of working styles in response to different personal lifestyles and priorities of workers; and
- (d) The promotion of employment and social participation in response to the vast range of older people's needs.

The Role of NGOs

1. *Japan NGO Network on Ageing*

The Japan NGO Network on Ageing is a national organisation that aims to raise awareness on the principles promulgated by the United Nations for older people and to promote the World Plan of Action on Ageing. It is an umbrella non-governmental organisation with about 50 affiliates. Its main activities are to:

- (a) Hold symposia and meetings;
- (b) Collate information and data on ageing; and
- (c) Publish newsletters on issues of health, welfare, work and employment, culture, sports and the human rights of older people.

2. *National Federation of Elderly Persons' Cooperative (EPEC)*

The EPEC is a national organisation that promotes various types of activities related to the job creation and welfare of older people under the slogan of "Quality Life" (*ikigai* in Japanese) in order to develop a sense of independence and dignity in the elderly. The EPEC

²⁸Ibid.

²⁹Ibid.

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has established representative offices in 47 prefectures in Japan to work for the welfare of the elderly based on assistance from the Japan Workers' Cooperative Union.

3. *Japan NGO Conference For 1999 (JNC– 99)*

The JNC–99 was established on 1 October (the International Day of Older Persons) in 1999 to work for the benefit of older people in conjunction with the designation of 1999 by the United Nations as the International Year of Older Persons (IYOP). It comprises 23 leading NGOs in Japan which share the combined role of acting as an information and activity centre for cooperative work on the IYOP. The JNC – 99 seeks to strengthen the liaison and the exchange of information among various organisations involved in the issues of an ageing society. Its activities strive to:

- (a) Promote national and global awareness of the IYOP through dissemination of information about events and activities carried out by NGOs;
- (b) Encourage mutual cooperation and participation of NGOs in seminars, symposia, publications, and other related activities to celebrate the IYOP;
- (c) Bridge the communication gap between government and private bodies so as to further publicise the objectives and activities of the IYOP; and
- (d) Work closely with various organisations and interested parties for the benefit and the future development of the ageing society.

B. AUSTRALIA

Profile of the Mature Workforce

At the end of the 20th Century, there were 2.3 million Australians over the age of 65 or 12% of the total population.³⁰ This figure is expected to multiply to 18% in 2021 and 25% (5.9 million) in 2041.³¹ The workforce is also projected to grow by 13.8% between 1998 and 2008, which will reflect a downward trend in comparison to forecast figures of the preceding two decades, of 23.5% for the period of 1978 – 1988 and 17.1% for the period of 1988 – 1998.³² The age group of 45 – 64 is also expected to comprise over 65% of this growth.³³

The average duration of unemployment and share of unemployment of mature people in Australia is much higher than those of younger people. A report from the Commonwealth Minister for Aged Care released in 1999 showed that once mature workers became unemployed, their ability to regain employment was radically diminished.³⁴

Australian Commonwealth Government Initiatives

The Commonwealth Government of Australia regards mature workers (those above the age of 45) as the fastest growing resource available to the nation, with the potential to produce a significant impact on its growth and prosperity in the future.

³⁰Bronwyn, The Honourable B., Member of Parliament, & Minister for Aged Care. (November 1999). The National Strategy for an Ageing Australia: Employment for Mature Age Workers Issues Paper. Canberra: Commonwealth of Australia.

³¹Ibid.

³²Ibid.

³³Ibid.

³⁴Ibid.

Most Australian States/Territory Governments have not passed any legislation to delineate a compulsory retirement age. However, financial support is given to community-based providers to help mature workers find work, including those from indigenous and culturally diverse backgrounds.³⁵ The last two decades have seen a substantial increase in the number of mature workers dependent on basic income support from the Commonwealth Government. In 1978, 554,000 people in the age group of 50 – 64 received basic income support payments. This was 26.7% of the entire population in this age group.³⁶ This percentage had increased to 33.5% in 1997 when 893,000 people in this age group received government income support.

Concern over the declining growth in the working age population and the effect of that on the economy has compelled the Commonwealth Government to introduce policy measures to remove barriers to continued employment beyond the traditional retirement age of 65.³⁷ These include:

- (a) A pension bonus scheme for eligible people to accrue a bonus if they choose to defer pension claims as they continue to work;
- (b) The Workplace Relations Act passed in 1996, which allows retirement to proceed in phases and other flexible arrangements to meet the needs of mature workers. Under a provision of the Act, an employer must not terminate the employment of a mature worker because of age unless it can be proven that such a move constitutes an “inherent requirement” of the job; and
- (c) An abolition of the compulsory retirement age of 65 for Commonwealth statutory office-holders and other public servants.

The well-developed social welfare system in Australia has increased expectations that the government manage social risks that arise from a maturing population. To date, three major national inquiries have been conducted to explore pertinent issues and problems in this area. They are:

- (a) An inquiry into legislation related to age discrimination by the Federal Human Rights and Equal Opportunity Commission;
- (b) An inquiry by the House of Representatives Standing Committee on Employment, Education and Workplace Relations into Issues Specific to Workers Over 45 years; and
- (c) A review of the social welfare system by an expert committee appointed by the Commonwealth Minister for Social Welfare.

These three inquiries reflect a three-tier approach to resolving the issues of older workers and an ageing workforce. The objectives of the approach are to:

- (a) Reform the framework of social obligations to include a greater role for employers;
- (b) Modify the education and training system to take into account longer working lives; and
- (c) Revise the process of retirement to maximise retirement savings.

The Role of NGOs

³⁵Bronwyn, op. cit.

³⁶Ibid.

³⁷Ibid.

Council on the Ageing (COTA)

The Council on the Ageing (COTA) describes itself as the “peak consumer organisation” dedicated to the protection and the promotion of the well being of older people in Australia.³⁸ Its chief functions include:

- (a) Policy analysis and policy development;
- (b) Provision of information and advice to older people on Commonwealth policies and programmes; and
- (c) Provision of information and advice to the Commonwealth Government on essential issues concerning current and future generations of older people in consultation with older people and research institutions.

Members of COTA include key national organisations that represent consumers and service providers, and individuals over the age of 50.³⁹ The Commonwealth Government also provides financial support to assist COTA in fulfilling its role of policy formulation, consultation, representation and information dissemination.⁴⁰

According to a paper by Veronica Sheen, Deputy Director of COTA, the robust national immigration programme will be unable to arrest the trends of increased longevity and an ageing workforce.⁴¹ The paper estimated that in 2001 there would be 20 people in the age group of 65 and above for every 100 people in the working age group of 15 – 64.⁴² This ratio is expected to double to around 40 people for every 100 Australians in the same age group by 2051.⁴³

Preferences of employers for younger workers

A survey of 500 Australian employers conducted by Drake Personnel Limited in 1999 for the Commonwealth Government showed that employers were the least likely to recruit, select, and hire an employee in the age group of 50 and above (0%).⁴⁴ However, 64.5% of employers indicated that they were most likely to retrench workers in the age group of 50 and above.⁴⁵

Early Retirement

In 2000, there was a significant cohort of mature people in the age group of 50 – 64 either not in the labour market or only marginally attached to the labour market, with 46% of these people not in paid employment.⁴⁶ According to the report by Sheen, the low unemployment rate of older people shown did not reflect the actual situation as it did not take into account individuals who might like to take on a job but were not seeking one because of perceptions of poor prospects in securing one.⁴⁷ According to the Australian Bureau of Statistics, involuntary early retirement was cited as the most important reason for retirement

³⁸Council on the Ageing (Australia). Retrieved August 23, 2002 from the World Wide Web: <http://www.cota.org.au/aboutcot.htm>.

³⁹Ibid.

⁴⁰Ibid.

