

## Employment Assistance and Retention Initiatives

### Employee Retention Programme (ERP) total beneficiaries (April-June 2020)

- Employers: **23,473**
- Employees: **237,914**

### Wage subsidy programme total beneficiaries (as of November 2020)

- Employers: **324,658**
- Employees: **2,658,490**

### Hiring incentive Programme and Training Assistance (as of November 2020)

**74,141** employees have managed to secure jobs through this programme.

This number includes:

- > **59,539** workers under the age of 40;
- > **9,370** workers from ages 40 to 60
- > **336** people with disabilities (PWD)
- > **4,896** apprentices.

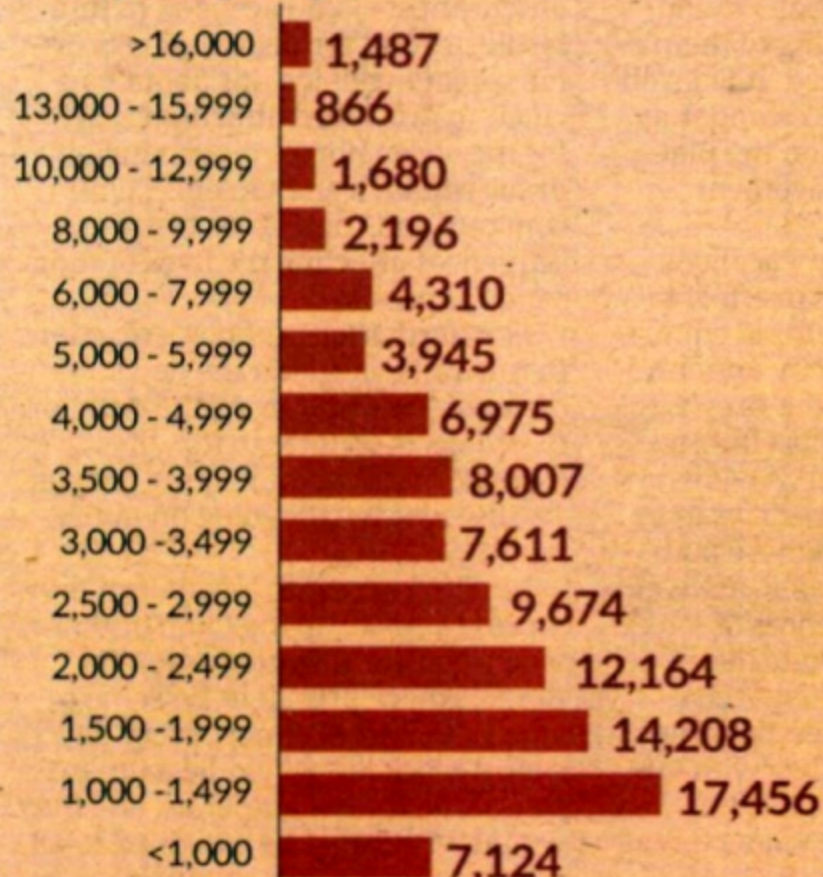
A total of **115,876** individuals have been approved to participate in government-run Reskilling and Upskilling programmes as of November 2020.



