RETIREMENT STRATEGIC AGENDA

2024

Your Retirement Companion

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RETIREMENT STRATEGIC AGENDA

2024

CONTENTS

LIST OF TABLES

LIST OF FIGURES

Figures

LIST OF ABBREVIATIONS

AKPK	Agensi Kaunseling dan Pengurusan Kredit
ASB	Amanah Saham Bumiputera
BNM	Bank Negara Malaysia
CUEPACS	Congress of Unions of Employees in the Public and Civil Services
DOSH	Department of Occupational Safety and Health
DOSM	Department of Statistics Malaysia
EHS	Elderly Housing Scheme
Hire.Seniors	Private Employment Agency
HRD Corp.	Human Resource Development Corporation
HFEM	Human Factors and Ergonomics Society Malaysia
INTAN	Institut Tadbiran Awam Negara
JAKIM	Jabatan Kemajuan Islam Malaysia
JKKP	Jabatan Keselamatan dan Kesihatan Pekerjaan
JPA	Jabatan Perkhidmatan Awam
JPJ	Jabatan Pengangkutan Jalan
JPNIN	Jabatan Perpaduan Negara dan Integrasi Nasional
JTK	Jabatan Tenaga Kerja
KBS	Kementerian Belia dan Sukan
KDN	Kementerian Dalam Negeri
KPN	Kementerian Perpaduan Negara
KPKT	Kementerian Perumahan dan Kerajaan Tempatan
KPWKM	Kementerian Pembangunan Wanita, Keluarga dan Masyarakat
KWAP	Kumpulan Wang Persaraan (Diperbadankan)

LHDN	Lembaga Hasil Dalam Negeri
LIAM	Life Insurance Association of Malaysia
LLL	Lifelong Learning
LPPKN	Lembaga Penduduk dan Pembangunan Keluarga Negara
LPPSA	Lembaga Pembiayaan Perumahan Sektor Awam
MAKPEM	Majlis Kebajikan dan Pembangunan Masyarakat Kebangsaan Malaysia
MCMC	Malaysian Communications and Multimedia Commission
MEF	Malaysian Employers Federation
MITI	Ministry of Investment, Trade, and Industry
MOF	Ministry of Finance
MOH	Ministry of Health
MOHE	Ministry of Higher Education
MOHR	Ministry of Human Resources
MyAgeing®	Malaysian Research Institute on Ageing
NGO	Non-governmental Organization
NIOSH	National Institute for Occupational Safety and Health
PDRM	Polis Diraja Malaysia
PEJASMA	Persatuan Bekas Penjawat Awam dan Swasta Malaysia
PPAM	Perumahan Penjawat Awam Malaysia
PPKM	Persatuan Pesara Kerajaan Malaysia
PRS	Private Retirement Scheme
SOCSO	Social Security Organization
UPM	Universiti Putra Malaysia

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EXECUTIVE SUMMARY

Aligning with KWAP's tagline 'Your Retirement Companion', this Retirement Strategic Agenda report aims to develop a comprehensive strategic agenda for government employees and pension recipients by focusing on future retirement needs and readiness while identifying gaps in current retirement services

📝 Introduction

Population ageing, resulting from demographic transitions driven by changes in fertility and mortality rates, occurs at varying rates globally. Developing nations are expected to age faster; yet, they face challenges due to limited resources and slow social institutional adaptation, which are compounded by rapid urbanisation. As Malaysia moves towards becoming an aged nation in the year 2030, the country is expected to provide a comprehensive plan for a rapid and sustainable transformation of its ageing care system. Aligning with KWAP's tagline 'Your Retirement Companion', this Retirement Strategic Agenda report aims to develop a comprehensive strategic agenda for government employees and pensioners/pension derivative recipients by focusing on future retirement needs and readiness while identifying gaps in current retirement services. It involves benchmarking global best practices in retirement services and products across selected countries, gathering stakeholder aspirations on retirement experiences, assessing current services, identifying key challenges at different career-retirement lifecycle phases (i.e., in-service, retirement, and post-retirement), and developing an evidence-based strategic agenda and implementation roadmap for the country.

Background

The study on government employees and pensioners/pension derivative recipients is based on a conceptual framework guided by the Systems Theory, which organises the relationships/aspects of the variables in the study from inputs, throughput, output, and outcome.

Inputs from international, national, and agency levels inform retirement legislation, policy, products, and services. Whereas, individual-level inputs enhance retirement planning and preparedness, indirectly improving retirement well-being. The outcome of the retirement system significantly contributes to overall pensioner well-being, encompassing various areas beyond financial readiness.

Five activities were conducted to fulfil the objectives of this study, as follows:

Activity 1

A comprehensive desk review and analysis of retirement services and products across six selected countries, aiming to identify best practices and support recommendations for enhancing retirement provisions.

Activity 2

An online survey to gather the views and aspirations of government employees and pensioners regarding life in older age and retirement. The survey aims to assess their knowledge, attitudes, and practices related to retirement and identify the services and products needed to support pensioners' well-being. The data collection process was conducted through an online platform over a seven-week period, facilitated by the Public Service Department, KWAP, and MyAgeing®. The survey attracted responses from 6,252 government employees and 1,075 pensioners/pension derivative recipients, indicating substantial engagement from the target population and providing a rich dataset for analysis.

Activity 3

Stakeholders' engagement was further elicited through focus group discussions (FGDs) to understand the challenges faced by government employees and pensioners in the retirement system and explore their retirement planning practices. Six FGDs were conducted, categorising stakeholders into three groups based on geographical zones to ensure diverse perspectives were captured. The participants included representatives from NGOs, private agencies, and government agencies, with one senior representative from each agency was invited to participate. The FGDs occurred between October and November 2022, predominantly online via Zoom, except for government agencies in the central zone, which were met physically.

Activity 4

The development of the **Career-Retirement Strategic Agenda (CReSA)** framework was based on the Four Pillar Model, aligning with the World Health Organization's Active Ageing Policy Framework. The framework integrates the pillars of Health, Security and Safety, Social Participation and Network, and Lifelong Learning to cater to different stages of career up to retirement. CReSA was formulated through evidence from desk reviews, surveys, and stakeholder consultations, resulting in four objectives, 12 strategies, and 78 initiatives for various life stages.

Activity 5

A stakeholders' consensus workshop was held with 34 participants representing various agencies, which resulted in harmonised objectives, strategies, and timelines of CReSA. A subsequent validation workshop was conducted involving representatives from relevant organisations to ensure the alignment and finalisation of CReSA's components. This collaborative process established a comprehensive and actionable retirement planning and well-being strategic agenda.

Key Findings of the Study

Best Practices in Retirement Products and Services in Selected Countries

The comparative analysis of retirement pension systems across six countries highlights key aspects, including unified retirement pension approaches in Hong Kong SAR and Singapore, with Singapore exhibiting a more comprehensive framework. Transitioning to Defined Contribution plans aims to bolster scheme sustainability with multi-pillar systems adopted by Canada, Germany, the Netherlands, Malaysia, and Singapore.

Portability is common, except in Malaysia, while funding strategies and indexation mechanisms vary, reflecting distinct national philosophies. Diverse legislations and policy adaptations underscore the commitment to pension plan viability, though agility varies, notably lagging in Malaysia.

Health services underpin diverse healthcare philosophies and financial arrangements vary, tailored to secure pensioners' financial well-being. Housing policies address diverse demographic trends and robust social safety nets emphasise community-based care, catering to unique needs across nations. Educational opportunities, from academies to online courses, reflect cultural priorities and support seniors' lifelong learning through diverse programs.

Views and Aspirations of Government Employees and Pensioners/Pension Derivative Recipients

a. Government Employees

In the Retirement Views and Aspirations survey involving 6,252 government employees, the gender distribution was balanced with 44.9% males and 55.1% females. The mean age was 40.8 years with the majority below 40 years old (50.3%).

Marital status showed 82.9% of married respondents, with diversity noted among those who were never married, divorced, widowed, or separated. The ethnic composition was predominantly Malay (86.6%), with representation from Chinese, Indian, and indigenous groups. Islam was the dominant religion (91.6%), with smaller proportions practising Christianity, Buddhism, Hinduism, or other religions. Educationally, 57.7% held university degrees, while others completed secondary or tertiary education, showcasing diverse educational backgrounds within the government workforce.

This study highlights the low awareness and ineffective financial behaviours regarding retirement planning among government employees, emphasising the importance of proactive steps for financial preparedness. Developing written retirement plans can aid individuals in understanding their financial needs and making informed decisions for their desired retirement lifestyle. Educating individuals on the benefits of consistent retirement savings and providing guidance on managing expenses and debt are essential for promoting financial preparedness. Encouraging the use of online retirement calculators and financial planning tools can empower individuals to track their progress towards retirement goals. Additionally, recognising the preference for continued work during retirement and implementing policies to support flexible work arrangements is crucial.

