



Employees Provident Fund



STATE STREET

Active Ageing: Live Long & Prosper

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UNLEASHING THE NEW RETIREMENT PARADIGM

BY

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Growth of the greying generation

Increasing at a rapid pace



People in ASEAN will live longer

Average ASEAN Countries' Life Expectancy



2020-2025

70.3

2030-2035

75.0

2045-2050

77.2

Growth of the greying generation

Increasing at a rapid pace



1

Increasing life expectancy



2

Declining growth of labour force

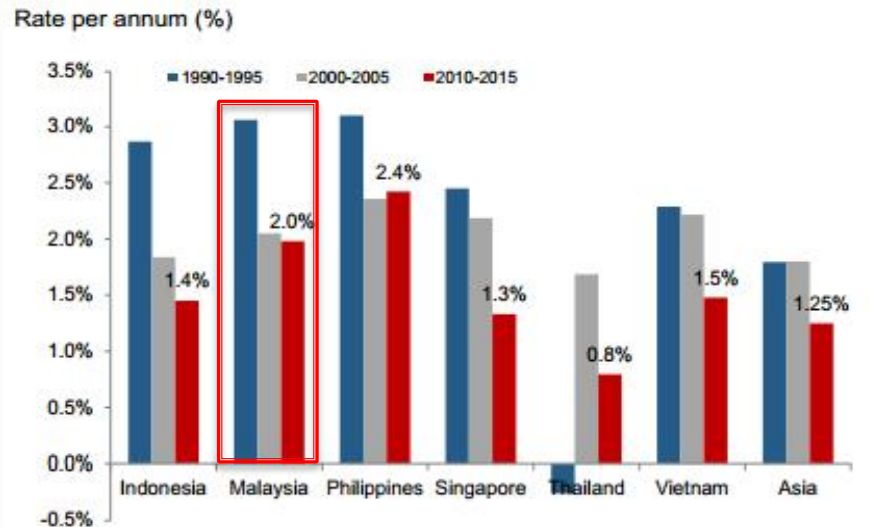


3

Scarce resources to support the greying generation

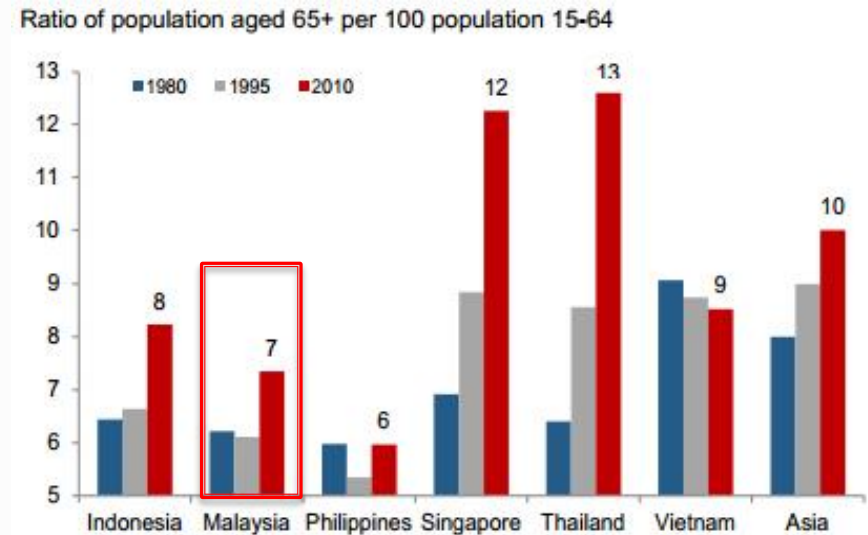
Decreasing labour force growth & increasing old age dependency

Declining Trend in Working Age Population



Source: ILO, Credit Suisse

More Older People to be Taken Care Of

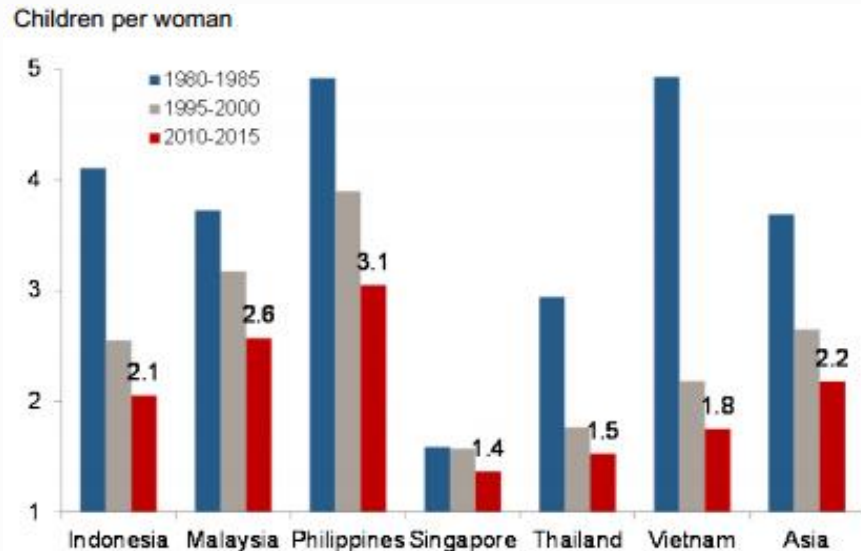


Source: UN, Credit Suisse

Thailand, Singapore and Indonesia are experiencing the **slowest growth in labour force**;
But have the **highest ratio in old age dependency**