⁴¹Sheen, V., Deputy Director, Council on the Ageing (Australia). Older Australians: A Working Future? The Ageing Population And Work in the 21st Century. Presentation to the Committee for Economic Development Conference, The Ageing Of The Global Workforce, 11 –12 September 2000, Washington, D. C.

⁴²Ibid.

⁴³Ibid.

⁴⁴Drake Personnel Limited. (1999). Age Discrimination is Alive and Well. Submission to the House of Representatives Standing Committee on Employment, Education and Workplace Relations Inquiry Into Issues Specific To Workers Over 45 Years.

⁴⁵Ibid.

⁴⁶Sheen, op. cit.

⁴⁷Ibid.

in Australia in 1998 for 54% of males in the age group of 45 – 65 and 33% of females in the age group of 45 – 64.⁴⁸

Many older people who wished to remain in the labour market were not given opportunities to do so, partly as an outcome of employer attitudes, and partly because the skills and expectations of older people did not match opportunities available in the current job market.⁴⁹

COTA argues that it needs high quality services for mature people to help them obtain the requisite skills and dispositions needed for today's jobs.⁵⁰ It also argues that even though the Commonwealth Government has recognized that the ageing workforce is a key issue, the major response to that has still come from within the welfare reform process.⁵¹ COTA maintains that the issues related to an ageing workforce do not fit well into the national welfare structure, as they require long-term social and economic planning. Welfare reforms are said to avoid addressing macro problems that affect individuals outside the welfare system who are instead affected by issues of employment.⁵²

C. THE UNITED KINGDOM

Profile of the Mature Workforce

In mid-2002, there were about 19 million people over the age of 50 in the UK, accounting for 40% of the adult population.⁵³ The rate of employment of older people had risen faster than that of the entire working population since 1997. On the other hand, older people were more likely to work part-time or to be self-employed with generally fewer qualifications than their younger counterparts, and twice as likely to have no formal qualifications.⁵⁴ Nearly 6 million people between the age of 50 and the legal pension age were in employment.⁵⁵ The employment rates of men in the age group of 50 – 64 and women in the age group of 50 – 59 were 70.3% and 64.9% respectively.⁵⁶

Recent developments

As mentioned above, in 2000, the European Union Council of Ministers approved the Employment Directive, to be implemented in member states. The Council has, however, allowed member states up to six years from 2000 to implement provisions on anti-age discrimination as stipulated in the Directive. Although the UK Government has expressed its support of the Directive on Equal Treatment and its commitment to implement all provisions by 2006, as at September 2002, it has yet to implement corresponding legislation on anti-age discrimination. Instead, it has opted to promote a voluntary Code of Practice for employers, and mount a campaign to encourage the employment of older people in the UK.

Government Initiatives

In 1999, the Department of Work and Pensions (DWP) of the UK Government launched a voluntary code for employers. Known as the Code of Practice on Age Diversity in

⁴⁸Australian Bureau of Statistics. (1998). Retirement and Retirement Intentions, Category No. 6238, November 1997. Canberra: Australian Bureau of Statistics.

⁴⁹Ibid.

⁵⁰Sheen, op. cit.

⁵¹Ibid.

⁵²Ibid.

⁵³Retrieved August 23, 2002 from the website of the Department of Work and Pensions (DWP) of the UK Government in the World Wide Web: <http://www.dwp.gov.uk>.

⁵⁴Ibid.

⁵⁵Ibid.

⁵⁶Ibid.

Employment, this Code outlined Good Practices standards for non-ageist approaches to recruitment, selection, training and development, redundancy and retirement.⁵⁷

A public programme, the Age Positive Campaign, was also launched in conjunction with the Code to change the attitudes of employers and assist them in realizing the benefits of being "age positive".⁵⁸ A key component of the campaign was to highlight "Age Positive Champions", who might be individuals, businesses of different sizes, academic institutions, or private organisations that have successfully managed the issue of age discrimination at their workplaces, or supported the overcoming of age discrimination through research, campaigning and/or collaborating with the Age Positive Campaign team of the government. As part of the campaign, the DWP also published a series of case studies, project reports, research findings and statistical information related to the employment of older people in Britain. A website, www.agepositive.gov.uk, accompanied the launch of the campaign. The website provides information on programmes initiated by the UK Government on employment of older people and also features many successful cases of private enterprises that voluntarily adopted the Code of Practice on Age Diversity in 2002.

In April 2000, the UK Government launched another national programme to combat the issue of unemployment among older people. Called New Deal 50 Plus, it targeted people over the age of 50 who had been out of work for more than six months.⁵⁹ Under the programme, employers who recruited eligible older people would receive a training grant of up to 600 pounds sterling per new older person employee. For other eligible individuals who wished to start their own businesses, New Deal 50 Plus offered tax-free employment credits, training grants and support from Personal Advisors stationed at local job centres. Older people eligible under the programme and who were already back at work were given direct access to training grants to either improve their current skills or gain new ones.

In 1998, the UK Civil Service also launched the Better Government for Older People Programme (BGOP) to improve the delivery of public services to older people.⁶⁰ The programme was implemented in partnership with the central and the local governments, the volunteer sector, academia and older people. An Inter-Ministerial Group on Older People (IMG), a cross-governmental group chaired by the Secretary of State for Social Security, was also established to develop an integrated approach to deal with the issues of older people and coordinate government policies for them in the country.⁶¹

The Role of NGOs

1. *Employers Forum on Age (EFA)*

In response to such an onslaught of government-led initiatives, the Employers Forum on Age (EFA), a UK-wide employer network, has since been created.⁶² The EFA is an employer-led initiative that consists of 160 employers who employed about 10% of the total workforce in the UK as at August 2002. Its objectives are to:

- (a) Support member organisations in managing the skills and age mix of their workforces to obtain maximum business benefits;

⁵⁷Retrieved August 23, 2002 from the World Wide Web: <http://www.agepositive.gov.uk/codeOfPractice.cfm?sectionid=90>.

⁵⁸Ibid.

⁵⁹Ibid.

⁶⁰The Better Government for Older People Programme (BGOP). Retrieved August 23, 2002 from the World Wide Web: <http://www.bettergovernmentforolderpeople.gov.uk>.

⁶¹The Inter-Ministerial Group on Older People (IMG). Retrieved August 23, 2002 from the World Wide Web: <http://www.cabinet-office.gov.uk/servicefirst/index/opmenu.htm>.

⁶²Employers Forum on Ageing (EFA). Retrieved August 23, 2002 from the World Wide Web: <http://www.efa.org.uk/aboutefa/index.asp?cid=7&num=>

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- (b) Remove barriers to achieve an age-balanced workforce by influencing key decision makers in the UK government, education, training, and recruitment fields, and in the trade union movement; and
- (c) Inform all employers of the benefits of a mixed-age workforce.

2. *National Institute of Adult Continuing Education (NIACE)*

The National Institute of Adult Continuing Education (NIACE) is an NGO dedicated to the promotion of the study and overall advancement of adult continuing education.⁶³ It is a registered charity based in England and Wales and has launched the NIACE Older & Bolder Initiative to elevate the level of participation by older adults in all forms of learning, and to stimulate the creation of education opportunities for older people so that they can be equipped to enjoy an active lifestyle.⁶⁴

3. *Campaign Against Age Discrimination in Employment (CADDE)*

One of the most notable and vocal voluntary advocacy groups in the UK is the Campaign Against Age Discrimination in Employment (CADDE).

CADDE was formed by Philip and Bernice Walker in 1988 to fight for the rights of older workers age 45 and over, particularly in the area of age discrimination in employment.⁶⁵

The voluntary group has been campaigning for UK government legislation against age discrimination. It argues that the attitudes of employers towards the Labour Government's Codes of Practice have been disappointing and the UK government has to learn from the American experience in legislation against age discrimination.

