



HRDF HUMAN CAPITAL REPORT

ISSUE: August 1/2019

**ADULTS AGED 45 AND ABOVE ARE
EXPERIENCING LESS TRAINING
OPPORTUNITIES**

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ADULT LIFELONG LEARNING



QUICK TAKEAWAYS AND HIGHLIGHTS

Mature-aged workers is within the age group of 45 years and above.

(Source: Promoting lifelong employability for workforce aged over 45: Singaporean workers' perspective, International Journal of Continuing Education and Lifelong Learning, 2011)

Based on Super's five live and career development stages model, adult aged 45-64 is on maintenance stage where they make continual adjustment process to improve their position.

(Source: Careers New Zealand, New Zealand Government, 2017)

Working Age Population by OECD

The working age population is defined as those aged 15 to 64. The basic indicator for employment is the proportion of the working age population aged 15-64 who are employed.

Source: OECD Economic Surveys Malaysia, 2019

The Malaysia Education Blueprint (Higher Education) 2015-2025 stated that "Lifelong learning enables Malaysians to meet the changing skill needs of a high-income economy and maximises the potential of individuals who are currently outside the workforce through reskilling and upskilling opportunities".

As Malaysia is looking into increasing retirement age to 65, this also means that workers remain active for a longer period of time. These changes increase the need to reassess the current skill level of senior workers to ensure their skills remain up-to-date and in line with the needs of employers. Continuous learning is important not just to ensure employment until retirement age but as a value addition to the industry for the younger workers to leverage and learn from the working experience from the senior workers. Hence, the engagement of adults in learning activities should go beyond providing opportunities to those who ask for them.

However, studies have found that adults aged 45 (mature-aged workers) and above including low skilled workers generally have less access to training opportunities compared to other age groups.



(Source: OECD Economic Surveys Malaysia, 2019)

Mature-aged and Low-skilled Workers Need Targeted Support In Training

Source: HRDF Internal Data

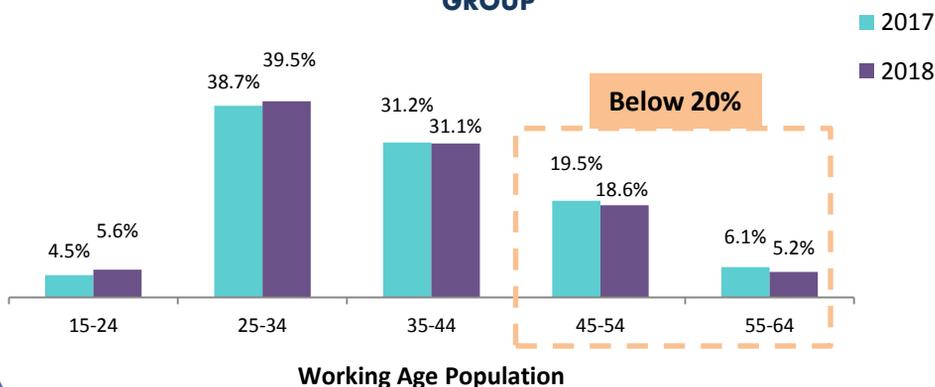
Data from HRDF shows that training participation is much lower among workers aged 45 and above than among their younger colleagues.

Source: OECD Economic Surveys Malaysia, 2019

Low-skilled workers in Malaysia receive substantially less training than mid-skilled and high-skilled colleagues.

In all OECD countries, participation is lower among older adults, low-skilled adults, low-wage workers, workers in small and medium enterprises (SMEs) and (long-term) unemployed adults.