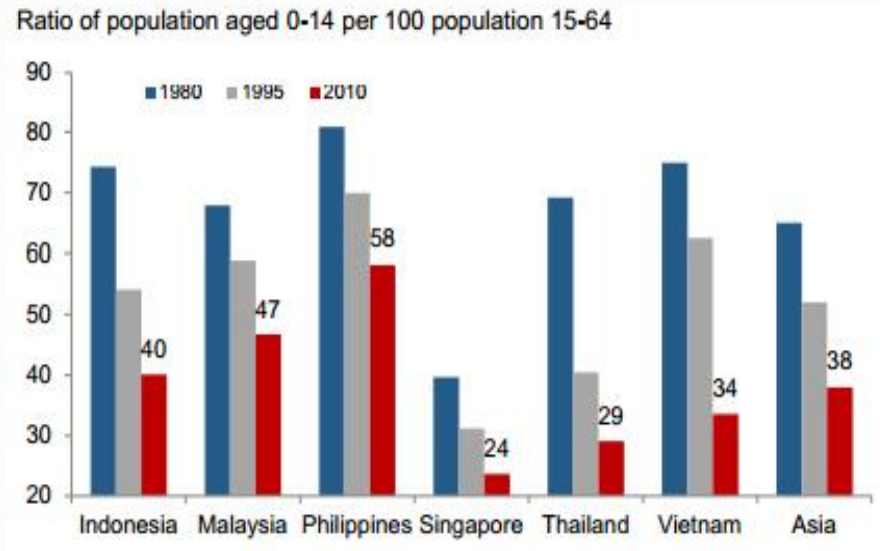
Young population able to contribute to the declining economy

Fertility Rate is Falling



Source: UN, Credit Suisse

Heavier burden to finance the ageing population



Source: UN, Credit Suisse