A new impetus for CADDE's cause is the EU's proposals aimed at outlawing workplace discrimination on the grounds of religion, disability, sexual orientation and age approved in October 2000 as mentioned above. The European Union Council has given an absolute date of 2006 when legislation must be in place in member states. Therefore, the issues of legislation against age discrimination in the UK no longer centre around the question of "if" but on the questions of "how" and "when".

D. THE UNITED STATES OF AMERICA

Profile of the Mature Workforce

The U.S. could be facing dramatic demographic changes over the next decades. There are three major demographic trends emerging which could have a profound collective impact on the U.S. labour force and the overall U.S. employment market. They are: the slowing down of population growth; the rise in the ageing population; and the arrival of new immigrants who are joining the U.S. labour force.⁶⁶

The population of the U.S. is expected to age rapidly. According to the most recent report released by the U.S. Bureau of Census in January 2000, the annual growth of the U.S.

⁶³National Institute of Adult Continuing Education (NIACE). Annual Report and Accounts 1999-2000.

⁶⁴National Institute of Adult Continuing Education (NIACE). The NIACE Older & Bolder Initiative.

⁶⁵Retrieved August 23, 2002 from the World Wide Web: <http://www.cadde.net>.

⁶⁶Little, J. S., & Triest, R. K. (2001). The Impact of Demographic Change on U.S. Labor Markets. New England Economic Review, Quarter 1, pp. 47 – 68. See also Riddell, W. C. (August 1999). Measuring Unemployment and Structural Unemployment. Department of Economics, University of British Columbia, and Canadian Institute for Advanced Research.

population is expected to decline steadily from an average of 1% in the 1990s to 0.7% in 2050.⁶⁷ This projection has factored in assumptions of a crude rising death rate as the population ages, and crude falling birth rate as the percentage of the population in the childbearing age declines. This implies that the working age population is expected to grow more slowly than the growth of the overall population.

The reality of a fast-ageing American population reflects a decline in the fertility rate, coupled with an increase in life expectancy due to medical and healthcare advancements. The Bureau of Census predicts that the group of citizens over 65 years of age will have expanded from the present 13% to 20% of the population by 2050.⁶⁸

A country of immigrants, the U.S. has adopted a relatively open policy towards migrants wishing to make America their home. This open-door policy has assisted the U.S. Government in attracting talent from all over the world. It has also ameliorated the trend toward a rapidly ageing population. At present, new immigrants and their children are responsible for half of the increase in the U.S. population, with the trend of a significant inflow of immigrants expected to continue in the coming decades. Immigration issues are therefore likely to become a source of public focus again as they were in the early 1900s when the immigrant influx then reached mammoth proportions. With the current source of immigrants shifting from Europe to Latin America and Asia, this latest wave is expected to induce significant changes in the demographic profile and social fabric of the U.S.

Legislation against age discrimination

The Age Discrimination Employment Act of 1967 has prohibited workplace discrimination against individuals aged 40 and over.⁶⁹ The Act applies to employers with at least 20 workers on their payroll. It promotes the employment of older people based on ability rather than age; prohibits arbitrary age discrimination in employment; and assists employers and workers in finding ways to meet problems that arise from the impact of age on employment.

The Act was enacted based on the the following Congressional findings:

- (a) Older workers found themselves disadvantaged in their efforts to retain employment and especially regain employment when displaced from jobs;
- (b) The setting of arbitrary age limits regardless of potential for job performance had become common practice and certain undesirable practices might work to the disadvantage of older people;
- (c) An incidence of unemployment, especially long-term unemployment with resultant deterioration of skills, morale and employer acceptability, was higher among older workers than their younger counterparts. The number of unemployed was high and growing, and the unemployment problems that older workers faced were serious; and
- (d) The existence in industries of arbitrary discrimination in employment because of age were found to be burdens upon commerce and the free flow of goods in commerce.

Federal Government Initiatives

1. *Experience Works Inc*

⁶⁷U.S. Census Bureau. (January 2000). Census 2000.

⁶⁸Ibid.

⁶⁹The Age Discrimination Employment Act. Retrieved August 23, 2002 from the World Wide Web: <http://www.eeoc.gov/laws/adea.html>.

Established in 1965, Experience Works Inc. is a national, non-profit organisation offering training, employment and community service opportunities for mature workers.⁷⁰ These include a variety of programmes designed to assist mature individuals in entering the workforce, securing more challenging positions, moving into new career areas, and/or supplementing their incomes.

The largest programme offered by Experience Works Inc. is the Senior Community Service Employment Programme (SCSEP).⁷¹ This programme, funded under Title V of the Older Americans Act, enables Experience Works Inc. to reach out to thousands of low-income individuals in the age group of 55 and beyond, throughout the U.S. Under this programme, job-ready seniors are placed directly into employment. Other seniors benefit from training, counselling, and community service assignments at non-profit organisations and public agencies located in their communities prior to moving into the mainstream workforce. SCSEP participants gain valuable new skills and experience that help them to secure meaningful employment and provide valuable services to their host agencies and communities.

The staffing service offered by Experience Works Inc. is the only national staffing service network that focuses on employment needs of older workers.⁷² Through this service, Experience Works Inc. places skilled mature individuals in temporary, temporary-to-permanent, and direct employment that makes the most of their experience.

The training service offered by Experience Works Inc. offers a wide variety of technology-training courses using a combination of instructor-led, facilitated or self-paced computer-skills training that might involve classrooms, computer laboratories, packaged training or training via the Internet.⁷³ Experience Works Inc. also offers a number of job-related training programmes that include industry-specific programmes in areas such as home health care, agriculture, security, customer service and small-business development.⁷⁴

2. *National Council on the Ageing (NCOA)*

The National Council on the Ageing (NCOA) is the national body for the aged and a powerful advocate for public policies that promote dignity, self-determination, well-being and the contributions of older people. The NCOA plays a leading role in three major areas:

- (a) Increasing funding for Older Americans Act programmes, in particular supportive services, nutrition and care-giver support;
- (b) Improving access to home and community services through new initiatives in the Medicare and Medicaid programmes and the tax code;
- (c) Enacting Medicare prescription drug benefits that provide affordable coverage.

One of the programmes under the purview of the NCOA is Maturity Works. This provides resources, training and contacts that assist mature workers in finding employment.⁷⁵ The NCOA also works with workforce professionals nationwide to develop and disseminate effective training programmes.

⁷⁰Experience Works Inc. Retrieved August 23, 2002 from the World Wide Web: <http://www.experienceworks.org>.

⁷¹Ibid.

⁷²Ibid.

⁷³Ibid.

⁷⁴Ibid.

⁷⁵Maturity Works. Retrieved August 23, 2002 from the World Wide Web: <http://www.maturityworks.com>.

Non-governmental Interest Groups

The U.S. political landscape is dotted with thousands of interest groups, reflecting the size and the complexity of American society and its political system. Interest groups play a variety of roles that include representation, lobbying, monitoring, provision of resources to lawmakers, publicity and public education. Given the current job market situation in the U.S. as described above, many U.S. interest and lobby groups for mature and older workers are influencing policy makers to develop policies and implement measures through public funding for training, to avoid a scenario of premature exclusion of older workers from the labour market.

American Association of Retired Persons (AARP)

A prominent interest group for senior workers set up in 1961, the American Association of Retired Persons (AARP) was originally called the Retirement Research and Welfare Association, set up to engage in the study and discussion of issues affecting ageing persons.⁷⁶

In 1983, the focus of the organisation shifted to the promotion of projects and community service endeavours related to social welfare, maintenance, and improvement of health and educational services for seniors.⁷⁷ During the 1980s and early 1990s, the Foundation received grants for various AARP projects, and also awarded small grants to a variety of community service, educational and social welfare groups.⁷⁸

When the Lobbying Disclosure Act took effect in December 1995 prohibiting organisations from receiving federal funds if they engaged in lobbying activities, the AARP transferred all of its grant-funded programmes (staffing, the award of funds to other organisations, and administration) to the AARP Foundation.⁷⁹ The AARP Foundation now administers educational, employment and community service programmes funded by nearly \$55 million from both federal and private sources.⁸⁰ The purpose of the AARP Foundation is to support public education, provide advocacy, supply information, and facilitate community service activities encompassed in the strategic plan of the AARP.