This study underscores the reliance on pensions as the primary source of income during retirement, necessitating measures to address barriers to retirement savings and bridge the income gap.

Private housing emerges as the preferred option for retirement among government employees, suggesting efforts to promote early home ownership. Improving essential facilities and services, such as healthcare and enhancing access to retirement services through user-friendly platforms, are recommended actions to support and enhance the retirement system. Governments are urged to enhance the pension system's effectiveness and reliability to improve individuals' retirement experience, ensuring a more secure and fulfilling future.

b. Pensioners/Pension Derivative Recipients

Findings from the Retirement Aspiration Survey based on responses from 1,075 pensioners/pension derivative recipients provide valuable insights into various aspects of retirement preparedness and preferences. The majority of respondents were pensioners (88.7%), with a slight male majority (59.6%) compared to females (40.4%).

A significant portion of respondents (58.0%) were aged 60 years or above. The average monthly pension received by the pensioners is RM3,686 whilst the pension derivative recipients received a monthly average derivative pension of RM2,652. The mean age for pensioners to start receiving pension is 56.7 years old and 50.8 years old for pension derivative recipients.

Additionally, the respondents expressed preferences for future retirement preparedness services, such as automatic enrolment in retirement saving schemes and health insurance. It indicates a proactive approach towards securing their retirement.

Furthermore, the study highlights pensioners' preferences for future retirement facilities and services, including discounts on transportation, 'co-payment' facilities at private panel clinics, and holiday accommodations. The respondents also indicated interest in online medical services assistance.

The findings revealed that a considerable proportion of the respondents agreed to private housing as their preferred residence during retirement. This emphasises the importance of private housing options that prioritise accessibility, affordability, and amenities tailored to pensioners' lifestyles.

Additionally, there is a clear preference for retirement facilities and services to be offered by the Pensioners One Stop Centre, indicating a centralised approach to accessing retirement-related affairs. Notably, a significant portion of respondents expressed support for additional savings for retirement and the introduction of a contributory pension system, suggesting a recognition of the need for structural reforms to ensure the stability of the pension system in the country.

A significant portion of respondents (58%) were aged 60 years or above. The average monthly pension received by the pensioners is RM3,686 whilst the pension derivative recipients received a monthly average derivative pension of RM2,652

Issues and Challenges

The six FGDs conducted with stakeholders from NGOs, private agencies, and government agencies of different geographical zones offered valuable insights into the challenges encountered by government employees and pensioners within the retirement system, emphasising the necessity for increased awareness and education regarding retirement options and financial planning.

The thematic analysis unveiled significant themes, such as concerns over retirement benefits' sufficiency, the necessity for improved communication from relevant authorities, and the vital role of financial planning and literacy. These findings carry important implications for policymakers and stakeholders involved in the retirement system, highlighting the need for further research to address identified gaps and enhance the retirement experience for government employees and pensioners.

Recommendation

This study recommends introducing and enhancing the current products and services aiming to improve the future retirement experience. The key findings were utilised to develop the **CReSA Framework.**

The CReSA framework's recommendations comprised four (4) objectives, twelve (12) strategies, and seventy-eight (78) initiatives for various work-life stages. In particular initiatives across the four key pillars aimed at improving the retirement experience for pensioners:

1. **Health:** Initiatives include online medical service assistance, automatic health insurance enrolment, co-payment facilities at private clinics, home modification, and assisted living services to meet changing needs.

2. **Security and Safety:** Proposed measures involve introducing a contributory pension system, offering transportation discounts, providing advisory services, and promoting awareness and expansion of retirement-related services at the State Government Offices.

3. **Social Participation and Network:** Suggestions include additional retirement savings schemes, holiday accommodation discounts, enhancing the MyPesara application to promote social participation activities, and conducting programs for enhancing social well-being.

4. **Lifelong Learning:** Strategies encompass a retirement readiness module covering various aspects of retirement and programs aimed at improving the physical environment and financial status of retirees.

The successful integration and operationalisation of CReSA within the nation's ageing care system necessitate constructive support from key stakeholders across government agencies, government employees, pensioners, derivatives, community groups, NGOs, and the private sector, thus envisioning a healthy, meaningful, and comfortable retirement.

CHAPTER 01

Introduction
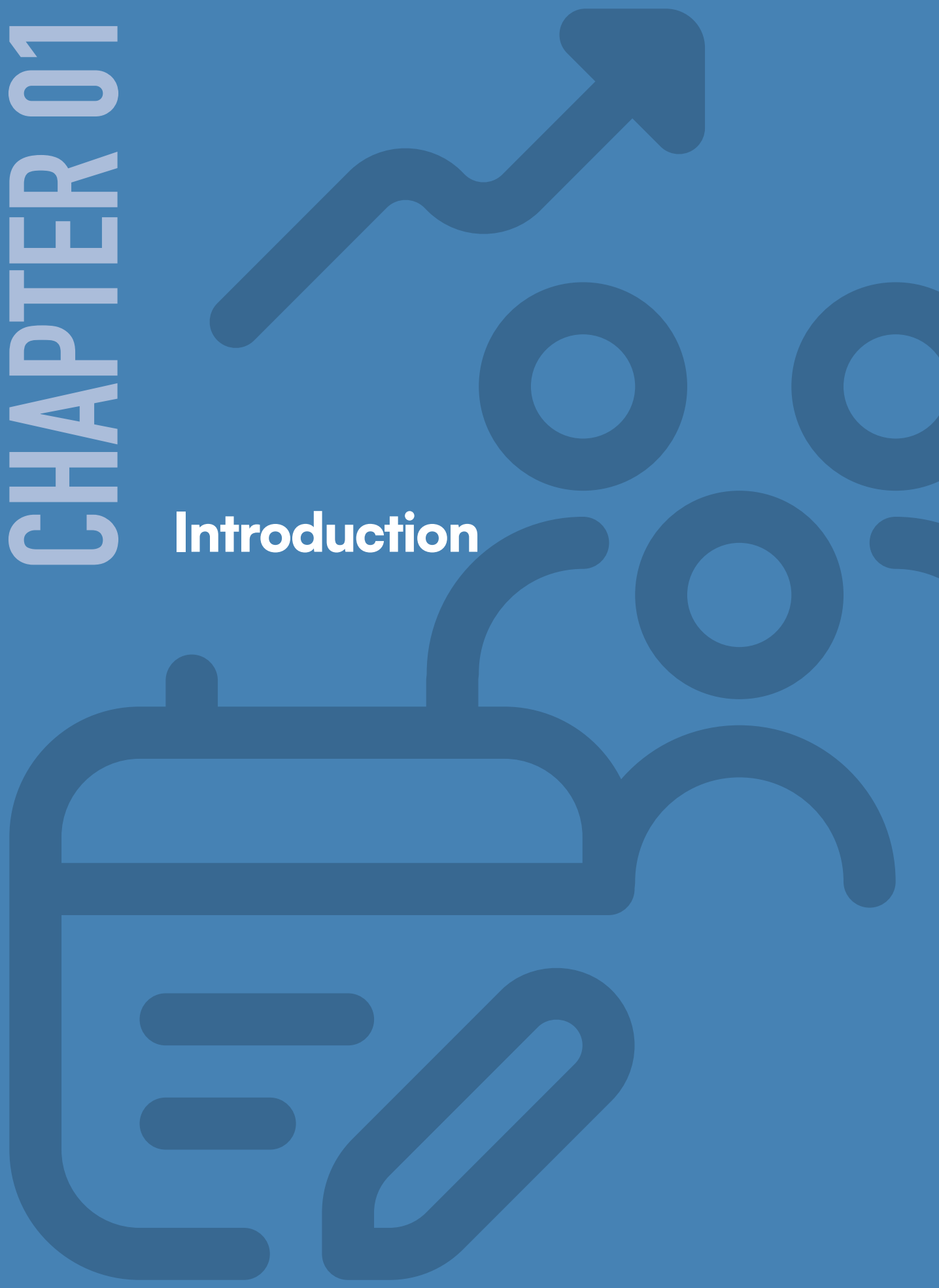
1.1 Background

Malaysia may become an ageing nation by 2030, with people aged 60 years and above surpassing 15% of the population

The worldwide phenomenon of population ageing has attracted the attention of international agencies to deliberate on its implications, resulting in the introduction of several documents related to the issue. For example, the Vienna Plan of Action on Ageing 1982 and the Madrid International Plan of Ageing 2002 are two significant blueprints that offer guidelines for member states to address the emerging population ageing issue at the country level. Meanwhile, the Active Ageing Framework was discussed at the 2nd World Assembly on Ageing in Madrid in 2002 (WHO, 2002), which views ageing as an opportunity and promotes the development of an enabling environment to support active ageing. Furthermore, the World Health Organization (WHO) posits that the environment in which people live plays a critical role in influencing the health status of the population. Subsequently, the United Nations adopted the Decade of Healthy Ageing in 2020 as a foundation for supporting the Sustainable Development Goals (SDGs).