Ideal developing country average replacement rate is **2.5 to 3.3 children per woman**.

Growth of the greying generation

Increasing at a rapid pace



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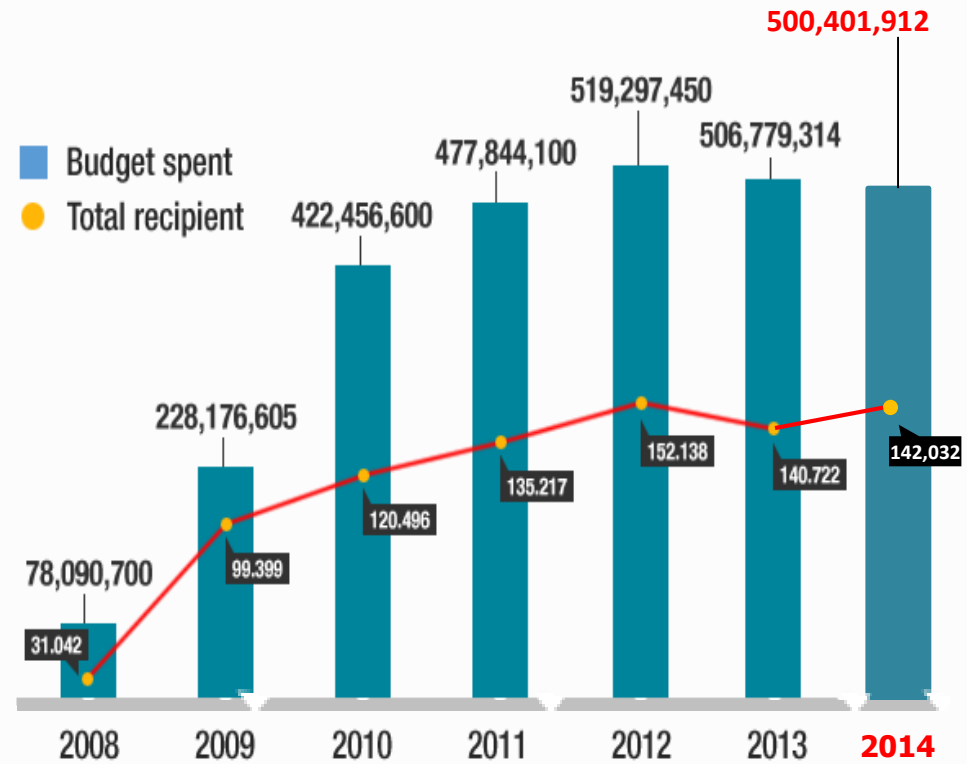
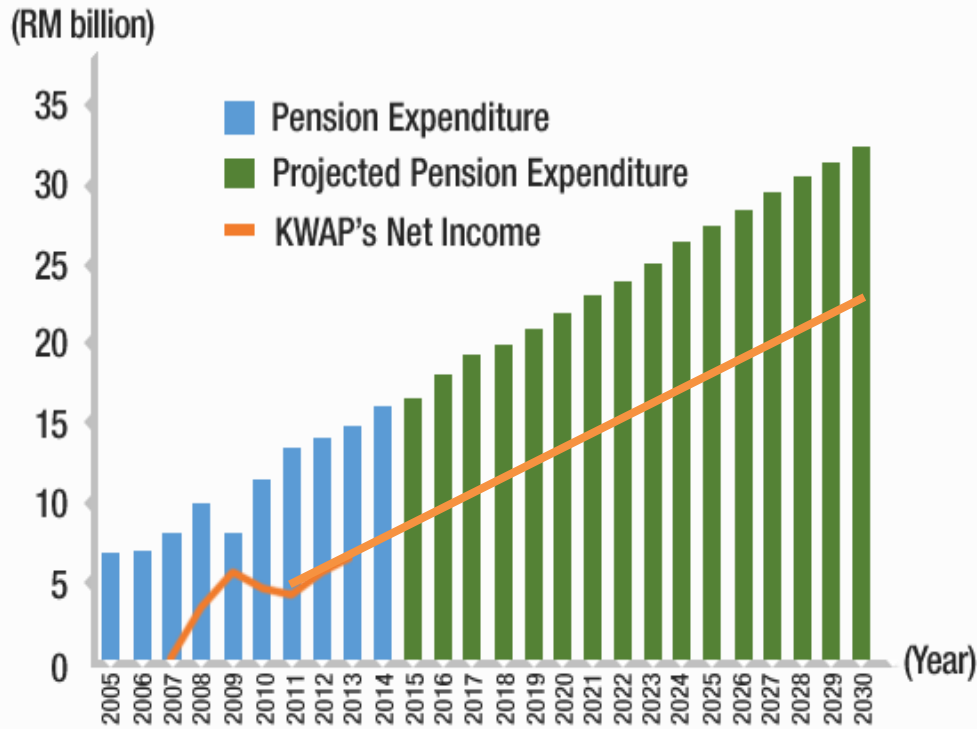