Today, the AARP is a non-profit organisation dedicated to the needs and interests of those in the age group of 50 and beyond. It boasts more than 35 million members, making it possibly one of the largest interest groups to campaign for the interests of older workers in the U.S.⁸¹

E. SINGAPORE

Profile of the Mature Workforce

The population of Singapore will age rapidly over the next 30 years. In 1998, 14% of the population or about 451,900 fell in the age group of 55 and above. By the year 2020, this figure is expected to increase to 27% of the population or some 1,124,200 older and mature people.⁸² In early 2002, about 7% of its population were aged 65 and above. By the year 2030, this will increase to 19%.⁸³ This trend poses tremendous challenges and opportunities

⁷⁶American Association of Retired Persons (AARP). Retrieved August 23, 2002 from World Wide Web: <http://www.aarp.org>.

⁷⁷American Association of Retired Persons (AARP), op. cit.

⁷⁸Ibid.

⁷⁹Ibid.

⁸⁰Ibid.

⁸¹Ibid.

⁸²Ministry of Manpower. (September 1999). Manpower News. Retrieved August 23, 2002 from the World Wide Web: <http://www.gov.sg/mom/gen/mpn1299/p12.htm>.

⁸³Excerpts from Statement of Mr Chan Soon Sen, Prime Minister's Office and Ministry of Community Development and Sports, at the Second World Assembly on Ageing, 8th – 12th April 2002, Madrid, Spain. Retrieved August 23, 2002 from the World Wide Web: <http://www.un.org/ageing/coverage/singaporeE.htm>.

for Singapore in terms of national productivity, healthcare budgetting, issues of personal financial security, family support for older members, and how to enable Singaporeans to age actively and gracefully.

Government Initiatives and Programmes

In 1999, 65% of males and 22% of females in the age cohort of 55 – 64 were in the labour force. In 2001, the figures were 64.2% and 27.6% for males and females respectively in the same age cohort.⁸⁴ The present economic recession has brought home the point that bad economic times will render older workers particularly susceptible to retrenchment and unemployment. It is generally perceived that this could be a consequence of the mismatch of skills between an employee and an employer, a seniority-based wage structure, possible age discrimination, or a combination of these and other factors.⁸⁵ As a fast-paced knowledge economy unfolds, skills obsolescence and the employability of older workers have become real bread-and-butter issues that call for the development of both a culture and parallel support structures allowing for continuous learning. They also require that the Singapore people learn a mentality capable of adapting to changes.

Job Placement and Job Search Programmes

The People for Jobs Traineeship Programme (PJTP) was launched in June 2001 by the Ministry of Manpower (MOM) to encourage companies to fill their job vacancies by tapping into the available pool of workers aged 40 and above.⁸⁶ This scheme opens up opportunities for many mature and older workers who might otherwise not be considered by companies for their lack of relevant work experience. To better induct older workers into a new working environment, the programme requires that participating companies put in place traineeship arrangements for such workers. Companies that provide traineeships or mentorship programmes to new recruits will obtain financial assistance from the government. For every unemployed worker above 40 hired, the firm is entitled to a 50% wage support or \$2000 per month whichever is lower, for a period of up to six months. In addition, since January 2002, a firm which hires workers above 50 can claim a further wage support of three months at 25% of the gross salary or \$1000, whichever is lower.

In the area of job matching, the MOM currently operates a career centre called CareerLink@MOM at its premises to provide one-stop information and advisory services on employment, training and skills upgrading to employers as well as people looking for jobs.⁸⁷ All services provided by CareerLink@MOM are currently free of charge. For individuals, CareerLink provides a wide range of career resources on job search, resume writing, career management, HR matters, labour market trends, training opportunities and training incentive schemes. For job seekers who require personal assistance, MOM Career Officers provide career and training advice, and assist them in their job search via various job channels. The centre also provides career coaching to help people map out their career path by examining their career values and motivations.

The MOM has also formed the CareerLink Associates Network to involve a group of organisations that share the common mission of serving the unemployed, unions, employers and the public in general.⁸⁸ Members of the network share experiences and expertise in the provision of career and related services, as well as exchange information on the latest manpower development needs and issues.

⁸⁴Ministry of Manpower. Report on Labour Force in Singapore, 2001. Retrieved August 23, 2002 from the World Wide Web: <http://www.gov.sg/mom/news99/990715.html>.

⁸⁵Retrieved August 23, 2002 from the World Wide Web: http://www.mcads.gov.sg/imc/html/wg_employ.html.

⁸⁶Ibid.

⁸⁷Ibid.

⁸⁸Ibid.

The MOM has also been organising a series of job fairs in housing estates to reach out to the community with the support of the Community Development Councils (CDCs).

Learning Opportunities for Mature and Older Workers

The MOM has joined forces with employers and non-governmental organisations to provide a host of training programmes and financial support to both the employed and the unemployed in its move to boost the long-term employability of the Singapore workforce, including older and mature people. The various training programmes are complemented with a national tax relief programme to defray the cost of education and training through tax reliefs.

There are eleven national training programmes offered to the employed and the unemployed, especially older and mature people who are Singapore Citizens or Permanent Residents. These older and mature people are particularly encouraged to make use of the training programmes to build up necessary basic skills to function effectively in the workplace and/or increase their market value through upgrading their current skills. The training programmes can be categorized into three levels of training:

- (a) Basic and Enabling Skills Training, i.e. generic skills (e.g. Basic Education for Skills Training Programme, Worker Improvement through Secondary Education, Critical Enabling Skills Training, Work Skills Training Programme, National IT Literacy Programme, Infocomm Competency Programme and NTUC Education and Training Fund (N-ETF));
- (b) Job Specific Training for Workers (e.g. Skills Redevelopment Programme Surrogate Employers Scheme and N-ETF); and
- (c) Job Specific Training for Professionals and Executives (e.g. E-Business Savviness Programme, Strategic Manpower Conversion Programme, Critical Infocomm Technology Resource Programme and N-ETF).

For older and mature individuals who are employed but in need of financial assistance to undertake such training courses, they can seek help from their employers and government organisations (e.g. the Infocomm Development Authority of Singapore) to sign up for the courses. Older and mature people who are unemployed but wish to join the mainstream workforce, can turn to community-based self-help groups such as Singapore Indian Development Association, the Yayasan MENDAKI, the Chinese Development Assistance Council, the Eurasian Association and the Association of Muslim Professionals for funding to pursue appropriate training courses to increase their opportunities of employment or re-employment.

Inter-Ministerial Committee (IMC) Workgroup on Employment and Employability

The IMC Workgroup on Employment and Employability was set up in late October 1998 to focus on employment issues confronted by an ageing workforce.⁸⁹ It also explores the implications of an ageing workforce upon economic performance in terms of labour force participation and levels of productivity and adaptability.⁹⁰ The chief responsibilities of the Workgroup are to:

- (a) Establish a basic policy framework with a set of desired outcomes to buttress government policies in the area of employment and employability of older workers and the elderly, based on its findings;
- (b) Evaluate the efficacy of present government programmes and structures in upholding the employability of older workers, endowing them with

⁸⁹The IMC Workgroup on Employment and Employability. Retrieved August 23, 2002 from the World Wide Web: http://www.mcds.gov.sg/imc/html/wg_employ.html.

⁹⁰Ibid.

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employment opportunities, as well as presenting recommendations to the government in these areas; and

- (c) Appraise current employment practices and employer mindsets that resist the employment of seniors, and examine additional avenues to promote elderly friendly employment policies and practices in the workplace.

