

**[STRICTLY EMBARGOED UNTIL 23 JUNE 2017, 4.35PM]**

**CLOSING REMARKS AT LEARNING JOURNEY TO  
THE AMERICAN CLUB  
FRIDAY, 23 JUNE 2017, 2.30PM  
MR SAM TAN, MOS FOR MANPOWER**

**Opening**

1. Good afternoon. I am very happy to be here, to witness the fruitful job redesign efforts of The American Club and how the organisation and its employees have benefited.
2. Thank you to The American Club and its staff for hosting this Learning Journey.

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3. Thank you also to members of the Tripartite Committee on Employability of Older Workers, for advancing tripartite efforts in supporting the employment, employability and productivity of older workers.

## Ageing Workforce

4. We have a **workforce that is ageing quickly**<sup>1</sup>. As we live longer, we can expect this proportion to continue to grow.
  
5. Many in this group want to continue to work for as long as they can, to earn a regular income and keep themselves active. And employers recognise that, in our tight labour market, older workers, with their years of experience, reliability and loyalty, are a valuable asset at the workplace.

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<sup>1</sup> Over the last decade, the proportion of residents aged 60 and above in our labour force has increased from 5.5% in 2006 to 13% in 2016.

## **Re-employment model has benefited workers**

6. In 2012, we introduced the **re-employment model** and it has **provided more opportunities for older workers to work longer.**

7. Re-employment, coupled with the efforts from tripartite partners to encourage age-friendly workplaces, has made a positive impact on the employment of older Singaporeans.

• In 2016, over 98% of private sector local employees who wished to continue working at the age of 62 were offered re-employment.

- And the vast majority<sup>2</sup> of those who accepted re-employment in the same job did not experience any cut in basic wages.
8. The employment rate of older residents aged 55-64 has also steadily increased<sup>3</sup>. In fact, Singapore has one of the highest employment rates in the world for persons aged 65 and over.

### **Amendments to RRA to take effect from 1 July**

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9. With effect from **1 July 2017**, the **re-employment age will be raised** from the current 65 to **67**. This will help our workers meet their aspiration to stay longer in the workforce.

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<sup>2</sup> 98%

<sup>3</sup> from 64% in 2012 to 67% in 2016

10. For workers who are not covered by the new re-employment age<sup>4</sup>, the Government has extended the **Additional Special Employment Credit** <sup>5</sup> (ASEC). This is to encourage employers to voluntarily hire older workers not covered by the new re-employment age.

### **WorkPro to promote age-friendly workplaces**

11. **However, raising the re-employment age and extending ASEC alone are not enough.**

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<sup>4</sup> Two groups of older workers not covered: 1) those aged 65 and above but below 67 on 1 July 2017, and 2) those beyond the new re-employment age of 67.

<sup>5</sup> Taken together with the Special Employment Credit, employers of eligible Singaporeans will receive total wage offsets of up to 11% or \$330 per month.

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12. We also have to make sure that workplaces are age-friendly, so that older workers will be able to remain productive and in turn help companies to remain competitive.

13. In 2013, we introduced WorkPro to support companies in implementing age-friendly practices and redesigning workplaces to create easier, safer and smarter jobs for older workers. **WorkPro was enhanced in July 2016** to provide companies with greater support in job redesign. A company can now receive funding up to \$300,000, up from \$150,000 under the WorkPro Job Redesign Grant.

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14. The enhanced WorkPro's focus on job redesign is deliberate. It supports our economic restructuring and the respective Industry Transformation Maps.

15. **Where are we today?**

16. Since the enhancement, **more than 200 companies** have made use of the Job Redesign Grant. In total, **close to 4,000 older workers aged 50 and above** stand to benefit from the job redesign efforts.

17. What kind of projects have we supported?

### **Technology as a key enabler**

18. About **95%** of the job redesign projects we have supported are technology-related enhancements.

They include the introduction of advanced software, machinery and systems to automate routine and physically demanding tasks.

19. Instead of displacing the older workers, **technology is a key enabler to help older workers take on better quality jobs.**

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I urge all employers to invest in their older workers - to provide opportunities for them to upskill, reskill and deep-skill, and to help them use technology to their advantage.

**Case Study: The American Club – Creating an Age-Friendly Workplace through Strong Tripartite Partnership, People Development and Productivity**

20. To this end, I applaud The American Club for its dedicated efforts in fostering an age-friendly workplace for its workers.

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21. There are three 'Ps' that I observed from this visit.



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22. The first P is strong **partnership** with the Government and the Union. The American Club worked closely with NTUC's e2i, to tap on government grants such as WorkPro and the Inclusive Growth Programme to employ technology and redesign jobs for their older workers. The organisation also collaborated with the Attraction, Resorts & Entertainment Union to implement a progressive wage model for its employees.

23. The second P is **people** development. The American Club provides lifelong learning and mentorship opportunities to develop and retain older workers.

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Take Chef Tan Gee Say – he completed his Professional Diploma in Leadership and People Management when he was 66 years old and now plays an active role in mentoring his younger co-workers. This is a good example of **leveraging the strengths of a multi-generational workforce.**

24. And finally, the last P is raising the **productivity** of older workers. Making use of the WorkPro Job Redesign Grant, The American Club replaced the traditional deep fryers in its kitchens with Auto-Filtration Deep Fryers. Without the need to remove food sediments manually, older workers now take the same amount of time to clean the oil tank as their younger co-workers.

25. The benefits of committing efforts to foster an age-friendly workplace are clear.

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Many of the older workers have been working with The American Club for decades and see it as their second home. Chef Tan, for instance, has been around for 47 years. When you have happy workers, you have happy guests as well.

## **Conclusion**

26. I encourage more employers to learn from The American Club. **Partner** with the Government, SNEF and NTUC to make use of WorkPro grants to develop age-friendly workplaces. **Invest in People development**, by tapping on Adapt & Grow and SkillsFuture initiatives to recruit, re-train and retain workers. Raise **Productivity** by employing technology and training your older workers to use them well.

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27. Older workers must also play their part. **Do not be afraid to work with technology.** Continue to learn, unlearn and relearn to stay relevant.
28. So long as **employers, older workers and the tripartite partners are united (一条心)**, I am confident that there will be many more age-friendly workplaces, and we will be able to help older workers work for as long as they can.

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