3

Scarce resources to support the greying generation

Eradicating elderly poverty

Increasing public expenditure



Projected annual public pension expenditure may hit RM22billion (2020) or RM32.5billion (2030)

Increased budget spent for Bantuan Orang Tua (BOT)

Source:
Economic Report, 2005-2013 | KWAP Annual Report, 2007-2013
Department of Statistics Malaysia

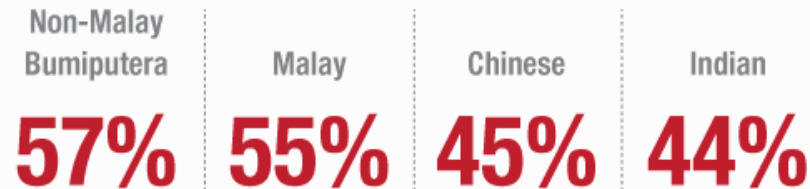
Source:
Department of Social Welfare (JKM)

Malaysians' inability to be self-sufficient

Low financial literacy

No Financial Assets

NO FINANCIAL ASSETS



HOUSEHOLDS WITH ZERO SAVINGS

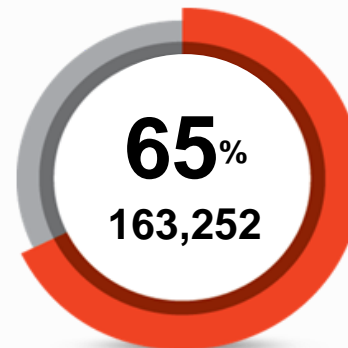


90%



86%

Insufficient EPF Savings



Total Members Age 54

have savings
lower than
RM50,000



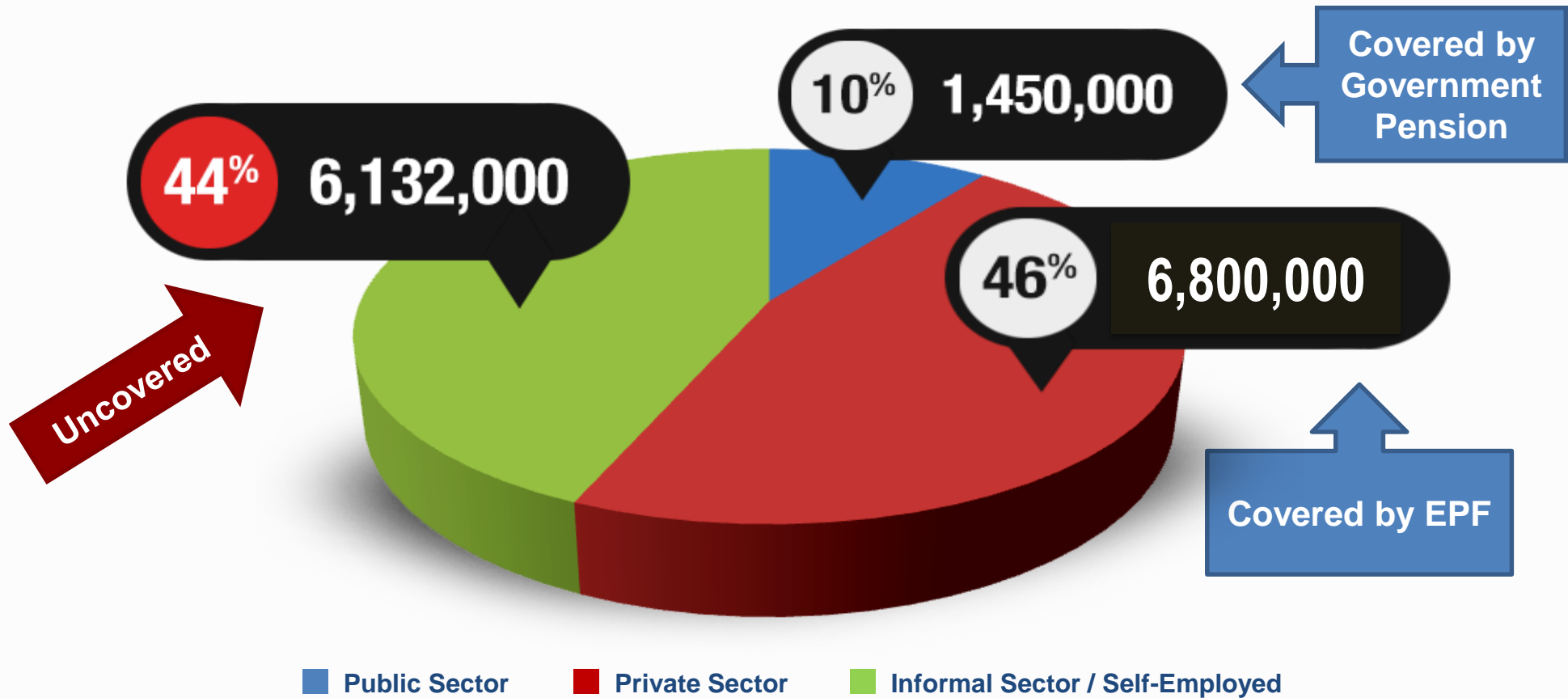
Ex-EPF Members

exhausted
their EPF
savings in
5 years

Source : UNDP

Lack of a comprehensive social protection system

44% of Malaysians are not covered



Source: Ministry of Human Resources

Does **RETIREMENT** spell
THE END OF LIFE
as we know it?