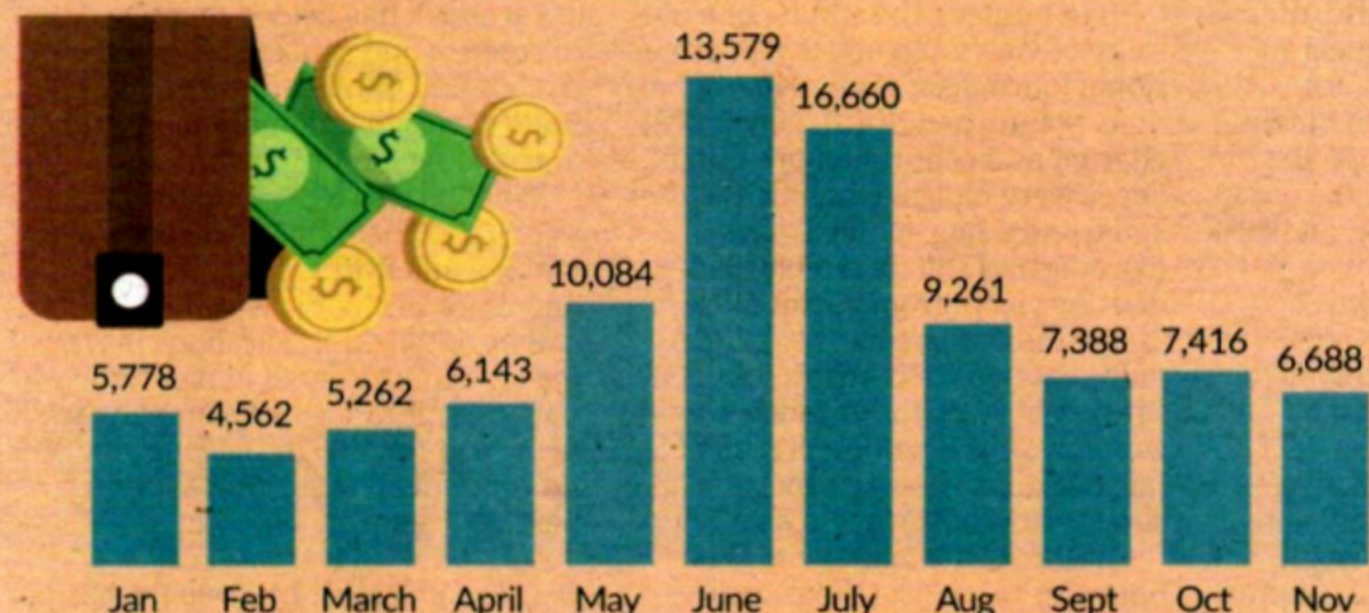
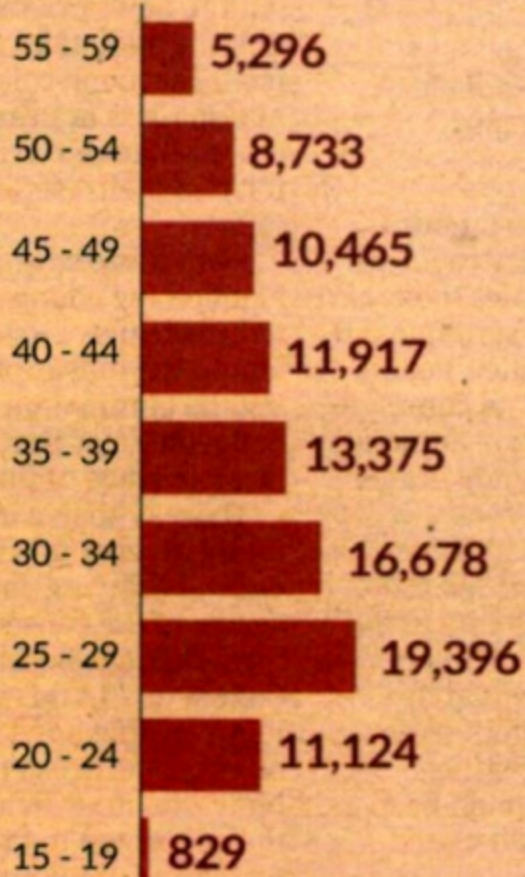
## Loss of employment (as of November 20, 2020)

