



POPULATION AGEING AND SLOWING WORKFORCE GROWTH

Key Insights

Research Partnership between **National Trades Union Congress (NTUC)**,
Singapore University of Social Sciences (SUSS) and **Tsao Foundation**






Persistent low birth rates have resulted in demographic shifts most notably in an ageing workforce and fewer young entrants into the labour force

This multi-methodology research study* aims to paint a picture of Singapore's future industry-specific labour force profile and identify key strategies to mitigate the impact of an ageing population and slowing workforce growth

FUTURE LABOUR FORCE PROJECTIONS

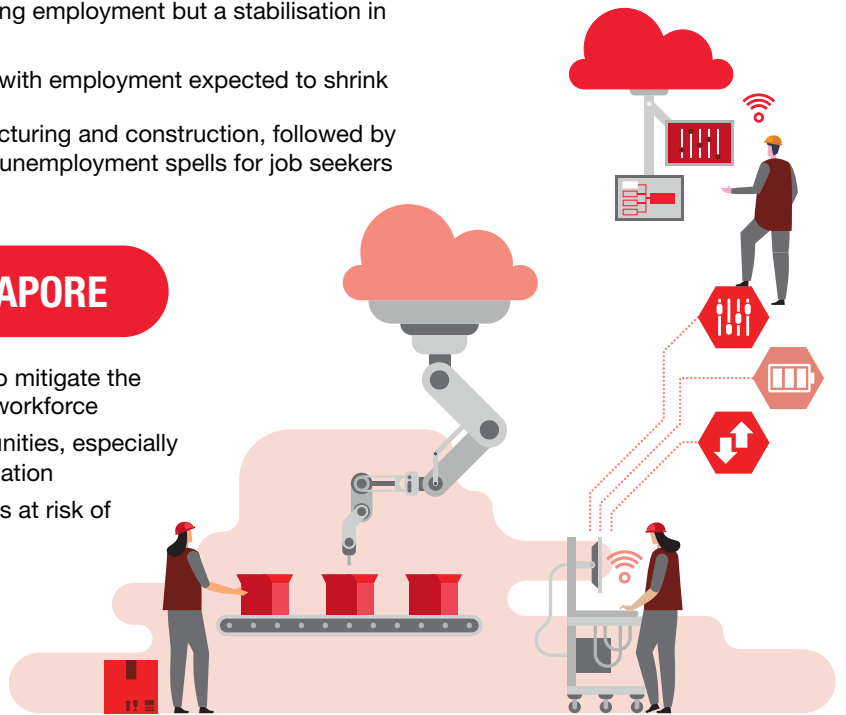
Over the next 5 years

- ▶ The labour market is expected to tighten, with the job vacancy to unemployment ratio exceeding the past 20-year long-term average
-  Services sector is optimistic with increasing employment and declining retrenchments in the long-term
-  Manufacturing sector to see headwinds in declining employment but a stabilisation in retrenchments in the long-term
-  Construction sector remains cyclical and volatile with employment expected to shrink
- ▶ Job vacancies expected to decline the most in manufacturing and construction, followed by services, leading to greater search frictions and longer unemployment spells for job seekers






IMPACT OF AUTOMATION ON SINGAPORE

- Automation is one of the key strategies businesses use to mitigate the manpower shortage caused by an ageing and shrinking workforce
- Adoption of industrial robots will create more job opportunities, especially for male workers and workers with a middle level of education
- However, automation will also put certain existing workers at risk of replacement by computerisation:
 - 1 Transportation and storage
 - 2 Administrative and support services
 - 3 Accommodation and food services






POLICY COMPARISONS — SINGAPORE, JAPAN, NETHERLANDS

STRATEGIES TO MITIGATE AN AGEING WORKFORCE	 SINGAPORE	 JAPAN	 NETHERLANDS
Career guidance programmes/Job training	✓	✓	✓
Employment/Tax subsidies	✓	✓	✓
Awareness campaigns/Outreach programmes			✓
Implementation of anti-discrimination policies	✓		✓
Health protection and promotion	✓	✓	✓
Reduce working hours	✓	✓	✓
Gradual elimination of seniority wage systems	✓	✓	
Retirement/Pension reforms	✓	✓	✓
Financial support for self-employment		✓	✓
Flexible work arrangements	✓	✓	✓
Mentoring/Intergenerational collaboration			✓
Foreign labour intake	✓	✓	✓




*Study uses labour force projections based on Singapore Department of Statistics data, automation predictions based on International Federation of Robotics and World Development Indicators, content analysis of 10 countries' ageing policies, survey, interviews, and focus group discussions with 656 mature workers, women with caregiving duties, HR leaders, employers and union leaders


FACTORS INFLUENCING EMPLOYMENT FOR MATURE WORKERS AND WOMEN WITH CAREGIVING RESPONSIBILITIES


Barriers


-  Hiring bias due to ageism and stereotypes against mature workers and caregivers
-  Restricted employment prospects while managing caregiving duties
-  Skills gap barriers

Facilitators

-  Having a strong professional network
-  Flexible work arrangements
-  Skills gap bridging internships and apprenticeships

-  **Disconnect between perception and action of hiring mature workers by employers**
 - While employers value the contributions, expertise and experience of mature workers, only slightly more than half (52%) of employers would likely hire mature workers
 - For employers with no mature workers in their existing team/organisation, relatively smaller proportion view mature workers as an asset
 - While a structured training plan is perceived as the most effective measure in extending the career runway of mature workers, it is not among top practices adopted by employers





-  **Challenges cited by employers with an ageing workforce**
 - Higher business costs
 - Skill gaps and resistance to upskilling
 - Reconciling differing working styles

-  **Approaches adopted by employers to address the ageing workforce**
 - Workforce planning and retirement projection
 - Leveraging technology
 - Healthcare incentives and flexible work arrangements



KEY RECOMMENDATIONS

How unions can help, together with tripartite partners:

-  Champion for workplace flexibility and equal training opportunities
-  Create greater accessibility to career mentorship
-  Promote job redesign among employers and Human Resource Professionals
-  Curate relevant job-sharing roles and support the matching of workers to these jobs

*Refer to Research Report for full list of recommendations



To view the full report, visit www.ntuc.org.sg/research-populationageing

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