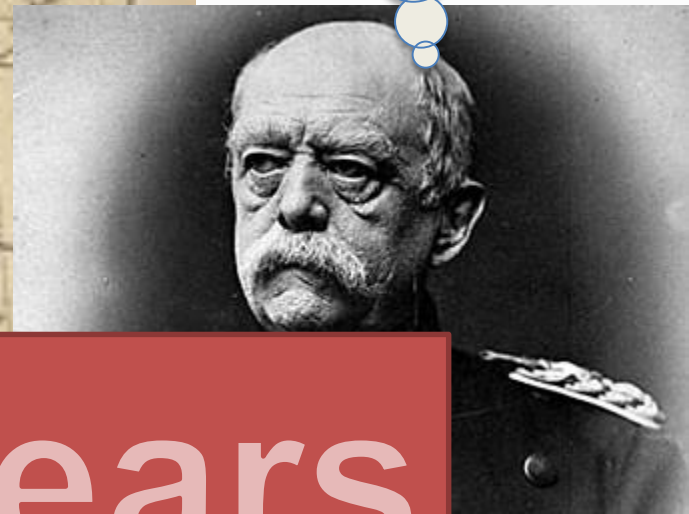
The invention of retirement



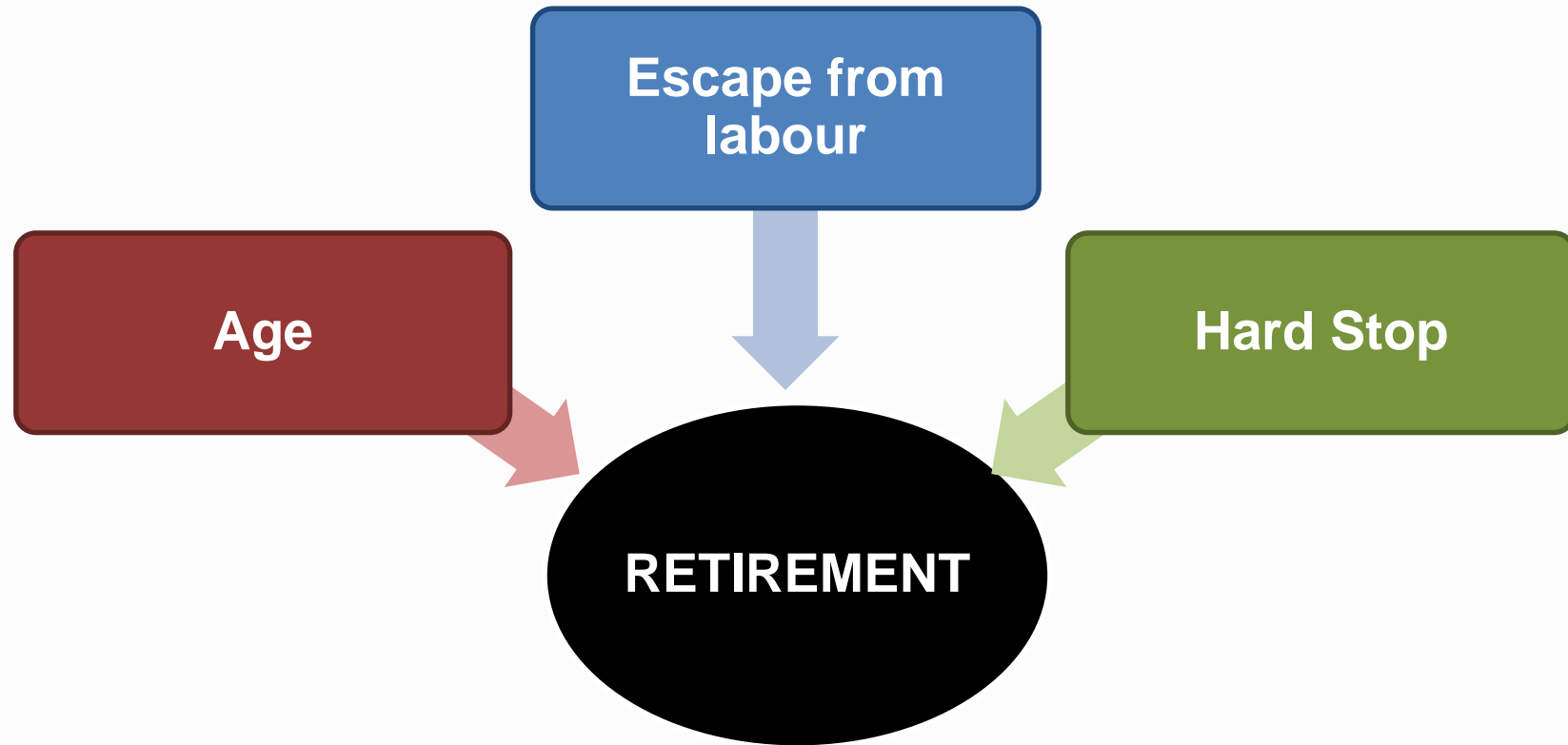
“those who are disabled from work by age and invalidity have a well-grounded claim to care from the state”

>70 Years Old

42.4 years



Current Understanding



Retirement is the **BEGINNING OF A NEW JOURNEY;**
not the **FINAL DESTINATION!**

What can be done?