To meet these challenges, one of the initiatives proposed by the Workgroup is to establish community-based Silver Manpower Centres (SMCs) in housing estates to facilitate the employment of mature and older workers by providing one-stop training, counselling and job placement services.⁹¹ To avoid a duplication of efforts with the regional MOM Career Centres which focus on employment facilitation for the general population, these SMCs will actively seek job opportunities for the elderly *only* in the local community and nearby neighbourhoods and will prepare mature and older workers for employment or re-employment by providing career counselling and training.⁹² Nonetheless, these two categories of service providers will share resources whenever possible to ensure smooth and thorough delivery of services. The establishment of the SMCs is meant to be consistent with the government's philosophy to decentralise delivery of social services to the grassroots level.

The Workgroup has also recommended a set of principles⁹³ to guide the design and modes of training for mature and older workers. Training opportunities for these workers can be expanded by reducing academic barriers to training courses through the accommodation of other criteria such as work experience, in the face of mature workers' generally low education levels. Similarly, more courses in modular form that meet the specific requirements of mature and older workers can be furnished so as to accommodate workers' work and/or family commitments. Furthermore, the contents of training programmes for older workers can also be modelled on jobs in the service industry such as retail and food preparation which would widen the range of employment opportunities available for these workers. Likewise, the level of education of less-educated mature and older workers can be boosted by improving their overall literacy and numeracy skills as this would further increase their market value.

The Role of NGOs and Grassroots Organisations

Set up in 1977, SAGE (Singapore Action Group of Elders) is a non-funded Voluntary Welfare Organisation to promote the continued growth and development of senior citizens by a variety of programmes, services and benefits through counselling, activities, an employment service, continuing education modules and a research centre. (See Case Study F.)

Community Development Councils (CDCs) have also been working with the Ministry of Manpower (MOM), the National Trades Union Congress (NTUC) and Singapore National Employers' Federation (SNEF) to assist retrenched workers in seeking re-employment through various job fairs held in housing estates.

These fairs aim to help retrenched workers, in particular older workers aged 40 and above, make a career switch from industries that are slowing down to the services sector.

Apart from hiring companies, training providers and self-help organisations, such as NTUC, the People's Association and others are present at such fairs to offer training opportunities. Job Search Skills Workshops are also conducted at some fairs to equip job seekers with job search skills to enhance their chances of employment.

⁹¹Ibid.

⁹²Ibid.

⁹³Ibid.

PART III:

LOCAL CASE STUDIES

PART III: LOCAL CASE STUDIES**CASE A****MOVING SEAFARERS TO SHORE:
AN ENTREPRENEURIAL APPROACH TO JOB PLACEMENT**

Structural unemployment arising from lower wage foreign labour, economic downturns and the problems of job transitions were not new to the Singapore sea-going ratings and their union, the Singapore Organisation of Seamen (SOS). What is unique is the strategy adopted by SOS to solve the problems.

Crushing competition in the last two decades had been driving Singapore seamen out of work, and finding ways to help members find employment at sea was only a short term solution. Refusing to be beaten, SOS looked outside its conventional role for solutions.

It found one within itself. In 1994, adopting the National Trades Union Congress (NTUC)'s successful cooperative model, SOS launched Seacare Cooperative Ltd as the umbrella organisation for businesses it would set up to provide work and jobs (both on-shore and at sea) for its members.

SOS realised that it could now not only find jobs for its members but it could also create them and even turn a profit into the bargain. By 2002, 7 years after its set-up, Seacare had more than 1000 employees on its payroll.

As at 2002, Seacare Cooperative covers business domains like maritime, manpower, the environment, logistics and support, medical services and property, to list just a few of the ventures it has become involved in. It has achieved a turnover of \$22 million in 2001.

Background

Singapore has always been a seafaring hub. From its early days as an entrepot port to its current place as the world's second largest port, it has traditionally been a major seafarer supplier to foreign and local shipping companies. The employment of local seafarers rose steadily over the years and reached a peak in the early 1980s.

It was around this time that SOS, the union for ratings in Singapore, found itself confronted with a series of events that would bring about a major change in its approach in protecting the livelihood of its members.

Unemployment among local ratings was rising rapidly, as technology, automation, and process improvements forced crew-manning levels drastically downwards. At the same time, cost conscious shipping companies were replacing Singapore ratings with foreign crew at lower wages.

To meet this challenge, SOS started a job-enlargement scheme, training Singapore seamen in new skills so they could work at several jobs on a ship. The scheme was not well received as multi-tasking was not always possible on board, given a ship's design, work flow and other technological considerations.

In 1986, SOS started a job placement unit. The aim was to find seamen jobs onshore while they waited for sea-going opportunities. Its' priority was to keep SOS members employed, no matter where. Members could work as kitchen help or cooks in restaurants or hotels, or as maintenance crew in building maintenance firms. However, such low-skilled shore jobs paid poorly, much less than what the seamen were used to. Yet, with few transferable skills, their options were limited. This was all very hard on those who were the sole breadwinners of their families. Although retraining schemes were available, the low

education levels of most seamen meant most could not meet minimum admission requirements for upgrading courses.

The recession of the mid 1980s forced more seamen into redundancy. Negotiations by SOS with shipping companies for more employment opportunities did not hold many prospects as, with fewer ships sailing, the job pool had grown even smaller.

The turning point for SOS came when Norwegian shipping companies began to employ foreign seamen on board their flagships in response to competitive cost pressures. European shipping companies had traditionally been very protective of their own crew, restricting the number of foreigners on board their registered vessels. SOS realised that even the Norwegian seafarers' unions had to accede to cost pressures in order for their country's shipping companies to stay competitive in the global market.

Finding a Solution

The situation was critical. Pushed to the wall, the SOS team considered its options. Members were losing jobs and their families were suffering as well. As the seamen's union, SOS revenue was also diminishing, but the main concern was coming up with ways to keep members employed. Older workers were especially vulnerable to becoming displaced.

With these concerns in mind, the SOS leadership decided it was time to change tack. Leveraging on their earlier experiences, the team decided that a passive approach was not the solution. It needed to be more radical and start to think outside of the box. The answer they came up with was Seacare.

Adapting the model that NTUC had successfully adopted since 1971, SOS officially launched Seacare Cooperative Ltd on 24th May 1994 with NTUC as an institutional member. Its mission was

"...to help and benefit Singapore seamen and their families through more work opportunities and appropriate investment projects".

Seacare's mission was to not only find members jobs, but if possible, to create jobs for members through new business ventures. Seacare would scout for other viable shore-based businesses which could provide new work and job opportunities for members.

Merging Business Strategy and Social Mission

Because cooperative objectives embodied both social and economic objectives, Seacare's business strategy was two-pronged, emphasising professional management and individual business viability, with the overarching aim of work and job creation for members.

The Cooperative broadened the scope of its original job placement services. To provide the critical mass with its business activities, Seacare Manpower Services Pte Ltd., set up in 1995, now opened its placement service to seafarers and non-seafarers.

The success of this first business venture gave everyone a boost in confidence, and Seacare decided it could now become an employer in its own right. In deciding which arenas to venture into, the team had two considerations - business should either be shipping-related, and SOS had to be confident they could create jobs for its members within that business, given the members' profiles and skills capabilities.

Seacare MarinePlus Pte Ltd., set up in 1996, provided general shipping agency services and operated as a one-stop centre for all shipping requirements. The rationale was that as this business offered many opportunities for lateral skills transfers, union members would have the necessary skills and experiences to contribute to the development of the business.

As Seacare embarked on in its mission of job creation, it did away with the “one size fits all” approach. Besides regular 9 to 5 work, it explored other forms of work – temping, subcontracting, project-based and franchising. For example, in creating its contracting cleaning service, Seacare Environmental Pte Ltd, 40% of the labour was allocated to its members. Such work was preferred by many of the older seafarers who had the necessary skills.