Population ageing is the result of an ongoing demographic transition, which is the outcome of changes in the fertility and mortality rates of a nation and occurs concurrently with a country's development level. Therefore, all countries in the world are experiencing population ageing, but at varying rates and speeds. Developing countries are predicted to experience ageing at a faster rate in the 21st century. However, these countries lack resources to address the impending ageing issues and social institutions take time to change. Additionally, the rapid pace of urbanisation intersects with the challenges faced by the development of population ageing.

Malaysia has been experiencing population ageing in recent years due to several factors, such as declining birth rates and increasing life expectancy. According to the Department of Statistics Malaysia (DOSM), the proportion of older Malaysians aged 60 years and above has been steadily increasing from 5.6% in 1991 to 10.3% in 2020. This trend is expected to continue whereby Malaysia may become an ageing nation by 2030, with people aged 60 years and above surpassing 15% of the population. Furthermore, the life expectancy at age 60 in Malaysia has steadily increased over the years due to improvements in healthcare and living standards. As estimated in 2022, the life expectancy at age 60 in Malaysia was 17.5 years for males and 20.1 years for females, with an overall average of 73.4 years (DOSM, 2022). This means that, on average, individuals who reach the age of 60 in Malaysia can expect to live for approximately another 20 years.

As the Malaysian government employs a substantial workforce that comprises the federal government, state government, local authorities, and statutory bodies, its liability on pension will potentially increase in the future due to the increasing number of pensioners and their longevity. According to the Public Service Department (JPA), over 1.2 million individuals were employed in the government sector in 2022, encompassing both federal and state government employees as well as employees of statutory bodies and local authorities. JPA estimated that the number of pensioners in Malaysia will increase by approximately 23,000 individuals annually.

Therefore, the combination of a large government workforce, the anticipated annual rise in pensioners, and an extended life expectancy in retirement underscores the significance of addressing the evolving needs and aspirations of individuals as they transition into this stage of life. It becomes imperative to gain insights into the knowledge, attitudes, and practices of government employees regarding life in older age and retirement as well as to identify the facilities and services that can contribute to their well-being during this crucial phase.

1.2 Objective

The purpose of this project is to develop the CReSA for government employees and pensioners/pension derivative recipients, which comprises future retirement needs (i.e., financial sustainability, health, safety/security, lifelong learning), readiness towards future retirement, and the gaps between current and future retirement services and products.

Specifically, the project aims to:

1. Benchmark the best practices of retirement services and products in other countries.

2. Gather the views and aspirations of government employees and pensioners/pension derivative recipients on future retirement experience.

3. Gather feedback on current retirement experience, including the aspirations towards retirement-related services and products offered.

4. Identify the key issues and challenges at different stages of work life to prepare for retirement readiness among government employees and pensioners/pension derivative recipients.

5. Develop the 'Career-Retirement Strategic Agenda' and its implementation roadmap, which is construed from evidence-based recommendations and consensus from the stakeholders.

1.3 Concept and Definition of Career-Retirement Lifecycle

Retirement has become a central event in the contemporary life-course of workers in formal employment and the experience of retirement differs across individuals. Understanding retirement experience requires a proper grasp of its definition and concept.

From the sociological perspective, retirement entails a mass phenomenon that has economic consequences to society. Such transition is considered as a rite of passage or withdrawal from active work life due to old age. From an organisational perspective, retirement concerns receiving pension or social security benefits related to previous work experience. From an individual perspective, one retires from an occupation and may be employed in another job. Therefore, retirement can be distinguished as both a process (Lockenhoff, 2012) and a period of life lasting for many years.

In this project, we define career-retirement lifecycle as a process that involves planning and adaptation at different life stages, while retirement as a period of life encompassing both the economic and social well-being of pensioners. In the pursuit of developing the retirement strategic agenda, retirement is defined as both the process and period of life where the prerequisites, pathways, and transition of retirement events alongside the consequences of the transitions will influence pensioners' well-being and their end-of-life care.

1.4 Scope of the Study

It is important to note that the career-retirement lifecycle is not a rigid framework and individuals may experience unique phases and transitions between stages. The duration and characteristics of each stage can vary based on an individual's personal circumstances, health, finances, and preferences.

The population of this study encompasses government employees and pensioners as well as recipients of pension derivatives from federal, state, and local governments alongside statutory bodies. Military personnel whose pensions scheme are administered by the Armed Forces Fund Board are excluded from this study. This exclusion ensures that the study focuses specifically on government employees whose retirement benefits, including pension

schemes, are managed by KWAP. By clearly defining the inclusion and exclusion criteria, this study aims to accurately represent and analyse the experiences and perspectives of the targeted population.

In this study, we view the career-retirement lifecycle in several phases with certain focus areas embedded in each phase. Figure 1.4-1 presents the focus areas aligned with each lifecycle phase, including in-service, retirement, and post-retirement. It outlines the specific viewpoints, aspirations, and exploratory aspects associated with different stages of the lifecycle.

Lifecycle Phase of Government Employees and Pension Recipients

	In-service	Retirement	Post-retirement (death)
The Expected Outcome of Study	The views and aspirations on future retirement experience, awareness, and readiness.	The views and aspirations on retirement-related services and products (to explore additional services and products).	The views and aspirations on post-retirement-related services and products.
Focus Area	The type of training/awareness/practices that may be required or useful. To explore other services and products which may be relevant.	Other knowledge areas which might be relevant (safety, internet-scam prevention, digital era readiness, etc.).	Other services and products which may be relevant to the derivatives.

Figure 1.4-1
Focus areas for each group based on its lifecycle phases

1.5 Conceptual Framework

Figure 1.5-1 illustrates the conceptual framework of this study, which concerns both government employees and pensioners/pension derivative recipients. The framework is guided by the Systems Theory, which organises the relationship/aspect of the variables in the study from inputs, throughput, output, and outcome.

Inputs from the international/country and agency levels offer a better understanding about the best practice elements

in retirement legislation, policy, products, and services. Whereas, inputs from the international/national and agency levels collectively inform the retirement system. Finally, individual level inputs enhance retirement planning and preparedness, which will indirectly improve the retirement system and retirement well-being.

Ultimately, the outcome of the retirement system significantly contributes to the overall well-being of pensioners, which is not directly measured in the project (broken line). Retirement preparedness comprises comprehensive areas of preparation, including social, physical environment, finances, psychological state, and health. In other words, retirement preparation is beyond financial readiness.
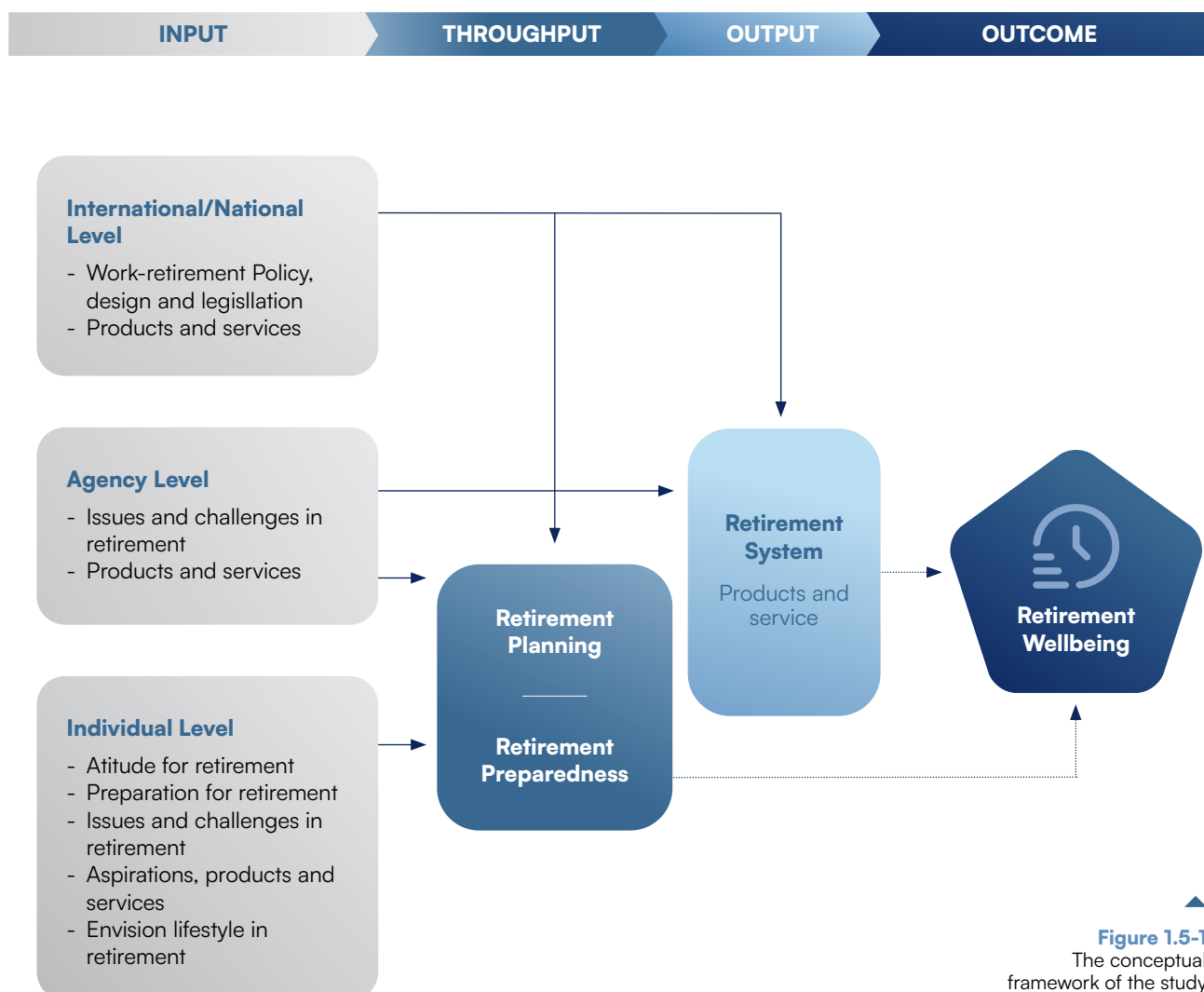
Figure 1.5-1
The conceptual framework of the study