PERCENTAGE OF TRAINEES BEING TRAINED BY WORKING AGE GROUP



Working Age Population



ADULT LIFELONG LEARNING

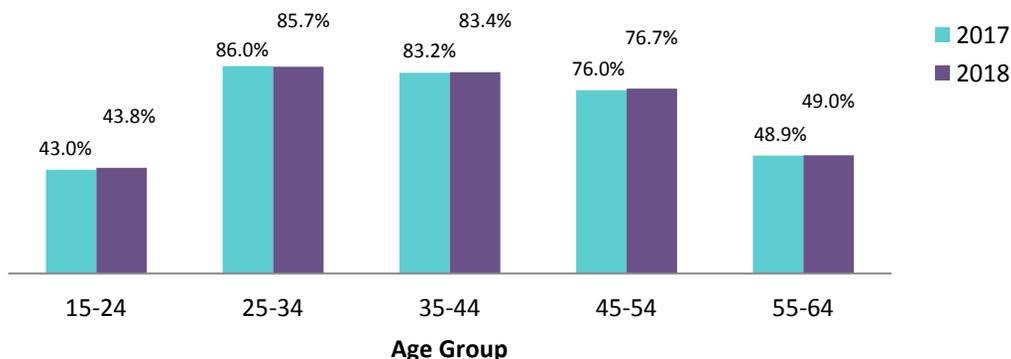


QUICK TAKEAWAYS AND HIGHLIGHTS

HRDF's data findings show that training participation is much lower among workers aged 45 and above is supported by the demographic of labour force participation rates in Malaysia. Based on the figure below, even the participation rate for workers aged 45-54 is still high at 76.0% and 76.7% in year 2017 and 2018 respectively, the percentage of trainees being trained aged 45 – 55 is below 20% for both years (2017 and 2018).

*Labour Force Survey Report was used due to limitation on PSMB employees information coverage.

LABOUR FORCE PARTICIPATION RATES BY AGE GROUP



(Source: Labour Force Survey Report, Department of Statistic 2018)

Certainly, mature-aged workers often have a far greater working knowledge and have developed more effective work procedures and decision-making capacities than their younger counterparts. Yet, these extensive working knowledge may be less useful in occupations where the knowledge required for work is constantly changing, as in advertising or information technology or other occupations. Due to the rapid change, their existing knowledge and capacities might become quickly redundant. Hence, there is a need for mature-aged workers to have more access to training and challenging activities that serve to sustain on-going employability.

MAIN CHALLENGES IN LIFELONG LEARNING PRACTICES FOR MATURED-AGED WORKERS



Lack of monitoring: there is no central body that coordinates and evaluates lifelong learning activities



Lack of awareness and participation in order to develop self-potential and improve productivity



Inadequate financial support: funding schemes are only made available for formal education; tax incentives are minimal



Inadequate mechanisms and infrastructure hinder equal access to lifelong learning for all



Overlapping lifelong learning activities and programmes lead to inefficiencies in the utilization of public funds



Recognition issues: the Malaysian qualifications framework does not fully recognize non-formal education

A small-scale survey among manufacturing firms in Malaysia showed that training participation among workers aged 45 and above is extremely low.

(Source: Noor & Rahmah, 2008)

Lack of interest is highest among Japanese adults (88% of adults are having lack of interest in participating in training states) followed by Singapore (76%) and Korea (71%).

Source: OECD Economic Surveys Malaysia, 2019

(Source: Malaysia: Blueprint on Enculturation of Lifelong Learning for Malaysia, UNESCO Institute for Lifelong Learning, 2011)



ADULT LIFELONG LEARNING



LESSONS TO BE LEARNED FROM INTERNATIONAL BEST PRACTICES IN ENCOURAGING ADULT LIFELONG LEARNING



QUICK TAKEAWAYS AND HIGHLIGHTS

In **Netherlands**, workers aged 45 and above can participate in subsidised career development guidance (*Ontwikkelaadvies*).

These guidance activities assist older workers in understanding the future prospects of their current job, and give insights into their skill profile and career opportunities hence to ensure employment until retirement age.

The **German** public employment agency supports training of low skilled and older workers in SMEs through their programme called WeGebAU. SMEs receive 75% of subsidy for the training cost for workers 45 years of age and older. Micro-enterprise with less than 10 employees receive 100% of subsidy of training cost.

Considering the importance of various training opportunities to low- skilled adults, **South Africa** is setting up a community education and training system which provides second chance primary and secondary education as well as vocational programmes and non-formal training.

The importance of lifelong learning for the Malaysian population has been stressed in several strategic documents. The Human Resources Development Fund is the largest adult learning policy in the country, providing workplace training to workers and job seekers for existing and future jobs.

KEY TAKEAWAY

- ❖ HRDF should promote the benefits of adult learning by providing high quality information and individualised advice and guidance services especially to the senior workers as well as low-skilled workers aged 45 and above.
- ❖ Supporting the participation of workers aged 45 and above in training and workplace through B40 Capacity Building (B40CaB) programme and Back to Work Up-Skilling Programme (BACKUP) scheme.
- ❖ Aside from HRDF existing initiatives, the Employees Training Credit concept has been proposed in order to provide employees with the opportunity to determine their training needs to adapt to the ever-changing work environment based on "Employee-Centric Model". Through the Employee Training Credit system, each employee will receive RM500 as 'training credit' for their training fee. To implement the commitment and encourage to attend more training, 80% of the course fee will be borne by incentives while the remaining 20% will be paid by the employees. The target group for the Employees Training Credit is employees of specific positions, particularly those of the B40 group.



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