Seacare Environmental Pte Ltd was set up as a cleaning and maintenance service contractor, provide employment opportunities to out-of work ratings with lower skills and education levels. Tapping into its links with other unions under NTUC, Seacare Environmental had in hand \$2 million worth of contracts in 2001.

To maintain and improve ratings’ employability in the cleaning business, the Union began negotiating with the Productivity and Standards Board for a joint training scheme for skills upgrading, the long-term goal being to develop a franchise scheme for members to work towards becoming business owners themselves in the future.

Lessons Learnt

Developing a range of work options: For many seafarers, transiting to shore jobs has required that they adjust to a new work-life context, rhythm, and routine typical of an on-going regular job, something quite different from what they had experienced as seafarers. Seacare's range of work options such as temping, subcontracting or project based work, or independent contractor work, increased ratings’ chances of finding suitable work. A new work option currently proposed by Seacare Environmental is a franchising scheme that offers SOS members an opportunity to own and operate their own business.

One stop help centre and peer support: The SOS-Seacare experience has demonstrated the importance of a collective effort in providing both job search-and-match services and social support for displaced adult and older workers. SOS's one stop centre provides training and career transition counselling services. At the same time, SOS's premises serve as a social meeting place and provide displaced members opportunities to seek social and emotional support from peers in similar situations, including encouragement from those who have succeeded in their own career transitions.

Upgrading tied to job-skills matching: SOS has supported members' upgrading through a wide range of certification-based and practical hands-on training courses. To stay in step with members’ changing re-skilling and upgrading needs, members’ feedback on new training needs have been monitored closely. The cooperative’s direct involvement in various business operations provided an important platform not only to assess and match skills with jobs but also, to anticipate the training and re-skilling needs of displaced members.

Commercial flexibility for business viability: While the overarching mission is work or job creation, the competitiveness and viability of business ventures have been critical success factors. To sustain business viability, commercial flexibility is essential. Manpower employed in these business ventures has not been confined to SOS members. Talent from outside the union is sought to provide management expertise and technical skills for long-term business development. As these businesses have grown, Seacare has been prepared to cast its net outside of its membership pool, so as to sustain and improve its’ own members' livelihood.

CASE B

A SMART CAREER MOVE : DEVELOPING A PORTFOLIO OF SKILLS

“You have got to be prepared for rainy days, and constantly look for opportunities because you never know how the employment market is going to change”.

Mr. Norani bin Mohamad Rais

At 22, armed with a National Trade Certificate 3 in Welding, Norani bin Mohamad Rais left his job as a telecommunications technician to be a seafarer. The lure of new places and an attractive salary were enough to persuade the young Norani to leave the comfort of home in 1979 to work on board the Sea Life Timur as a rating.

He was then one of many Singaporeans who opted for a seafaring career at a time when the demand for local seafarers was rising, reaching its peak in the early eighties. However, the tide turned in the mid 1980s, when the worldwide economic downturn resulted in a fall in the shipping business during which many local seafarers lost their jobs.

Faced with increasingly fierce global competition, shipping companies looked for ways and means to cut costs and began to replace local seafarers with lower wage foreign crew. To compound the problem, as shipping lines stepped up efforts to increase operational efficiency through technological innovations and workflow improvements, optimum manning levels were reduced dramatically and crew requirements across the industry fell sharply.

Norani watched these developments with great concern. Married, he was determined not to be caught off-guard without a job and with a family to feed:

"I am a person with only secondary education, therefore I have to be realistic and hardworking...opening myself to new possibilities."

With this philosophy in mind, Norani set about planning for his future job prospects on shore. He sought the help and support of his wife and other family members. The immediate effect of a move to a shore job would be a drastic cut in his income, and would have a significant impact on his family's standard of living. To expand the scope of his job search, he sought his brother's advice on alternative career paths.

He turned to his union, the Singapore Organisation of Seamen (SOS) for advice and financial support on ways and means of re-training and upgrading himself. He took advantage of SOS's seafarers' retraining programme, making full use of his annual entitlement to two union-sponsored training courses.

Norani's goal of staying employed by upgrading himself and exploring new options developed into a well-executed strategy of building himself a basket of marketable skills to maintain and improve his long-term employability.

Sacrifices were made along the way. Initial shore jobs meant a cut in pay, and his wife started work to supplement the family income. He also took to driving a taxi part-time when it was necessary. New employers were not always prepared to grant time-off for all training courses, so when time-off was not forthcoming, Norani would apply for vacation leave to go for a training course, so long as he was convinced that he needed that particular skill set in order to be proficient in a particular area of work.

"It's a long process (the job transition), but I eventually got to where I wanted to go. I now prefer onshore jobs to offshore ones, as I can be closer to my family."

In the late 1980s, as the number of sea-going jobs continued to plunge, Norani began the first stage of his career transition plan. By then he had worked at sea for almost 10 years. At this point, his main concern was for the change to be gradual so as to minimise income loss and the impact on his growing family.

His first step was to work for his Certificate Of Competency (Deck Officer) Class 6. In 1992, with his COC Class 6 (Deck Officer) certification in hand, he became Chief Officer on the lub oil barge "Esso Adventure". Within a year, he was Master of the vessel. As the lub oil barge operated in Singapore waters, more frequent shore leave was possible, presenting him

with an excellent opportunity to make the adjustments of a sea-going to shore-based work life.

To Norani, the turning point in his career transition came in 1993 when he took on a shore-based job as an administrative clerk in a petrochemical plant at Pulau Busing in the tankstore oil installation section. The administrative desk-based nature of this job was a marked change from his past jobs on board vessels. However, he saw this career move as a crucial learning experience as he gained a better understanding of petrochemical operations and became aware of the essential skills and competencies he needed to make it in this new work environment.

Over the next three years, Norani worked hard to acquire new job competencies. The training programs and courses he undertook during this period showed his understanding of the new skills he needed in order to succeed. These included practical, hands-on courses such as one on the principles of shipping documents and practice, and safety courses on building construction and lifting supervision.

In 1996, Norani successfully completed his Harbour Craft Masters Course while serving as Chief Officer on board M.T. "Berjaya Fortune".

The year 1998 marked a significant milestone for Norani. With his certifications and related hands-on job experiences, he began work as a loading master for an oil terminal storage tank with a salary comparable to what he had received at the peak of his sea-going career. His plan of taking advantage of both his sea-going and shore-based work experiences and constant upgrading of his skills through certification and hands-on training courses had paid off. He had successfully completed his career transition from sea to shore and could look forward to a new career in the petrochemical sector and one which held good career prospects for the future.

Still, Norani continued his skills upgrading plans, and between 1998 and 2001, he worked at improving his computer skills, attending several courses to ensure he acquired and maintained his competency in this skill set.

Appendix 1:**Portfolio of Skills for Career Security**

In a study of US corporations by Charles L. Schultz, the author suggested there were two components underlying the wage premium one obtained from having worked in the same organisation for a number of years. While the first component had to do with productivity gains from general skills (defined as skills which are transferable across firms or industries), the second component was due to the productivity gains from firm-specific skills (for example, knowledge of a proprietary IT system in the company). Firm-specific skills, unlike general skills, do not travel well and are usually regarded as non-transferable. They can be technical knowledge or familiarity with a particular company's standard operating procedures, working environment, suppliers or clients.

A worker who leaves his old firm for a new one is able to obtain the wage premium attributed to the productivity from his/her general skills. What is at risk at that point is the wage premium attributed to his non-transferable firm-specific skills.

Reference: Schultze, Charles L. (2000). Has job security eroded for American workers? In Blair, M. M. & Kochan, T. A. (Eds). The New Relationship: Human Capital in the American Corporation. pp. 28-65.