1.6 Methodology

The research methodology employed for the various activities conducted in this project is available in **Appendix 1**. This research is divided into four main activities (Figure 1.6-1):

1 Best Practices in Retirement Products and Services in Selected Countries

2 Views and Aspirations of Government Employees and Pensioners/Pension Derivative Recipients

3 Issues and Challenges in Retirement

4 Career-Retirement Strategic Agenda (CReSA) 2024-2030

Figure 1.6-1
Four main activities of the project.

CHAPTER 02

Best Practices in Retirement Products and Services in Selected Countries

🌐 2.1 Introduction

Improving Malaysia's pension system requires addressing adequacy, sustainability, and integrity. Achieving at least a B-grade in the GPI is crucial to foster trust and confidence in the system

Retirement systems are specifically structured to offer a dependable and consistent stream of income to individuals after they attain a predetermined retirement age. Pensions play a crucial role in ensuring individuals' financial stability and emotional well-being during their retirement years. Retirement systems exhibit variability across different nations; however, their fundamental objective remains consistent, namely to guarantee a retirement period characterised by a satisfactory standard of living for individuals. Hence, ensuring access to reliable, comprehensive, and well-structured retirement products and services is paramount.

The civil service sector plays a vital role in the functioning of any nation by serving as the backbone of governance, public administration, and essential public services in the respective countries. The pension system is one way for governments to provide income security in old age (Brown, 2008; Jaafar, Daly, & Mishra, 2019). As the population grows older and the share of workers diminishes, the role of the pension system will be challenged. Furthermore, longevity has increased over the last decades, suggesting that the current and future generations will spend a greater period of life in retirement than previous generations. Therefore, both individuals and societies will need to address the social, economic, and financial effects of ageing populations.

This section of the report delves into the realm of comparative pension systems, including the civil service retirement offerings. It encompasses:
(i) a brief background of the selected country;
(ii) selection criteria of the selected country; and
(iii) comparative analysis of the pension systems, which includes the key features, products and services for pensioners, and an in-depth analysis of healthcare provisions.

Insights gained from this comparative shall provide future recommendations on how a retirement income system can best serve the needs of current and future cohorts of pensioners.

2.2 Background

The countries selected for the comparative analysis are **Canada, Hong Kong SAR, Germany, Netherlands,** and **Singapore.** Canada, Hong Kong SAR, and Singapore are Commonwealth countries that share similar historical underpinnings and legislations. Singapore scored the highest grade in the Global Pension Index (GPI) among other Southeast Asian nations. Meanwhile, Germany is the first country in the world to establish the Bismarckian Retirement Policy and the Netherlands is a Grade A country for GPI.

Table 2.2-1 presents the selection criteria used to select the countries for the retirement benefit products and services comparative analysis based on the 2021 information.

Canada had the highest Mercer CFA GPI for the North American region, which was reported as the B category in GPI. Netherlands recorded the highest Mercer CFA GPI value of 83.5 and ranked as an A country in GPI, followed by Germany as a B country. The two countries with the highest GPI in Asia were Hong Kong SAR (C+) and Singapore (B). We also included three commonwealth countries with comparable Human Development Index (HDI) but differ in GPI and HDI country rankings, where Hong Kong SAR recorded the highest HDI ranking across the five countries selected. These international indicators construct the overall criteria of interest in this study. In contrast, Malaysia showed the lowest recorded value in four criteria except for GDP, which was higher than Hong Kong SAR.

Table 2.2-1 Selection criteria for country comparison, 2021

Country	Global Pension Index (GPI)	GPI Ranking	Human Development Index (HDI)	HDI Rank	GDP (Trillion)
Canada	69.8	B	0.929	16	1.990
Hong Kong SAR	61.8	C+	0.949	4	0.268
Germany	67.9	B	0.957	6	4.223
Netherlands	83.5	A	0.944	9	1.018
Singapore	70.7	B	0.938	11	0.396
Malaysia	**59.6**	**C**	**0.81**	**62**	**0.372**

Source: Data extracted from Macrotrends charting global markets and economies, 2022

Table 2.2-2 contains a detailed summary of the recent Mercer CFA Pension Index, which was first developed in 2009. Currently, 44 countries are included in GPI. The index measures each retirement income system based on three sub-indices (adequacy, sustainability, and integrity) with more than 50 indicators.

Table 2.2-2 Mercer CFA Pension Index by selected countries, 2022

Country	Overall Index	Country Ratings	Sub-Index Value		
			Adequacy	Sustainability	Integrity
Canada	70.6	B	70.8	64.7	78.6
Hong Kong SAR	64.7	C+	61.5	52.1	87.6
Germany	67.9	B	80.5	44.3	80.9
Netherlands	84.6	A	84.9	81.9	87.8
Singapore	74.1	B	77.3	65.4	81.0
Malaysia	**63.1**	**C+**	**57.2**	**60.2**	**76.9**
World Average	**63.0**	**-**	**65.7**	**53.0**	**72.9**

Ratings	Descriptions
A: >80	A first-class and robust retirement income system that delivers good benefits, is sustainable, and has a high level of integrity.
B+:75-80 B: 65-75	A system that has a sound structure, with many good features, but has some areas for improvement that differentiate it from an A-grade system.
C+: 60-65 C: 50-60	A system that has some good features, but also has major risks and/or shortcomings that should be addressed; without these improvements, its efficacy and/or long-term sustainability can be questioned.
D: 35-50	A system that has some desirable features, but also has major weaknesses and/or omissions that need to be addressed; without these improvements, its efficacy and sustainability are in doubt.
E: <35	A poor system that may be in the early stages of development or non-existent.

Source: Mercer CFA Institute Global Pension Index Report, 2022

Sub Index Value description:

Sub-Index Value	Weighted Ratio	Description
Adequacy	**40%**	Design features and the benefits provided.
Sustainability	**25%**	Future indicators that will influence the likelihood that the current system will not be able to provide benefits in the future.
Integrity	**25%**	Legislative requirements that influence the overall governance and operations of the system, affecting the citizens' level of confidence to the country's system.

The three sub-indexes are important to reflect as only four selected countries (Canada, Germany, Netherlands, and Singapore) recorded above world average for adequacy while both Hong Kong SAR and Malaysia are below the world average. Hong Kong SAR (52.1) and Germany (44.3) reported below world average for sustainability index while other countries were above the world average. Hence, the improper addressing of sustainability will result in the system being unfeasible for future generations of pensioners. In terms of integrity, all countries recorded above world average; nonetheless, Malaysia's value was the lowest. Therefore, Malaysia must improve all three sub-indexes and achieve a minimum of B grade to ensure the citizens' trust and confidence in the local pension system.

2.3 Overview of the Pension Systems in Selected Countries

A pension is a fixed retirement fund paid at regular intervals to a retiree or their surviving dependents by an employer, organisation, or government body and is subject to certain terms and conditions. It is designed to offer financial security and a steady income stream during retirement. Hence, pension systems are critical for ensuring financial security in old age. The sustainability of a pension system will become more important as the population ages and the population's percentage of workers declines. Furthermore, recent improvements in longevity predict that present and future generations will spend more of their lives in retirement than earlier generations.

