

# CHAPTER 5

## THRUST 3: RAISE THE SKILLS AND VALUE OF OLDER WORKERS

### INTRODUCTION

1. Workers will have to continually upgrade their skills to remain relevant to the changing demands of existing and new jobs being created. Thrust 3 aims to address concerns that older workers do not have the relevant skills, and to encourage and help older workers to upgrade their skills.

### WORKFORCE SKILLS QUALIFICATIONS (WSQ) SYSTEM AND THE EMPLOYABILITY SKILLS SYSTEM (ESS) HAVE BENEFITED 28,000 MATURE WORKERS

2. The Government has been investing substantial resources to upgrade the skills of the workforce, in particular the mature workers. As of 31 March 2007, over 28,000 mature workers have successfully upgraded under the Workforce Skills Qualifications (WSQ) framework, of which, more than 15,000 went through the Employability Skills System (ESS) training. Older workers account for 49% of all workers who have undergone WSQ or ESS programmes.
3. More than 50 training institutions including the Institute of Technical Education (ITE), local companies and organisations currently recognise ESS credentials as an alternative to GCE 'O' and 'N' level for entry into further skills upgrading courses or to gain job placements. This effort has since opened up more doors for mature workers and job seekers who may not possess formal GCE 'O' and 'N' qualifications to upgrade themselves and to seek new employment.
4. The Committee supports WDA's efforts in setting up and expanding the WSQ and ESS systems. NTUC is committed to encourage older workers to go through the WSQ and ESS system. SNEF will also urge employers to tap on the WSQ and ESS to upgrade or re-skill their workers.

### PROVIDING TARGETED ASSISTANCE TO HELP PMETs

5. The educational profile of our population has improved over the years. In 2006, Professionals, Managers, Executives and Technicians (PMETs) made up a significant

47% of the total workforce, up from 38% ten years ago<sup>1</sup>. Some PMETs, including the older PMETs, have been affected by economic restructuring and lost their jobs due to outsourcing, off-shoring and business restructuring.

6. However, with the robust employment growth in recent years, many of these displaced PMETs, including the older PMETs, have been able to find employment. The re-employment prospects<sup>2</sup> for resident retrenched PMETs aged 50 and above improved significantly from 44% in 2004, to 50% in 2005 and 68% in 2006. At the same time, the resident unemployment rate of older PMETs (aged 50 and above) has also fallen from 3.9% in June 2004 to 3.6% in June 2006, but it is still higher than the overall resident PMET unemployment rate of 2.9%<sup>3</sup>.
7. While most PMETs are self-reliant and are able to take advantage of new employment opportunities, the Committee recognises that a small group of PMETs, including the older PMETs, may need help to find suitable employment or make appropriate career transitions.

### ***Professionals Conversion Programme (PCP)***

8. On 27 March 2007, **WDA and NTUC launched a new scheme called the Professionals Conversion Programme (PCP) targeted at PMETs**. This programme is modelled after the successful Strategic Manpower Conversion Programme (SMCP) in Healthcare, which has trained more than 400 PMETs to take up new careers in nursing and radiography. While PCP is targeted at all PMETs, it is expected to help mainly the older PMETs. The PCP will run for two years, and targets to place 1,000 PMETs in the Healthcare industry as well as other sectors with opportunities for PMETs, such as Info-communications Technology, Logistics, Real Estate, Retail, and Food & Beverage.
9. The two-year PCP will cost the Government \$20 million and will provide another avenue for structurally unemployed professionals to embark on new careers in growth sectors. The tripartite partners will work together to reach out to PMETs so that they can benefit from this programme.

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<sup>1</sup> Source: *Labour Force Survey*, 2006, MOM.

<sup>2</sup> Data refer to the annual average re-employment rate, which is the simple average of the re-employment rates (within 6 months of retrenchment) as at March, June, September and December of the year.

<sup>3</sup> Source: *Labour Force Survey* 2004 and 2006, MOM.