



In knowledge-based sectors, veterans can apply their skills in research or technology. LIANHÉ ZAOBAO FILE PHOTO

# Rehiring seniors easier in S'pore

OLDER job seekers, rejoice.

An urban economy like Singapore will find it easier than rural societies to rehire older workers, says economist George Magnus.

It is different in China, where 60 per cent of the people live in the countryside. Rural labour is physical and tough, so he says it is very hard to raise the participation of older workers aged 55 to 65.

Typically, ageing countries turn to older workers, women and immigrants to replenish their shrinking labour pools.

Commenting on Singapore, the UBS Investment Bank's senior economic adviser and author of *The Age Of Aging* says: "In more mature urban societies where you've lots of technology, desk work and service-oriented jobs, it should be a lot easier to keep older people busy, and for longer too."

Change the nature of work or the workplace, he says. Ideas include flexible job systems or working from home.

"It's about the organisation of work, which I think is the key thing," he adds.

None of this is rocket science. "This is just something people need to think about, and try to devise coherent employment and social programmes to enable that to happen," he points out.

At 59, Mr Magnus supposes he himself is an older worker. He describes how he made a mini-transition.

In his financial services industry, many people start work around 6am to 7am, and continue till 7pm to 8pm.

"That's not going to be suitable necessarily for a 65-year-old," he says. The average age of people in his London office building is 28.

He had management responsibilities

as the bank's chief economist from 1998 to 2004.

From 2005, he switched to his current role as a senior economic adviser. He investigates global economic topics – such as sovereign wealth funds – and engages with clients and the media.

"In my case, I have skills which are much more useable in research, thinking and conceptualising opportunities and risks than in, let's say, trading," he says.

"So it was convenient for me to change my job description away from something that was very intense in management."

In knowledge-based sectors, veterans can apply their skills continuously in research, like him, and also technology or recruitment.

"There are many jobs that people can do because the ability to conceptu-

alise and to create solutions to problems doesn't stop when you're 50.

"You can do this probably for another 15 or 20 years. There's no substitute really for experience."

Other potential jobs he lists are limousine drivers, security officers and call-centre operators. Mature workers have the patience to be an "interface" between a bank, for example, and its customers.

He advocates in his book that societies "strengthen brain as well as brawn".

This implies a continuous cycle of skills uplifting.

"Give people the opportunity to educate and re-educate themselves, or re-skill maybe two, three, four times during their careers."

This makes it possible for workers to shine at any age.

LEE SIEW HUA

## Good news is the worst may be over

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aged 60 and above. This is about 11 per cent of the population. By 2050, the over-60s will balloon to 440 million people – or a thumping one-third of the populace.

On balance, he thinks China has late-starter advantages and is enormously wealthy.

He reels off figures. China has almost US\$2 trillion (S\$3 trillion) in foreign exchange reserves. It has endowed its sovereign wealth fund, the China Investment Corporation, with at least US\$200 billion.

"China could still have 10 or 15 years of rapid economic growth as a basis for preparing for the ageing which will become more significant from 2025 on," he believes.

In this scenario, ageing is not so much a threat to China's economy. "But it's a threat to social arrangements and old-age care."

So China has alternative futures, and his bet is that it will do fine.

### Minsky Moment

PERHAPS he should be believed. After all, he was accurate in his early prediction of the current global financial crisis as early as March last year. He felt then that the sub-prime delinquencies looked like "the tip of a very, very big iceberg".

The disturbing events brought to mind a US economist named Hyman Minsky, who died in 1996. "He's not very well-known, even in universi-

### SMS, e-mail your views

Do you agree with Mr Magnus' views on ageing? In what ways would you like Singapore to do better in valuing and rehiring older workers?

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ty courses on economics. But he will be," Mr Magnus quips.

Mr Minsky wrote that sometimes financial instability becomes so acute and intense that it threatens to bring down the banking system, he recalls.

And if that happens, there is no alternative but for the government to step in in a big way to preserve the structure of the banking system and avoid a depression.

Says Mr Magnus: "What I saw developing in sub-prime housing reminded me in many ways that we might be headed for what I call a Minsky moment."

So in March last year, he wrote a research paper for UBS clients titled "Have we arrived at a Minsky moment?"

He started to expect a crisis to show up. "That has happened."

The rosier news is that the worst may be over.

"Governments acted just in time to underpin the structure of the global banking system and therefore I don't think we're going to have a really ugly recession."

On a happier note, the economist began to play demographer and study ageing issues out of professional curiosity – and also because of his children.

"I have four kids and they're aged between 12 and 29. Sometimes, when I think about them, I wonder what kind of world they will grow into," he says.

And so he keeps joining the dots, seeing his children's faces amid the crisis of ageing.

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The Age of Aging: How Demographics Are Changing The Economy And Our World (S\$48.95) is available at major bookshops.