Most nations, including the Nordic countries, did not develop the concept of pension until the 20th century. State or social pensions, employment-based pensions, and additional private annuities are the three common pillars of a developed country's pension system. State or social pension intends to provide everyone with a basic income

during the retirement and the right to receive it is typically 'earned' through citizenship. Occupational pension aims to supplement the base state pension and its entitlement is accrued throughout one's career. Lastly, the third pillar comprises all voluntary income provisions, such as life annuities and life insurance. The degree to which each pillar is prioritised can vary considerably between nations and the design of the pension system often reflects the unique social, economic, and political context of countries.

2.3.1 Welfare State Countries

Canada, Germany, and the Netherlands are welfare state countries and their pension systems are designed as **multi-pillar.**

Canada

First Pillar: The first pillar of Canada's multi-pillared pension system is known as the Canada and Quebec Pension Plans (C/QPP). It provides earnings-related defined benefit (DB) pensions and comprises government-sponsored programs like the Old Age Security (OAS) program, which is partially financed by employers and employees payments; the Canada Pension Plan (CPP) program, which is linked to earnings; and the Year Maximum Pensionable Earnings (YMPE) program, which offers a flat-rate pension to Canadian residents who meet specific residency requirements. These plans currently replace 25% of career-average income. Additionally, the Pay-As-You-Go (PAYG) general revenue is used to fund OAS.

Second Pillar: The second pillar is an employment-based pension plan called the Public Service Pension Plan (PSPP), which is sponsored by employers. The Canadian Armed Forces, Royal Canadian Mounted Police, and employees of the federal government and other specified organisations are eligible for the PSPP program. The Public Service Pension Act is the legislation that controls PSPP, providing employees of the public sector with retirement, survivor, and disability benefits.

Third Pillar: The third pillar is individual tax-advantaged savings and registered occupational pension plans, which are fully funded. Employers provide registered pension plans with an emphasis on income replacement. Most of these blueprints follow the DC or DB design guidelines. A tax-favoured Registered Retirement Savings Plan (RRSP) or Tax-Free Savings Account (TFSA) are options for people without access to employer-sponsored pension plans (Office of the Superintendent of Financial Institutions of Canada (OSFI), n.d.).

The main government agency in charge of regulating Canada's pension schemes is the Office of the Superintendent of Financial Institutions (OSFI). In addition to overseeing pension plans, OSFI also controls banks, insurance companies, trust companies, and lending organisations. Currently, OSFI is responsible for overseeing more than 400 financial institutions subject to federal regulation and 1200 pension plans. OSFI was established in 1987 to ensure the security and stability of the Canadian financial system (OSFI, 2011). It was initially created by the Office of the Superintendent of Financial Institutions Act of 1985.

In Canada, private pension systems are governed by the Pension Benefits Standards Act (1985) and the Pension Benefits Standards Regulations (1985), generally known as the PBSA and PBSR, respectively. Certain requirements in the PBSA and PBSR are further clarified in the Directives of the Superintendent issued in compliance with the Pension Benefits Standards Act (1985), also known as Directives PBSA. Additionally, provincial laws that govern pension schemes are in effect.

Germany

The German pension system is multi-pillared as well.

First Pillar: Statutory pension insurance *(gesetzliche Rentenversicherung)*, a pay-as-you-go social insurance system funded by contributions from employees, employers, and the government. The statutory pension system offers a base amount of pension income based on a person's lifetime earnings and contribution years. This scheme is necessary for all employees and covers many of them. The first pillar also includes the civil service pension plan known as *"Beamtenversorgung"* or *"Beamtenpension"*. These programs are sponsored by government payments and are intended to provide income stability for retired civil personnel.

Second Pillar: Aside from the civil service plan, there are various 2nd Pillar company pension plans established by firms to give supplemental retirement benefits to their employees. This includes *Pensionskassen* (fund established by companies or industry associations to provide retirement benefits to employees, contribution by employer), *Direktzusagen* (direct fund, pension commitments made by employer directly to employee, contribution by employer), *Unterstutzyngskassen* (support fund, supplementary pension funds established to support employee retirement savings, contribution by employer and sometimes employees), *Pensionszusagen* (pension commitment, sim, contribution by employer), and *Riester Rente* (a private pension scheme funded by the government that pools contributions from numerous employers to give retirement benefits to participants). The plans also consist of government incentives to encourage personal retirement savings.

Third pillar: The private pension sector constitutes the third pillar of the German pension system. It comprises a variety of individual pension investment plans that may be set up through insurance companies and banks to raise a person's overall pension entitlement in Germany after they reach retirement age.

Netherlands

First Pillar: Consists of *Algemene Ouderdomswet* (AOW), which is a flat-rate, universal state pension provided by the government. Eligibility is based on reaching the national retirement age and it serves as a basic income foundation for pensioners.

Second Pillar: Comprises of occupational pension funds and others. This pillar consists of pensions established by employers and employees in specific industries. *Algemeen Burgerlijk Pensioenfonds* (ABP), also known as the General Civil Pension Fund, covers civil servants and employees in the public sector as well as education and government-related organisations. ABP is one of the largest pension funds in Europe and offers supplementary pension benefits to the participants.

Third Pillar: Comprises individual savings and voluntary pension schemes. Individuals can contribute to personal retirement accounts, annuities, and other saving plans to supplement state and occupational plans.

What differentiates the Netherlands to Canada and Germany's pension plans are the focus on collective pension funds operated by industry-wide pension funds or company-specific pension funds that are collectively managed by employers and employees. The aim of the Dutch system is to ensure target replacement rates for pensioners and adjust contributions and benefits accordingly.

2.3.2 Commonwealth Countries

Hong Kong

In Hong Kong, the specific legislation policy related to pensioners and pension derivative recipients for civil servants is the "Hong Kong Retirement Benefits Schemes Ordinance" (RBSO). This ordinance is responsible for providing the legal framework for retirement benefits and pension schemes for civil servants in Hong Kong. It outlines the regulations and provisions regarding pension schemes, benefits, and related matters for civil servants who are members of the civil service pension schemes. RBSO ensures the administration and proper management of retirement benefits for civil servants, contributing to their finances during the retirement. It is important to note that RBSO specifically addresses the pension schemes for civil servants and may not cover other sectors or types of employment in Hong Kong.

Hong Kong SAR does not have a comprehensive retirement pension system and is based on mandatory contributions from both employees and employers. The fund is managed by private fund managers while a specific Civil Service Provident Fund (CSPF) was established for civil service.

Singapore

Similarly, there is no pension scheme in Singapore; however, the Central Provident Fund (CPF) serves as a comprehensive social security framework. It covers retirement, healthcare, and housing needs and separate accounts are created for retirement savings, healthcare, and housing. Employees, employers, and self-employed individuals contribute to CPF.

In Singapore, the specific legislation policy related to pensioners and pension derivative recipients for civil servants is the "Public Service (Pensions) Act". This act provides the legal framework for the payment of pensions and other related benefits to civil servants who have retired from government service in Singapore. The Public Service (Pensions) Act outlines the regulations and provisions concerning the eligibility, calculation, and administration of pensions for civil servants. It aims to ensure the financial well-being and security of retired civil servants by providing them with a reliable source of income during their retirement years. It is important to note that Singapore's civil service pension system is part of a comprehensive framework that includes other regulations and policies. The Public Service (Pensions) Act serves as a crucial component of this framework.

Malaysia

In Malaysia, the specific legislation policy related to pensioners and pension derivative recipients for civil servants is the "Pension Act 1980". This act provides the legal framework for the payment of pensions and other related benefits to civil servants who have retired from government service in Malaysia. The Pension Act 1980 outlines the regulations and provisions concerning the eligibility, calculation, and administration of pensions for civil servants. It aims to ensure the financial well-being and security of retired civil servants by providing them with a reliable source of income during their retirement years. It is important to note that Malaysia has undergone various changes and reforms in its pension system over the years, and there might be additional regulations or policies that complement the Pension Act 1980 to address specific issues related to pensioners and civil servants.

Malaysia has a mixed retirement system that caters for both public and private sector employees. For the civil service sector, the government has its own pension scheme, which is guaranteed in the Constitution. While for private sector workers, the Employees Provident Fund (EPF) is a mandatory savings scheme for old age. Both employees and employers contribute to EPF, which provides retirement savings and other benefits. Malaysia also offers private retirement schemes (PRS) as a supplementary voluntary savings option for all citizens based on mutual fund principles.

2.4 Results and Discussion

This section discusses the key features of the civil service pension systems in the selected countries (Table 2.4-1).

2.4.1 Key Features of Civil Service Pension Systems

Table 2.4-1 provides a concise overview of the essential attributes encompassing civil service pension systems within the selected countries. After considering the literature, distinct aspects of these systems have been elucidated. These encompass the name of the scheme, defined benefit or contribution, source of funding and contribution limit, eligibility and pension age, portability, surviving dependent benefit, tax on pension income, and governance.

Name of Scheme

There are specific names for the civil service pension plan in all the countries selected. Nevertheless, Hong Kong SAR and Singapore opt for mandatory Provident Fund savings approach for their civil servants.

