Book of Extended Abstracts

International Conference on Population Dynamism of Asia-Issues and Challenges Ahead
11-13 July 2011

UNIVERSITI MALAYA
Kuala Lumpur, Malaysia

Compilers
Khairulmaini Osman Salleh
Mehar Singh Gill
Firuza Begham Mustafa
Tan Wan Hin
GENDER DIFFERENCES IN WORK PARTICIPATION OF OLDER MALAYSIANS

1NG SOR THO and 2SIA BIK KAI
1 Department of Applied Statistics, Faculty of Economics and Administration, University of Malaya
Email: ngst@um.edu.my
2 University Tun Haji Tuanku Abdul Rahman

INTRODUCTION

With the decline in fertility and mortality, and improvement in life expectancy, the percentage and the number of older population are growing at a faster pace than 10 years ago. The number of older persons aged 60+ has increased from 597 thousand persons in 1970 to 1.4 million in 2000, representing 5 per cent and 6 per cent of the total population, respectively. It is projected to reach 4.5 million in 2025 (United Nations, 2007). At age 55, on average, a male and female retiree can expect to live for another 20 and 23 years respectively. As the majority of older persons are healthy and capable to continue working after retirement age (Tan et al. 1999; and Tan, 2001). The purpose of this paper is to examine the gender differences in work participation of the older Malaysians aged 55 years and over in urban area.

MATERIAL & METHOD

This paper utilizes data from a survey on Optimizing the Potential of Older Persons as Critical Resources for Development, which was conducted in 2004 on community-dwelling older persons aged 45 or over. For the purpose of this study, only respondents aged 55 or over were included. The age 55 years old used is due to the official retirement age for Malaysia was 55 years old at the time of survey. The sample consists of 341 older males and 235 older females from various states of Peninsular Malaysia.

Two approaches were used to solicit information from the older persons. The first approach was the household survey, it yielded 276 completed cases. The second approach was the organization/association survey, where a list of organization/association was obtained prior to the survey. Organization/associations were randomly selected and some 10 to 15 respondents were selected from each organization/association. All the information collected through a detailed questionnaire, containing close-ended questions related to respondent’s background, economic activity and income, health and physical ability and community services and activities of older persons.

The work participation of respondents is measured by the engagement of respondent in work and other income-generating activities at the time of survey. The independent variables of interest include age, marital status, educational level, perceived health status, other sources of income, cash transfer from children living elsewhere and perception on the difficulty for retiree to get a job. In view of the dependent variable is dichotomous in nature, that is, associated with two qualitative choices, logistic regression analysis is used to predict the probability of respondents are currently working under certain circumstances.
RESULT & DISCUSSION

The results showed that about one-third of the respondents were involved in paid work, with the work participation rate of older males and females were 40% and 22%, respectively. Logistic regression analysis showed that the work participation of older males was negatively related to age, perception on the difficulty for re-employment, remittances from children and other relations, pension, and other sources of income. An elderly male who was younger, with positive perception on the opportunity of re-employment and did not receive money from children and other relatives, with no pension and other sources of income was more likely to continue working than other males. For female, the work participation was negatively related to age, remittances from children and other relatives, and pension. A female who was younger, did not receive money from children and other relatives, and with no pension had a higher probability of currently working than other females. In most of the Asian countries, remittance from children is the main source of income for older persons. The finding that the availability of remittances from children reduces the probability of both older males and females to be currently working is consistent with Raymo and Cornman (1999) where increasing family wealth reduces labor supply at older ages. Past studies found that educational level has a positive effect on the work participation of retired people (Pisarev, 2006; Ogawa, 2004; Pang et al. 2004). However, this is not true in this study for both older males and females. This may be partly due to the most of the urban older persons were engaged in the formal sector and had to stop work at retirement age of 55. This is consistent with Ogawa’s finding on urban older persons in Japan (Ogawa, 2004).

SUMMARY

As expected, older males recorded higher work participation rate than older females. The work participation of older males was negatively related to age, perception on the difficulty for re-employment, remittances from children and other relations, pension, and other sources of income while older age, remittances from children and other relatives, and pension reduced the work participation of females. Thus, to work or not to work after retirement age of 55 for both males and females was much depended on the sources of other income. Employment opportunities shall be made available to those older persons who need to work after the mandatory retirement age, especially for those with no other sources of income. As such, there is a need to review the retirement age, employment structure, financial needs and the social security system to safeguard the wellbeing of the older people and enabling them to continue their roles in nation building.

REFERENCES