### Salary group

Salary average range



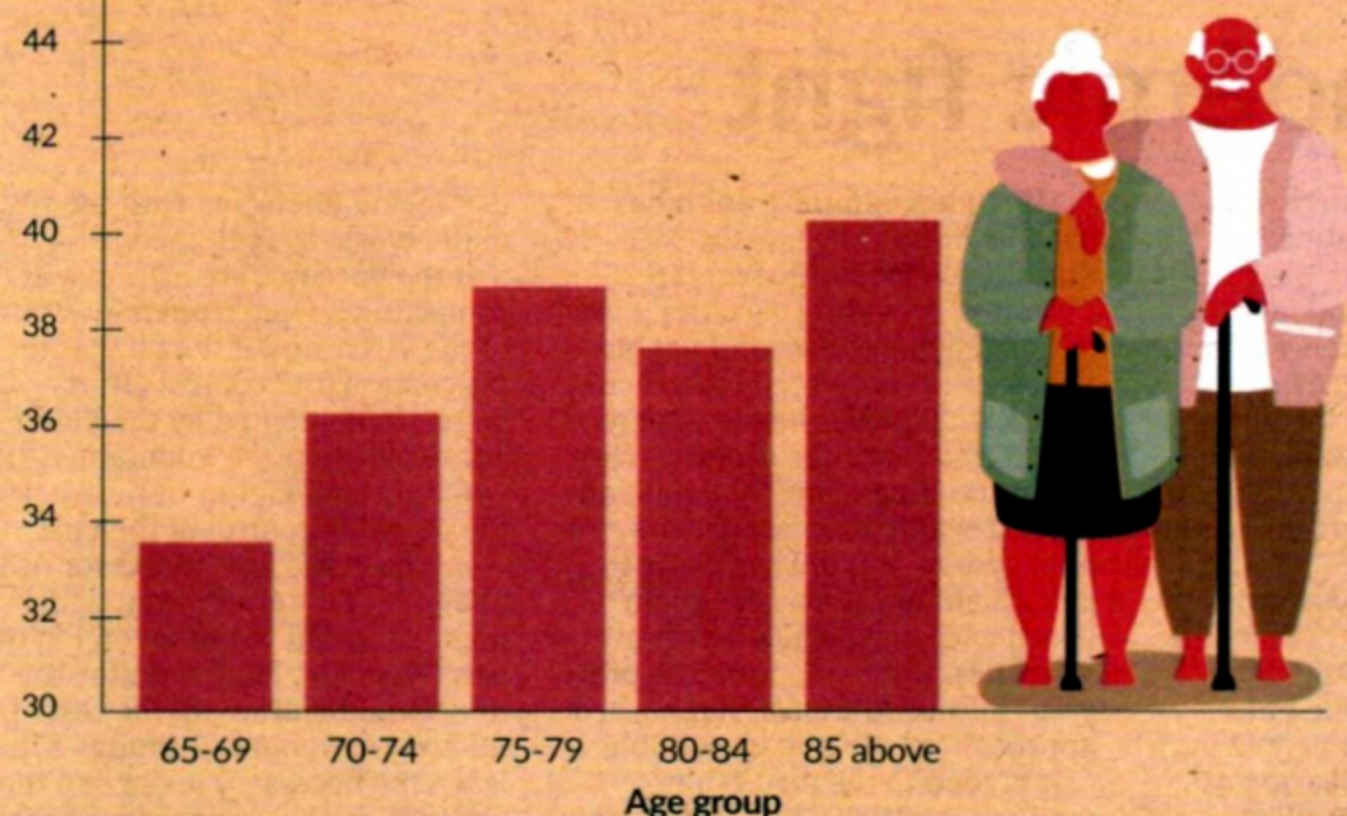
### Age group



Source: Employment Insurance System (EIS), Socso

## B40 poverty rates among older persons by age group (2020)

### B40 poverty rates (%)



Source: World Bank & Statistics Department (DOSM)

TheStar graphics

# Working hard to stay afloat

FIFTY-SIX-year old Siti (not her real name) has been without a steady income since she lost her job last March as a canteen cook where she used to make RM80 a day.

To get by now, Siti has been making and selling kuih from her RM950-a-month rented home in the Klang Valley.

All of Siti's three children's jobs were similarly affected by Covid-19 and the bachelor son she lives with has suffered a 50% pay cut. As Siti is informally employed, she does not have the support systems that normally come with formal work and whatever Employees' Provident Fund (EPF) savings she has from her previous employment many years ago has already been used up to help the family survive during the earlier stages of the pandemic.

"Things have become expensive. We really feel the pressure but what can we do? I am working to survive," she tells Sunday Star.

Given her way, Siti would like to have a fixed monthly employment but her age has been a barrier.

"Most employers want people below 50. It is difficult, but some friends are recommending my name and Insyallah, things will turn out well. Many are losing their jobs now and we have to be understanding. At the moment, I am utilising whatever skills I have to my advantage," says Siti, who has set up an online page for her kuih business with the help of her children.