Defined Benefit/Defined Contribution

Four countries have defined benefit plans for civil servants, namely Canada, Germany, the Netherlands, and Malaysia. Singapore has both defined benefits and defined contributions for their civil servants as CPF is a comprehensive system that caters for retirement, healthcare, and housing. Hong Kong SAR, on the other hand, opted for defined contributions for the civil servants, but the scheme is not comprehensive.

Source of Funding and Contribution Limit

The major source of funding is aligned with the pension plan adopted by the country. For countries that choose defined benefit plans, the major source of funding is from Federal government revenue and employer contributions like Malaysia. For provident fund type, the source of funding is the contributions from employers and employees where specific rates of contributions are stipulated. The contribution rates depend on the age of employees, the wage allowable for pension earnings, and the years of service. A specific calculation formula is developed for each country to achieve optimal retirement income to support life in retirement.

Eligibility and Pension Age

All countries' schemes have eligibility criteria to receive retirement pension income, including years of service, contribution to the scheme, reaching a certain age, and fulfilling the requirement set by the pension plan or civil service rule. Four countries have pension ages above 60 years old. Malaysia has the lowest pension age at 60 years old, while Hong Kong SAR sets the pension within the range of 60-65 years old.

Portability

Portability of civil servant pension refers to the ability of individuals to transfer or maintain their pension benefits when they move between different jurisdictions for employers within the same country or internationally. All countries except Malaysia have the portability element in their pension plan. For example, Hong Kong SAR developed CSPF to allow for cross-employment between the public and private sectors in the country, thus improving professionalism in government service. While in Singapore, the portability can be conducted between agencies and countries that have bilateral agreements.

In Canada, the portability of civil servant pensions can vary depending on the types of pension plans and the rules established by the plan administrator. If the civil servants move between different employers within the same province or territory, their pension benefits can be transferred or combined into the new pension plan. Nonetheless, if the civil servants move between provinces or territories, there might be limitations on the portability of pension benefits.

Some pension plans offer reciprocal arrangements or agreements that allow for smoother transfer of pension credits between participating jurisdictions. In Germany, the civil service pension scheme is complex and varies between federal, state, and municipal levels within the jurisdiction of the *Länder*. The specific requirement differs based on the choice of pension scheme selected by the civil servants and the destination state.

If the civil servants move interstate, it may be possible to transfer their pension entitlement. In the Netherlands, the ABP (Algemeen Burgerlijk Pensioenfonds) pension system is more centralised and larger. If a civil servant moves between different government employers, they will be covered under the same fund scheme; the transfer rules may differ if they move to a non-government employer or internationally. Currently, the Netherlands has portability arrangements with more than 20 countries.

Surviving Dependent Benefit

All countries include surviving dependent benefits in their pension plan. However, the provision may differ across countries.

Tax on Pension Income

Three welfare state countries imposed income tax on retirement income. On the other hand, Canada has a provision for tax credits on retirement income that has reduced income deductions. The three commonwealth nations of Hong Kong SAR, Singapore, and Malaysia do not impose tax on retirement income.

Table 2.4-1 Key features of civil service retirement system in selected countries

Key Features	Canada	Germany	The Netherlands	Hong Kong	Singapore	Malaysia
Scheme	Public Service Pension Plan for the Federal government. The name varies by level of government and organisation within the public sector.	Civil service pension plan labelled as "Beamtenversorgung" or "Beamtenpension" Netherlands Civil Service Pension (ABP)	Netherlands Civil Service Pension (ABP)	Civil Service Provident Fund	Central Provident Fund	Civil Service Pension
Defined Benefit	✓	✓	✓	NA	✓	✓
Defined Contribution	NA	NA	NA	✓	✓	NA
Source of Funding	Government/ Employer and employee contribution	Government revenue	Government/ Employee and employer contribution	Employer and employee contribution	Employee and employer contribution	Government/ Employer
Contribution and Limits	Employer and employee contribution is compulsory from 18-70 years. The rate is 5.70% for both employee and employer. Maximum contribution set i.e., according to Year's Maximum Pensionable Earnings.	Government revenue	Employees contribute around 7% to 7.8% of their pensionable salary. Employers (government entities) contribute typically around 15% to 22%.	CSPF- government contribution from 5-25% based on years of service. Additional 2.5% for disciplined officers. Employee within 18% of salary	Contribution cap by wage and age	Government revenue. The Federal Government contributes 5% of the total annual budgeted emolument of Fede uthorities and Agencies contribute 17.5% of the basic salaries of their pensionable employees to KWAP on a monthly basis.
Eligibility	At least 60 years of age and have made at least one contribution to CPP. The amount of CPP received depends on personal contribution history. Must apply when to start payment.	Completion of certain number of years of services in the public sector. Attaining a certain age, varies depending on the scheme. Meeting other requirements set by the pension plan or civil service rules.	Completion of certain number of years of services in the public sector. Reaching a certain age, which may defer based on the specific pension scheme. Fulfilling other requirements specified by ABP and other government regulations.	Tied to civil service employment. Civil servants who meet the prescribed criteria can contribute to and receive benefits from this fund.	Based on citizenship or permanent residency. Work pass status. Must have contributed to CPF and has the minimum SUM required.	Tied with government service. Complete a certain period of service. Clean service record
Pension Age	65	66	67	60-65	63	60
Early Retirement	Can retire as early as age 50 with at least 30 years of pensionable service, or at any age with a combination of age and service that equals 85 points (age + years of service).	Early retirement is possible after a certain number of years of service, and the exact age and conditions can vary.	Variable and depend on types of schemes enrolled.	Option available, benefit subject to conditions	There is no early retirement age in the system. Nevertheless, contributors can withdraw CPF savings at age 55.	Option available, benefit subject to conditions
Portability	✓	✓	✓	✓	✓	x

Key Features	Canada	Germany	The Netherlands	Hong Kong	Singapore	Malaysia
Surviving Dependent Benefit	Surviving spouse or common-law partner and eligible children of a deceased plan member (pensioner or contributor) who was receiving a pension from the plan.	A surviving spouse, registered partner, or eligible children may be entitled to survivor's benefits.	Any surviving dependent benefits.	For spouses or dependents of deceased civil servants. Eligibility criteria apply.	The Dependants' Protection Scheme (DPS). The DPS is a term insurance scheme that provides a payout to the CPF member's eligible dependents in the event of the member's death or terminal illness.	For spouses or dependents of deceased civil servants. Eligibility criteria apply.
Tax on pension income	✔	✔	✔	✘	✘	✘
Indexation	✔	✔	✔	✘	✘	✘
Governance	Federal Public Service Employment Act	Civil Service Pensions Act 1976 the Federal Civil Service Act (Bundesbeamtengesetz - BBG), Additionally, each federal state (Land) has its own Civil Service Acts that apply to civil servants employed by state and local governments. The pension system is not governed by a single pension act as in some other countries. Instead, it is regulated by a combination of laws and regulations, with the primary legislation being the "German Social Insurance Code" (Sozialgesetzbuch), specifically Book VI (SGB VI). Thus, the SGB VI serves as the main legal framework for the pension system, covering aspects like eligibility, contribution periods, pension calculation, early retirement, and disability pensions, among others.	General Old-Age Pensions Act (AOW) Dutch Pension Act	Mandatory Provident Fund Ordinance	Central Provident Fund Act	Pension Act 1980

Indexing

Indexation refers to how pension payments rise over time, i.e. automatically raising pensions in line with increases in prices, wages, or any other set index (OECD, 2022). In periods of high inflation, such as the current one, pension indexation procedures are critical to governmental responses.

In Canada, the Public Service Superannuation Act (PSSA) and the Supplementary Retirement Benefits Act (SRBA) control how indexing works for public service pension plan payments. Statistics Canada's Consumer Price Index (CPI) data is used each year to figure out pension raises for retired members and their survivors. According to SRBA, the increase is based on a comparison of the average monthly CPI for the year that just finished to the average monthly CPI for the year before that. The SRBA says that the twelve months from 1 October to 30 September should be used to figure out the raise that will be due in January of next year. The index used for the figure is the CPI for all items in Canada, which does not consider the seasons.

In Germany, the law prohibits negative pension indexation, and as such, current pensioners' income will not fall if wages or employment fall. The required earnings-related pension program in Germany has an automatic balancing mechanism. The pension point value is adjusted to 25% of the change in the pensioner-to-contributor ratio (sustainability factor) and the contribution rate is adjusted to maintain a public pension reserve fund between 0.2 and 1.5 times the average monthly pension spending.

Prior to the 2012 reform in the Dutch pension system, the universal state pension (AOW) provided a flat-rate pension to all inhabitants beginning at age 65. The government enacted a reform in 2012 that raised the eligibility age for the public pension and created incentives for a similar increase in 2nd and 3rd pillar pensions.