Redefine the

PROBLEM

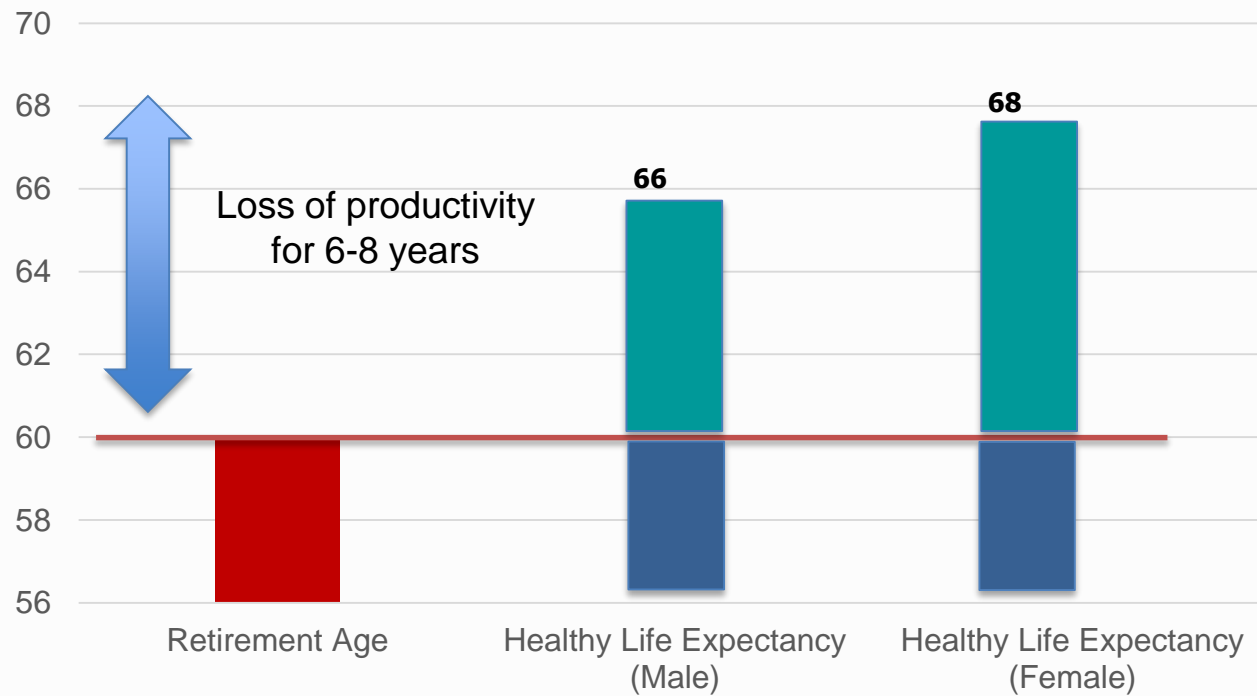
into an

OPPORTUNITY

Able and willing

Generation Perennial (Gen-P)

Minimum Retirement Age: Barrier for people to contribute

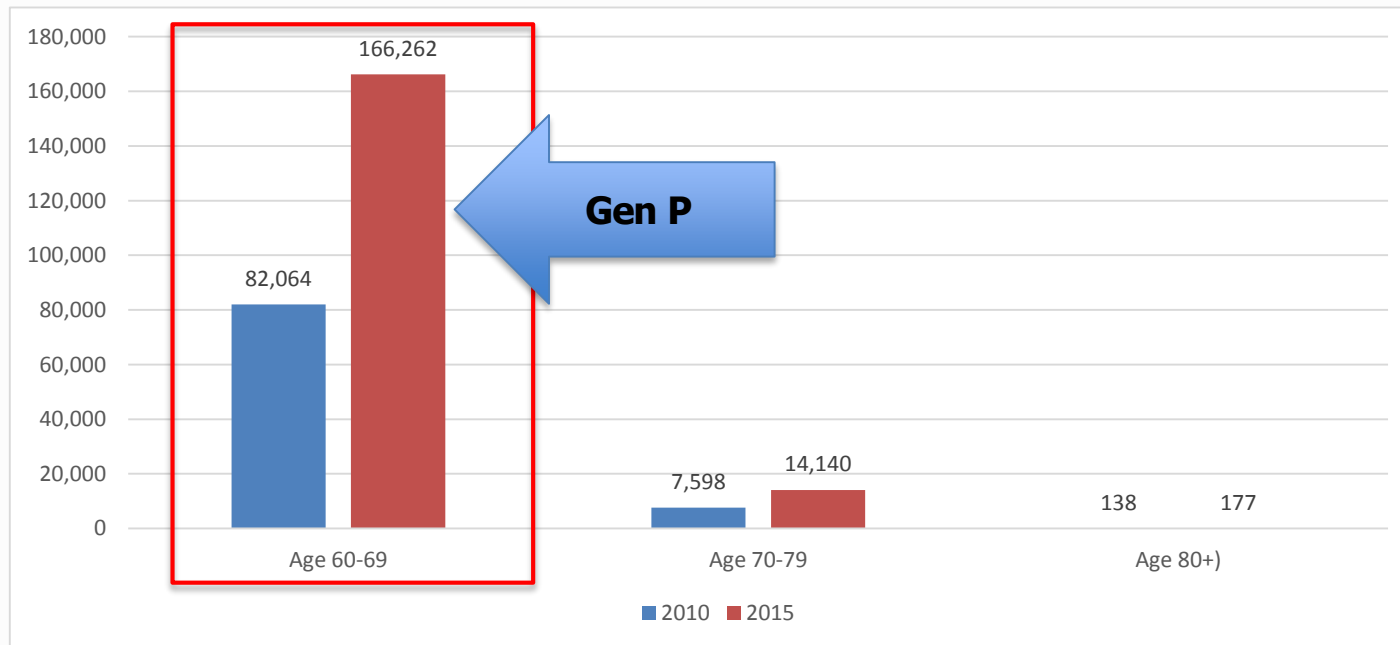


Source: World Health Organisation (WHO)

Huge resources available

170,000 Malaysians who are still productive

EPF active members (aged 60 – 69)
doubled within 5 years



Source: Employees Provident Fund

Benefitting from wisdom

Areas of productivity



Caregiver



F&B/Dietician



Consultant



Tourism Services



Teacher



Retirement Coach



Writer



Market Researcher

COMMON FACTORS

- Utilisation of lifetime experience
- Knowledge transfer to the younger generation
- Focusing on emotional interaction rather than physical
- Flexibility in job completion