Siti has used the funds received from the National Economic Revival Plan (Penjana) to purchase raw materials for her business. She is hesitant to ask for more aid, but Siti's dire situation has pushed her to seek help from a women's empowerment NGO for some basic necessities.

"People like us, makciks who are older, find it really difficult to work. We do not have our own transportation and have to rely on public transportation," she says, concerned about her health and her heightened susceptibility to infection when using public transportation.

While some older workers who were retrenched among the T20 group may have the option of early retirement if they are without dependents or commitments, low income earners of the same age demographic cannot afford to be unemployed as they are already struggling to make ends meet.

Those in the informal sector are particularly vulnerable because they are not covered by social protections related to their work such as EPF savings and health protections, adds development economist Dr Radin Firdaus Radin Badaruddin.

One indicator of how Covid-19 layoffs are affecting older workers can be seen among the urban poor.

"There has been a rise of people in that bracket [B40 above 50 years old] coming for food. I believe they are one of the most affected groups as well due to their age and competitiveness in the job market compared to other age groups," says Kechara Soup Kitchen operations director Justin Cheah.

Many low income earners rely on physical work, but due to the bad labour market resulting from the pandemic - especially in service and manufacturing industries - competition is high, he explains.

### More focus on older blue collar workers

Tabulating data from the Statistics Department (Dosm), Chai Sen Tyng, a Senior Research Officer at Universiti Putra Malaysia (UPM)'s Malaysian Research Institute on Ageing found that while the unemployment rate is the highest (12.6%) for the 15-24 age group, the

## Editor's pick



**DidikTV: It will be better**  
 > StarEdu

biggest change in unemployment rate between Q4, 2019 and Q3, 2020 is the 55-64 age group, where unemployment jumped from 0.6% to 4.2%.

For those aged 45-54, unemployment jumped from 0.9% to 1.7%. The change for those ages 15-24 was from 9.9% to 12.6%.

"What the data is suggesting is that the Covid-19 pandemic is affecting older workers disproportionately, and it is not a surprising trend. During difficult times, people might opt for early retirement as retrenched older workers find it harder to get a new job," says Chai, who adds that there is a significant difference in losing a job at the age of 30 and the age of 50 because your prospect of getting another job that compensates becomes dimmer at 50.

"There are sectors that are more hard hit than others, and as older persons are not really well represented in office jobs, the numbers paint a worrying picture for our elderly farmers and fishermen as well as older shopkeepers and petty traders," he explains.

Among the sectors hardest hit by the pandemic are agriculture, services sector, and aviation which has a direct impact on the retail and hospitality sectors.

With digital shopping accelerating the transition from brick and mortar businesses, small businesses operated by less digital savvy elderly will just call it a day, says Chai.

"Older workers with a desk job that can be performed from home or those in the essential side might survive, as long as the economic activities are still going on. New opportunities are created, but if older workers or businesses cannot adapt or are unable to transition, they face significant adversity during this pandemic season."

Chai argues that while older workers are disadvantaged in some situations, this is not always the case.

With increasing life expectancy and workplace digitisation, white collar older workers can remain in the workforce way beyond the minimum retirement age, Chai notes.

It is vital that more focus is put on creating more job opportunities for low-income blue collar workers or informal sector workers who have lost their way of earning a living.

Economist Dr Abdul Rais Abdul Latiff agrees, observing that most of those affected by retrenchment aged 45 to 64 are among the B40 and M40 groups and come from the private sector with semi-professional or low-skill labour backgrounds.

"This crisis has worsened the economic situation for those in the 45-65 age group because many of them are heads of households and have dependents," he says, adding that many in this demographic come from sectors worst-affected by Covid-19 such as services, sales, manufacturing and elementary occupations.

As older workers are often the heads of their families, retrenchment may potentially cause families in the M40 to drop into the B40 category, says Abdul Rais, which is why providing targeted loan extensions, like the Government's move to implement an auto-approval mechanism for the moratorium on loan repayments for those in the B40 group as well as micro and small-medium enterprises (SMEs), is a welcome move.