Nonetheless, on 2 July 2019, the Dutch parliament passed a law that reduces the pace of planned increases in the retirement age for public pensions. Under the new law, the retirement age will remain at the 2019 level (66 years and four months) through 2021, then progressively increase to age 67 between 2022 and 2024. In 2025, the retirement age will increase automatically based on projected increases in life expectancy at age 65, as observed at age 65, as projected by the national statistical office. There is no distinction between males and women or between civil servants, employees, and self-employed workers.

Hong Kong SAR, Singapore and Malaysia **do not practice** indexing in the pension scheme. Therefore, pension benefits received may be influenced by inflation and affect their purchasing power.

Governance

All retirement pension plans have specific legislation to ensure its sovereignty and sustainability. The pension systems in the selected countries are regularly reviewed to ensure that pensioners' well-being is taken into consideration. In 2019, the government of Canada amended the Canada Pension Plan to enhance higher benefits and greater financial stability through a small increment in the contribution amount.

In May 2023, the Dutch Pension Act underwent a review and the amendment took effect in July 2023. In the new amendment, the defined benefit schemes and defined capital schemes are being phased out of the Dutch pension system. Defined contribution schemes (either in full or combined with characteristics of other schemes) are becoming more common for new employees, but the current generation of pensioners will still have defined benefit schemes.

According to the OECD Pensions Outlook (2016), civil service pension programs normally were kept separate and were not included in pension policies or reforms affecting private sector personnel. However, several countries have closed public service pension schemes for new entrants and enrolled individuals entering the civil service in the primary private sector system over the last 20 years. However, a handful of OECD nations continue to operate a dual system, with often significant disparities in laws and privileges for civil officials and those working in the private sector.

2.4.2 Products and Services for Pensioners

Legislation and Policy

These countries exhibit notable variations in legislation and policy. Canada has established a comprehensive set of policies, including the Canada Pension Plan (CPP) and Old Age Security (OAS) for pensioners, as well as Human Rights Legislation to safeguard equal rights. Germany primarily focuses on civil servants with the Civil Service Pensions Act 1976 and Federal Civil Service Act.

The Netherlands' General Civil Service Pensions Act (No. 679 of 1979) caters to its civil servants' retirement needs. Hong Kong SAR emphasises retirement savings through the Mandatory Provident Fund (MPF) and Civil Service Provident Fund. Singapore's approach is multifaceted, with the Civil Service Act, Code of Conduct, and Tripartite Guidelines ensuring a disciplined civil service, while Malaysia's Public Service Act 1992 forms the foundation of its public service regulations. These distinct policies reflect each country's priorities, whether centred on universal social welfare, civil service welfare, or a combination of governance and public service regulations.

Health

Health systems across these countries exhibit diverse approaches. Canada operates a universal health system, providing comprehensive healthcare coverage to its citizens. Germany follows a model of universal health coverage through the Beihilfe system, which combines various aspects of health insurance, personal contributions, and supplementary insurance. In the Netherlands, healthcare is characterised by basic health insurance, a healthcare allowance, personal contributions, and long-term care provisions, bolstered by supplementary insurance. Hong Kong SAR prioritises healthcare benefits for pensioners with schemes like the Widows and Orphans Pension Scheme, Civil Service Medical and Dental Benefits, and free diagnostic and acupuncture services.

Singapore's multi-tiered approach includes MediShield Life, MediSave, Integrated Shield Plans, ElderShield, Community Health Assist Scheme, and the Pioneer Generation Package. Malaysia offers healthcare support through the Employees' Social Security Scheme, Employees' Health Insurance, medical benefits under employment contracts, panel clinics and hospitals, government healthcare services, and the Employees Provident Fund. These strategies reflect distinct healthcare philosophies, from universal coverage to mixed systems with varying degrees of public and private participation.

One of the best practices in terms of healthcare and medical coverage is the Universal Healthcare Coverage by Canada. The country offers specialised healthcare plans or insurance coverage tailored to the needs of pensioners, including medical, dental, and vision care. However, coverage is only for hospital medical care, which mainly includes doctor visits, drugs given in hospitals, and diagnostic services that are medically required (Béland, Marchildon, & Prince, 2020). As a decentralised federation, the provincial governments, rather than the federal government, are responsible for assuring coverage and funding all Medicare services so that they are available for free at the point of use. As Medicare became more limited in the 1970s, provincial governments began to fill gaps with targeted and category programs (Béland, Marchildon, & Prince, 2020). Canada's constitution assigns health responsibility to the provinces, but the central government uses its financial power to enforce five simple principles that promote solidarity and equity (Brown, 2003).

Finance

Financial arrangements for retirement vary among these countries. Canada offers a mix of public and private initiatives, with programs like the Guaranteed Income Supplement, Registered Retirement Income Funds, and Savings Plans, alongside taxation on pension income. Germany adopts a comprehensive pension system with Pension Funds, Retirement Planning Services, and Financial Advisory Services. The Netherlands' approach combines an AOW pension with taxation on pension income and various benefits for pensioners, dependents, survivors, and an old age living allowance. Hong Kong SAR operates the Mandatory Provident Fund and provides various benefits, including an Old Age Living Allowance, but also imposes a tax on pension income. Singapore's Central Provident Fund (CPF) is a unique system where savings accumulate for retirement, supported by various financial programs.

Malaysia focuses on job placement, reskilling, and a government retiree association, indicating a system where retirement income is typically around 60% of the last drawn salary. These diverse approaches reflect different priorities and financial structures aimed at securing the financial well-being of pensioners.

Table 2.4-2 Best practice of products and services for civil service pensioners and dependents

Country/ Products and Services	Canada	Germany	The Netherlands	Hong Kong	Singapore	Malaysia
Legislation/ Policy	Canada Pension Plan (CPP)	Civil Service Pensions Act *(Beamtenversorgungsgesetz - BeamtVG)*	General Civil Servants Pension Act (Algemene Pensioenwet Ambtenaren)	Mandatory Provident Fund (MPF)-Civil Service Provident Fund	Civil Service Act	Public Service Act 1992
	Public Service Pension Plan				Public Service Division (PSD) Circulars	Pension Act 1980
	Old Age Security (OAS)	Federal Civil Service Act *(Bundesbeamtengesetz* - BBG)			Code of Conduct for Civil Servants	
	Income Tax Act				Government Instruction Manuals	
	Pension Benefits Standards Act (PBSA)				Civil Service College	
	Provincial Pension Legislation				Tripartite Guidelines	
	Elder Law and Senior Protection Legislation					
	Human Rights Legislation					

Country/Products and Services	Canada	Germany	The Netherlands	Hong Kong	Singapore	Malaysia
Health	Universal health system	Universal health coverage through health insurance known as the Beihilfe system	Basic health insurance Healthcare allowance Personal contribution Long-term care Supplementary insurance	Widows' and Orphans Pension Scheme Civil Service Medical and Dental Benefits Diagnostic Services Free general consultation and acupuncture services for treatment purposes	MediShield Life MediSave Integrated Shield Plans (IPs) ElderShield Community Health Assist Scheme (CHAS) Pioneer Generation Package	Employees' Social Security Scheme (SOCSO) Employees' Health Insurance Medical Benefits under Employment Contracts Panel Clinics and Hospitals Government Healthcare Services Employees Provident Fund (EPF)
Finance	Guaranteed Income Supplement (GIS) Registered Retirement Income Funds (RRIFs) Registered Retirement Savings Plans (RRSPs) Tax on pension income	Pension System Pension Funds Retirement Planning Services Annuities and Insurance Financial Advisory Services Pension Counselling Servants Insurance Tax on pension income	AOW pension (PAYG) Tax on pension income	Pensioners' Welfare Fund Dependents' benefits Survivors' benefits Old age living allowance. Tax on pension income	Savings accrue in the CPF	Usually, retirement income is about 60% of the last drawn salary.
Lifelong Learning	Senior Discounts on Education Free or Reduced-Cost Audit Programs Community-Based Education Seniors' Centers and Associations Online Learning Platforms	Civil Service Academies Continuing Education Programs Senior Colleges Open Universities of the Third Age Online Learning Platforms like Coursera, edX, and Udemy Community Education Centers (Volkshochschule or VHS) Senior Clubs and Associations Volunteering and Mentoring	Health and Wellness Workshops Financial Literacy Training Lifelong Learning Programs Pension Regulations Continued Employment Reemployment Opportunities	Job placement/matching	National Silver Academy (NSA) SkillsFuture for Seniors (SFS) Community Centers and Senior Activity Centers University for Seniors Online Learning Platforms VWOs and Nonprofit Organisations Libraries Senior Learning Festival	Job placement/matching-JobsMalaysia Portal Job training (fee waivers, subsidised) INTAN-COUSERA Government Retiree Association University of Third Age (U3A) Senior Activity Centres