Contribution to economy

Unpaid work includes household work, volunteer and community work

COUNTRY	UNITED KINGDOM	CANADA
TYPE OF WORK	Formal and informal employment, child care and volunteering	Volunteering and community work
ESTIMATED CONTRIBUTIONS TO THE ECONOMY	2013 – USD 81 billion (3% of GDP)	≈ USD 60 billion each year (3.7% of GDP)

Source: Age UK (2014)/CARP, Canada (2010)

Untapped business potential

APEC silver economy is estimated to be worth USD3 trillion by the year 2017

ELDERLY HOUSING

- Retirement Villages
- Continuing Care and Retirement Communities
- Aged Care Homes

WELLNESS AND HEALTHCARE PROGRAMME

- Activities, products and services to support active ageing and ageing-in-place

HOME CARE SERVICES

- In-Home Care Services
- Geriatric care management

ROBOTICS FOR ASSISTED LIVING

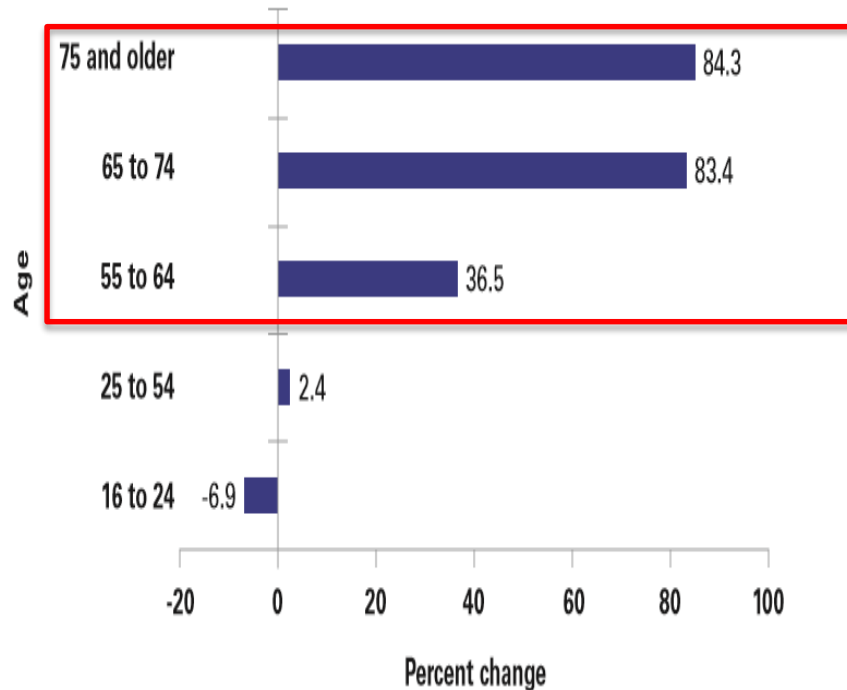
- Assistive daily living technologies to support ageing-in-place
- Robotic caregivers/nurses

52% of industry leaders have indicated that the ageing market economy boom is expected to occur from 2020 – 2025.

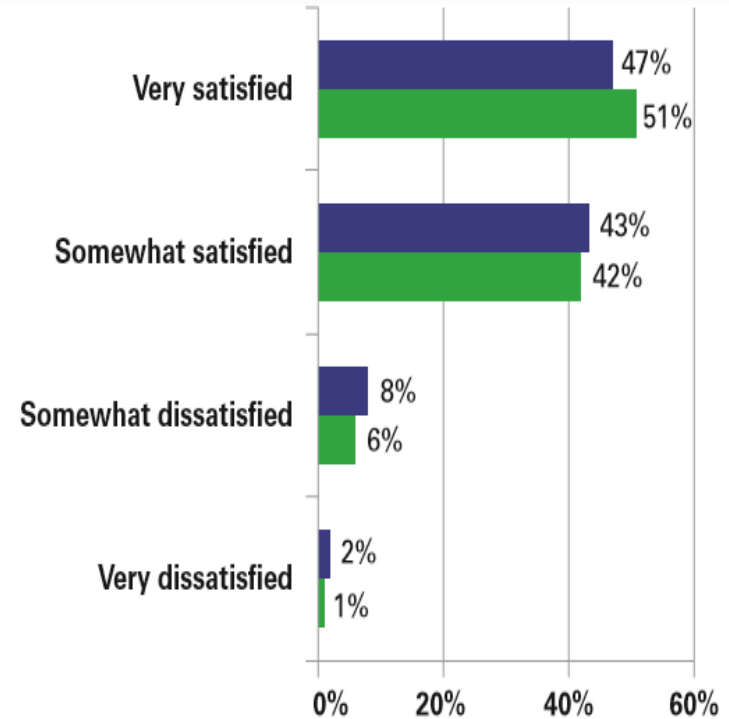
Source: Asia Pacific Silver Economy Business Opportunities Report 2013. Ageing Asia

Work is not necessarily punishment

In the US, more people working post retirement and liking it



Source: Projected Percentage Change Labour Force by Age (2006-2016), US Bureau Labor of Statistics, 2010