According to a recent study, to minimise the risk of a substantial salary cut when changing jobs in mid-life, an individual should develop a portfolio of general skills or competencies. This will help minimize the losses of the "at risk" wage premium.

Just as a shrewd investor does not put his/her eggs in one basket, the modern day worker should seek to develop his/her own portfolio of skills to "diversify" into other companies or industries for employment when the need arises.

As companies restructure, downsize, or merge, the traditional concept of climbing the corporate ladder might no longer be a viable career strategy for many. To stay employable in the ever-changing job market, one might need to adopt an emerging pattern of employment - that of a "portfolio career", which should be able to transcend companies and industries.

Reference: Cawsey, T., Deszca, G., & Mazerolle, M. (1999). A hitch-hiker's guide to job security: the portfolio career as a response to job market chaos. In Rosenfeld, R. H. & Wilson, D. C. Managing Organisations. London: McGraw-Hill, pp. 49-50.

CASE C

SINGAPORE FOOD INDUSTRIES (SFI) :
BUILDING NEW CAREERS IN THE FOOD INDUSTRY

“The age profile of our workers is actually an encouragement to mature and older new recruits...seeing people like themselves happily employed here would reduce the anxiety and apprehension of the new recruits...they have crossed the first psychological barrier (in career transition).”

People changing jobs and work organisations often experience a lot of anxiety, especially when making mid-career work transitions. For mature and older workers, that anxiety is compounded by an apprehension of possible prejudices as well as misconceptions regarding the relationship between their age and their work performance. Overcoming this first psychological hurdle is therefore taking the first step towards making a successful mid-life career change.

In the case of the food industry in Singapore, however, such apprehensions are unfounded as mature and older workers actually comprise the majority of the workforce there. One example of a company with such demographics is Singapore Food Industries (SFI), which is one of the leading integrated food companies in Singapore. In 2002, out of its total workforce of 1,400, more than 60% were aged 40 and above with the majority of employees in food manufacturing, preparation, and meat processing. In fact, in SFI recruitment advertisements, older people are specifically encouraged to apply for the posts advertised.

According to the Senior HR Manager, a key recruitment and selection goal of the SFI is to recruit and select job candidates who demonstrate enthusiasm, positive attitude and keen interest in the food business, regardless of age and gender.

The age profile of SFI workforce has given rise to interesting interpersonal dynamics at the workplace. It is just as common for younger workers to supervise employees much older than themselves as the other way round. To help mature and older workers feel comfortable in such work relationships, SFI's supervisors are trained in interpersonal skills to develop their sensitivity and tact in supervisory situations involving older subordinates. Mr. Tan described this approach to managing older workers as follows:

“Our younger supervisors are often reminded to be courteous and sensitive to [the] older subordinates' feelings. If they learn at a slower pace and need repeated instructions or reminders, the supervisors will have to deal with the situation with tact and patience.”

SFI's training and skill upgrading programs for mature and older workers incorporate fundamental principles of adult learning in their design and instructional approach. The programs take into account the fact that adults do not take well to rote learning, and have to be convinced of the practical benefits, tangible or otherwise, of skill upgrading through training.

In SFI, a clear instrumental relationship between training, certification, salary increases and career progression is made known to workers. In addition to the internal benefits that could arise from undergoing such training, workers who have undergone such training programs also consider that increased job mobility through certification awards are added incentive to pursue such continuous skills upgrading and training.

Besides a basic food hygiene course that is compulsory for all new employees, SFI has in place an Institute of Technical Education (ITE) certification-based training programme funded by Skills Development Fund (SDF). Qualified chefs from the Singapore Hotel

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Association Training and Educational Centre (SHATEC) and Restaurant Association of Singapore (RAS) are also invited as trainers to cover skills-training areas in food hygiene, food preparation, and cooking. Through a programme of structured training, upgrading and certification, new employees from other industries and business are able to acquire a range of new work skills.

SFI's training programmes include experiential learning methods such as role-playing to facilitate learning, particularly among mature and older workers. Besides English, Mandarin is also used as a medium of instruction, given that this is the language most older workers are proficient in. To allow as many employees to participate in the upgrading exercise as possible, training sessions are often conducted during office hours. In return, on completion of training, employees are committed to work for a year with SFI.

SFI's approach to employee upgrading is a win-win situation. Employees acquire competence in new skills that not only provide a basis for salary and career progression in the company, but also endow newcomers with a wider portfolio of work skills, increasing their overall job prospects and opening up new job opportunities in the food and beverage business. For SFI, continuous skills upgrading add to the development and growth of the organisation's human capital pool. This is an important source from which the organisation taps into continually to improve on its service quality and productivity.

CASE D

TRAINING AND TECHNOLOGY:
POLISHING UP THE CLEANING INDUSTRY

The cleaning industry in Singapore suffers from a poor image because of the general perception of cleaning as low skilled work. Consequently, the industry is faced with an acute skills shortage even in the midst of a climate of rising unemployment.

In mid 2002, the industry employed 15,000 Singaporeans, out of which 70% were older unskilled workers, with low skill levels and knowledge of technology. Productivity in the industry was \$14,000 compared to \$56,000 in the manufacturing sector in 2000.

Mr. Cedric Yip, HR and Training Manager of Campaign Cleaning Services described the vicious cycle that plagues the industry.

"The problem now is that the cleaning contracts are based on head count rather than on performance. The contracts still specify number of workers regardless of labor productivity. Even if we can deploy fewer numbers of more productive workers to achieve a desirable level of performance, we cannot do that as we are bound to the contract."

The unit cost of labour as described by Mr Yip is based on headcounts, and cleaning firms therefore compete on this basis. This has become a vicious cycle as it limits the ability of the firm to factor in wage increases to improve the skills and productivity of cleaning workers.

"The falling price of cleaning contracts has further squeezed the already thin profit margin of cleaning companies. As consumers are not willing to pay for better quality service given the economic downturn, the prices of cleaning contracts have actually dropped over the years."

The low wage structure of the industry has given rise to a poor image, and the cleaning industry tends to be viewed as the last resort of available careers or job options. Cleaning firms like Campaign have found it difficult to attract younger workers to take on cleaning jobs. At the same time, given the lack of tangible rewards in the industry, older employees are not keen to upgrade their skills either.

However, this vicious cycle looks like it might actually be broken. A \$2 million Centre for Cleaning Technology has been set up and was officially launched on September 2001, a collaborative effort between the government and key players in the cleaning industry including Campaign Cleaning Services. The Centre is jointly funded by the Skills Development Fund, Ministry of Manpower and six major cleaning firms.

The Centre's strategy is to transform the image and increase the professionalism of the cleaning industry through training, upgrading the cleaning skills knowledge and expertise of workers, and the intensive application of technology and specialised knowledge in cleaning operations.

To raise professional standards in the industry, the Centre has collaborated with the Singapore Productivity and Standards Board, to implement the National Skill Recognition System (NSRS) for workers in the industry. Their goal is to provide a system for skills acquisition that could serve as a means to attract new entrants into the cleaning profession.

Tapping into the potential of IT-based applications, some cleaning firms are now utilising new wireless Internet technology to plan and monitor work schedules and

programmes, especially in organising and coordinating cleaning operations in large buildings like airports and shopping centres. The use of more such IT-mediated work systems could also serve as an impetus to move from the current client practice of cleaning contracts based on headcounts towards more performance-based contracts.

A number of younger and better-qualified people – some of them university graduates – have already joined the industry with the aspirations of becoming supervisors or their own bosses in the future. By mid 2002, the average age of trainees who signed up for the cleaning courses actually dropped from 70 years to between 45 to 48.

Another potential source of manpower to take on more skilled work in the industry is the mature workforce, those persons between the 45-54 age group. As one of the age groups more susceptible to unemployment resulting from corporate restructuring, the system for skills acquisition implemented by the Centre provides an avenue for such people seeking alternative work and career options. The structured training programmes and NSRS certification provide a ready platform for displaced mature workers to move into the cleaning industry with some prospect of rising to the rank of supervisors or even becoming their own boss.

The cleaning industry is now estimated to be worth \$300 million a year with a projected growth of 27% to the year 2004. As a "recession-proof" industry, it actually offers a greater measure of employment stability than some other industries. The challenge ahead is to raise consumer awareness regarding quality and service standards in cleaning operations. Only when such an image revamp takes hold will the industry's many players be driven to compete based on service quality and performance standards. This should in turn raise the image and productivity of the cleaning profession, while making continuous skills upgrading and innovation through the application of technology a given in the cleaning industry.

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CASE E

FROM LOGISTICS TO RETAIL:
APPLYING PAST EXPERIENCE TO A NEW WORK CONTEXT

In the year 2000, the local retail sector in Singapore was confronted with a major challenge. It was losing its competitiveness relative to other Asian cities, with the percentage of disposable income spent on local shopping falling to 16.6% from almost 20% five years earlier. Retail spending by visitors to Singapore also fell by 25% during the same period. Yet local retailers were faced with high staff turnover and chronic staff shortfalls. A job vacancy survey in 2001 showed that even during the economic downturn, retail job vacancies ranked high on the list of jobs available.

In June 2001, after 18 years in a Japanese logistics firm, Eric, aged 50, was retrenched when his company downsized following the decision of a major client to move its Singapore operations overseas.

Although he received a good retrenchment package, Eric decided to put aside any thoughts of a holiday overseas. Instead, he set out immediately on his job search. As there were few openings then available in the logistics industry, he realised that his best strategy would be to look beyond the logistics line.

However, armed with only a GCE O-Level Certificate and a forklift-driver license, he knew he lacked the necessary qualifications to enable him to find an equivalent level job in another industry. Taking stock of his situation, Eric realised that to be employable, he had to keep an open mind and be prepared to consider entry-level jobs in other industries. He made a promise to himself to get a new job within a month.

Eric signed up for the People for Jobs Programme (PJTP) at the Ministry of Manpower. Within the first month, he attended three job interviews, including one conducted by the HR personnel from the Guardian health and beauty chain. The first job offer, as a Pharmacy Assistant with Guardian, came just three days after his interview. Eric recalls:

"I was prepared to accept any job offer, regardless of salary, from the company that could make me an offer in the shortest time possible. I went for two interviews for entry-level jobs in the hotel sector. However, I was told after the interviews that they could only respond to me after a week. Guardian offered me the Pharmacy Assistant job within three days of my interview, so I accepted their offer."

To help new recruits with only non-retail work experience adjust to the new workplace environment and new job nature, the Guardian chain had instituted some basic measures to help them during the job induction and on-the-job learning process. The new pharmacy assistants were assigned to store locations with comparatively lower customer traffic. This lessened the pressure on both the store staff inducting the new recruits and, at the same time, allowed the newcomers to focus on understanding the various aspects of their new jobs. Additional hands-on training was also provided, focusing on immediate job contents and job demands.

As a Pharmacy Assistant, Eric's job was very different from his previous one. The store saw an average of 500 customers a day. Although as Logistic Supervisor, he did interact with customers regarding their shipment orders, he had not had the same level and volume of face-to-face contact as he now did with the customers that visited the Guardian store:

“The working environment is less relaxed, as we do not know when a customer will step into the store. Most customers demand prompt service, so you have to learn fast. There is a multitude of products – you have to learn about them and know where in the store they are located. In the logistic firm, when I wasn’t sure of the location of a product in store, I just need to access the computer. Here I need to be able to direct the customer to the right spot almost immediately.”

However, Eric picked up the new product knowledge quickly, given his own interest in learning, and the in-house product courses conducted for new recruits.

Eric discovered that some of the skills that he had acquired in his previous work were useful in the new job. He was able to use hand-held IT devices with great ease as he had also worked with such equipment before. As efficient packing and storage were key elements in logistic operations, Eric could appreciate their importance in a health and beauty store where hundreds of products were stocked on the shelves.

His age had in some ways worked to his advantage. He was able to build rapport with customers, a large number being in his age group. With his many years of work experience, he was able to work independently and to take responsibility for his own learning to meet the new job demands:

“I find the product training given by Guardian very helpful as it has made me knowledgeable about the different types of products in the store so I can easily relate to customers enquiries. For example, we sell six to eight types of Panadol tablets. Without product knowledge, you are unable to inform customers about their uses, similarities and differences.”

This approach to his work was likely to translate to better service quality and greater customer satisfaction. In an industry that had a high staff turnover especially among younger workers, greater customer satisfaction was essential to achieving higher levels of service excellence.

The Guardian chain and Eric’s participation in the PJTP programme had been a positive experience for both. The health and beauty chain discovered that mature workers from other industries and with diverse work experience could perform well in the retail environment, if some thought was given to their training and job deployment. On the other hand, Eric found that not all his work experience in the previous job was of no use. In fact, there were some generic skills and work attributes that could be transferred to the new workplace, even if he had no certifications to show for them:

“I believe if you work hard in Guardian, the company will promote you. From the position of Pharmacy Assistant you can work your way up to supervisor, executive, or even a manager later if your performance is evaluated to be good. I have confidence that I can become a supervisor.”

Retail 21, a national ten-year strategic plan to revitalise the retail sector in Singapore launched in March 2001, identified the raising of professional standards and service excellence to achieve high levels of customer satisfaction, as one of four main strategic thrusts. Given the high turnover rate of younger staff in the retail sector, older and mature workers such as Eric could help the retail industry achieve the goal of delivering a high level of customer satisfaction and raise professional standards.

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CASE F

**SINGAPORE ACTION GROUP OF ELDERS (SAGE):
PROMOTING ACTIVE AGEING**

Set up in 1977, Singapore Action Group of Elders (SAGE) is a non-funded Voluntary Welfare Organisation affiliated to the National Council of Social Service. Complementing the government's efforts, the Organisation promotes the continued growth and development of senior citizens through a variety of programmes and services that include counselling, employment, recreational/social activities, continuing education research and acupuncture.

Except for its counselling centre, which is co-funded by the Ministry of Community Development and Sports (MCDS) and National Council of Social Services, SAGE relies on volunteers, public donations and fund-raising projects to fund its programmes and activities.

In 1994, the board of management of SAGE recognised that senior citizens needed assistance to remain financially self sufficient so as to sustain themselves through their retirement years and to be able to make meaningful contributions to the community and society. The Employment Service Centre of SAGE was therefore set up to provide free job placements and a counselling service for citizens and permanent residents above 50 years of age.

The Centre maintains a comprehensive database that includes older workers seeking employment opportunities and employers looking for suitable candidates to fill job vacancies. The computerised system matches job seekers to the various employers' requirements and the list of possible openings in the database. In early 2002, 60% of the 3000 job seekers on the database were for unskilled jobs.

Job matching aside, SAGE also provides a career counselling service to help mature and older workers through career transitions, as many older workers face the problems of unmet salary expectations, a low level of education, a deficiency in English and lack of computer skills.

An emerging trend in the Singapore job market is the significant increase in temporary job opportunities available. SAGE sees this as a positive development for older workers as they generally prefer part-time jobs that are more flexible and less strenuous than full-time jobs. The emergence of informal job sectors such as domestic care and baby-sitting also provide new employment opportunities for older workers.

In 2001 and 2002, the job matching services were extended to jobseekers 45 years and above to help those adversely affected by Singapore's economic downturn and restructuring.

"SAGE Net", the organisation's newsletter and the newly revamped web-site www.sage.org.sg now link the organisation, its members, and agencies within its network, keeping them informed of its latest activities and information. In early 2002, SAGE had a membership of 2,500, of which 75% was of the pre-1940 generation.

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