Source: Life Satisfaction of Workers 50+, US Bureau Labor of Statistics, 2010

On average, workers 50+ contribute 41+ working hours per week

- Never retired
- Working in retirement

Unleashing undiscovered potential

The emergence of Generation Perennial (Gen-P)

GOVERNMENT

Legislation – Rights
& Protection of Gen P

Re-employment Policy

Eliminate age discrimination

Strengthening Family
Structure

PRIVATE

Infrastructure
Readiness

Leveraging on Technology

Training and Upskilling

Integrated Aged Care
Facilities

JOINT EFFORT

Rewards and
Recognition

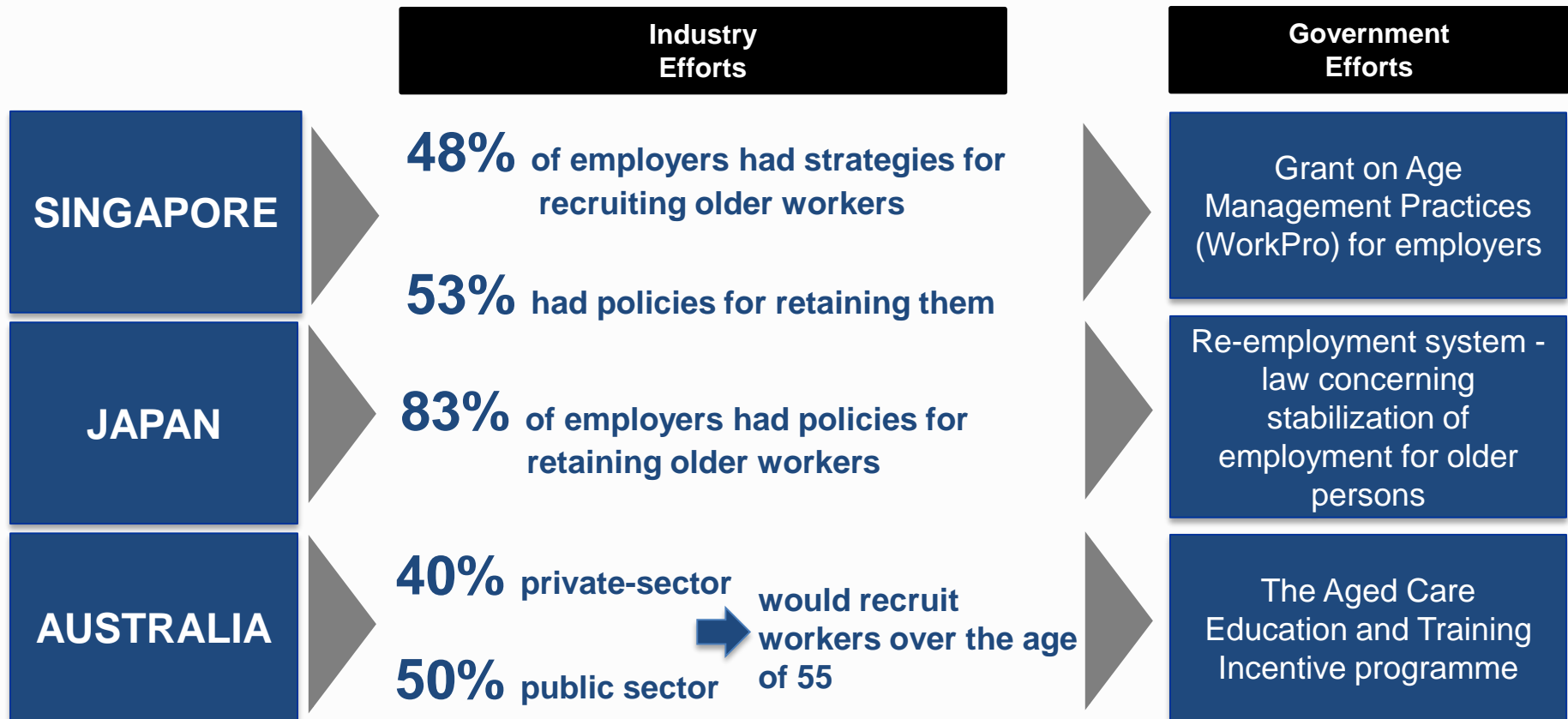
Age Management Practice

Coverage of Social
Dividend

Customised Benefits for
Gen P

Joint effort (Public + Private)

To make things happen



Source: Milwaukee-based Manpower Inc. (2008); Monash University of Australia (2010)/Ministry of Manpower, Singapore/Daiwa Institute of Research, Japan/Department of Human Services, Australia

Concepts to help redefine retirement

Jubilación

A feeling of **GREAT HAPPINESS**

A **CELEBRATION**

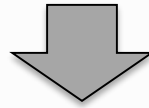


生き甲斐 (Ikigai)

The reason for **GETTING UP IN THE MORNING**



RETIREMENT



the time when you can
ACTIVELY CONTRIBUTE
in a **QUALITY OF LIFE** that
SUITS YOU!