Country/ Products and Services	Canada	Germany	The Netherlands	Hong Kong	Singapore	Malaysia
Housing	Long-Term Care and Retirement Home Regulations	Retirement Homes or Senior Residences	Housing benefits, also known as *huurtoeslag*	Elderly Housing Scheme (EHS)	Government Rental Housing	Perumahan Penjawat Awam Malaysia (PPAM)
	Seniors' Housing Programs	Senior Housing Cooperatives		Senior Citizen Residences Scheme (SCRS)	Home Ownership Scheme (HOS)	Public Sector Home Financing Board (LPPSA)
	Home Adaptation Programs	Assisted Living Facilities		Hong Kong Housing Society (HKHS) Harmony Village	Civil Service Home Financing Scheme (CSHFS)	Affordable Housing Projects
	Property Tax and Rent Rebates	Age-Restricted Housing Communities		The Community Care Fund (CCF)	Staff Quarters	
	Reverse Mortgages	Cooperative Housing				
	Retirement Communities and Assisted Living	Rent Subsidies and Allowances				
		Age-Appropriate Housing Standards				
Social care	Seniors' Centres and Community Programs	Retirement Planning Services	Social Insurance Bank	Discounted recreational accommodation for pensioners	ComCare for Seniors	Funeral Assistance
	Senior Discounts and Benefits	Volunteering and Mentoring	Social Assistance		Senior Activity Centers (SACs)	Compassionate Transfer Limited Long-Term Care
	Supportive Housing and Long-Term Care	Community Education Centers	Supplementary Benefits		Senior Citizens' Home Safety and Enhancement Program (SCHS)	
	Caregiver Support	Long-Term Care Insurance	Municipal Social Programs		Community Home Visit Program (CHVP)	
	Community Support Services	Home Care Services			Transport and Mobility Assistance	
	Volunteer Opportunities	Day Care Centers			Active Ageing Programs	
					Dementia Support	
					Silver Generation Office (SGO Healthcare Services: Pioneer Generation Package)	

Lifelong Learning

These countries approach lifelong learning for seniors in diverse ways. In Canada, there is an emphasis on discounts, free programs, and community-based education, complemented by online platforms. Germany provides a comprehensive range of educational opportunities, from academies and colleges to online courses like Coursera and Udemy. The Netherlands emphasises wellness and financial literacy workshops alongside lifelong learning programs.

Hong Kong SAR focuses on health services and employment, while Singapore promotes a structured approach through the National Silver Academy, Skills Future for Seniors, and various community centres, libraries, and learning festivals. Malaysia stands out with its job placement and training programs and a dedicated government retiree association, catering to the needs of pensioners seeking continued employment or skill development in their later years. These approaches reflect different cultural priorities and educational structures.

Housing

Housing options and policies for seniors vary significantly across these countries. Canada emphasises on regulations governing long-term care and retirement homes, property tax and rent rebates, and programs for home adaptation. Germany offers a diverse range of senior housing options, from retirement homes to cooperative housing. The Netherlands stands out with housing benefits, known as huurtoeslag, to assist seniors in securing suitable housing. Hong Kong SAR focuses on schemes like the Elderly Housing Scheme (EHS) and the Harmony Village by the Hong Kong Housing Society (HKHS). Singapore boasts government rental housing and schemes like the Home Ownership Scheme (HOS). Malaysia concentrates on initiatives like the Public Sector Home Financing Board (LPPSA), and affordable housing projects. These different housing strategies reflect varying demographic trends and housing priorities, addressing the diverse needs of ageing populations in each nation.

Social Care

Social care services for seniors are diverse and tailored to the unique needs of each country. In Canada, a focus is placed on seniors' centres, supportive housing, and caregiver support, emphasising community-based care. Germany, on the other hand, offers a comprehensive system, including long-term care insurance and retirement planning services. The Netherlands features a robust social safety net with services provided through the Social Insurance Bank and various municipal programs. Hong Kong SAR stands out with its active ageing programs and support for seniors, including the Senior Citizens' Home Safety and Enhancement Program (SCHS). Singapore provides a wide range of services, from healthcare assistance to dementia support, under the Pioneer Generation Package. In Malaysia, the focus is on services like funeral assistance and limited long-term care, addressing the specific needs of its senior population. These programs reflect each country's approach to supporting the elderly and ensuring their well-being, showcasing the diversity in social care strategies.

2.4.3 In-Depth Analysis of Financial Source for Healthcare Services in Selected Country

Table 2.4-3 summarises the different types of healthcare services and the funding provided in selected countries. The sustainability of a country's healthcare system, encompassing primary, secondary, tertiary, specialised treatment, and long-term care, hinges on its chosen financial model—whether it is publicly funded, mixed, or privately funded. Consequently, an analysis and comparison of the financing models for each healthcare type in the chosen countries were conducted in relation to Malaysia's system.

Based on Table 2.4-3, there seems to be a pattern concerning the provision of healthcare services that differs from one another. In the Netherlands, many healthcare services are provided through public services and very few services are accessed through mixed funding and privately funded facilities. As a welfare state, the Netherlands provides a lot of services for the citizens through social policy initiatives.

On the other hand, Singapore seems to provide services through mixed funding and privately funded schemes. This provision is aligned with the philosophy of the government, where self-reliance is the main stay in policy-making, the second source of support is the community, and the government is the last resort (Choon, 2010).

Canada practises a mixed welfare state model with a focus on social programs and services that provide support to citizens. Canada's liberal-residual welfare model. Canada's population enjoys universal healthcare through a single-payer system, which is a hallmark of its welfare state. Social services are taxpayer-financed and are available to those who meet eligibility requirements. Germany practises a social democratic welfare model and provides robust welfare services for its citizens through semi-public institutions that share costs between individuals, their employers, and the government.

Germany's "social market economy" or *soziale Marktwirtschaft* is a middle ground between the more progressive Nordic Model and the US system (https://progressive.org/latest/germany-welfare-state-teach-united-states-makowski-211028/). Hong Kong SAR and Malaysia seem to be dependent on public-funded accessibility or by statutory insurance. Both countries lack services in long-term care and are dependent on private insurance to finance utilisation of the service.

Table 2.4-3 Types of healthcare services in selected countries

Countries	Primary (GP and preventive services)			Secondary		Tertiary				Specialised Treatment/Services								Long-term care	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
Netherlands																			
Singapore																			
Canada																			
Germany																			
Hong Kong																			
Malaysia																			

Public-funded (accessibility based on a small fee or covered by statutory healthcare insurance)

Mixed (accessibility depends on supplementary insurance cover or other funds)

Privately funded (accessibility depends on private insurance)

1. Visits and treatments by a GP
2. Dietary advice
3. Services to quit smoking.
4. Ambulance/ Emergency services
5. Hospital (outpatient)
6. Hospital (inpatient)
7. Specialists care
8. Cancer care
9. Hospice care
10. Mental health treatment
11. Prescription drugs
12. Dental care
13. Dialysis
14. Vision care
15. Rehabilitation (e.g. physiotherapy)
16. Medical devices and/or assistive devices
17. Seated patient transport/Medical transport
18. Intermediate and long-term care (non-residential)
19. Long-term residential care

2.5 Summary

As presented in this report, the comparative analysis of optimal practices in retirement pension systems and services for civil service pensioners can be divided into several key aspects. Notably, both Hong Kong SAR and Singapore have adopted a **unified retirement pension** approach for both public and private schemes, yet Singapore's system demonstrates a more comprehensive framework.

Another significant facet in **pension plan design** is the transition towards a Defined Contribution (DC) plan, aimed at enhancing scheme sustainability. Furthermore, among the six countries, Canada, Germany, Netherlands, Malaysia, and Singapore have embraced multi-pillar retirement pension plans. **Portability** is a prevalent feature across all these nations, except for Malaysia. The funding strategies for these services reflect distinct national philosophies, with Malaysia's welfare system is still in an evolving phase, lacking a clear typology. **Indexation** mechanisms are practised in three countries except Hong Kong SAR, Singapore and Malaysia.

The formulation of diverse legislations and policies underscores the commitment to ensuring the enduring viability of retirement pension plans and services. However, the frequency of policy adaptations varies across countries, with some nations enacting changes more dynamically in response to evolving needs. Regrettably, such agility appears to be lacking in the context of Malaysia's retirement pension landscape. Products and services (P&S) under the health pillar for these countries reflect distinct healthcare philosophies, from universal coverage to mixed systems with varying degrees of public and private participation.

Financial arrangements for retirement also vary among these countries, reflecting different priorities and financial structures aimed at securing the financial well-being of pensioners. Housing options and policies reflect varying demographic trends and housing priorities, addressing the diverse needs of ageing populations in each nation. Each country provides a robust social safety net with many emphasising on community-based care in supporting the elderly and ensuring their well-being tailored to unique needs. Due to differences in cultural priorities and educational structures, a wide range of educational opportunities have been offered to support the lifelong learning of seniors, from academies to online courses, discounted community-based programs, and job placement and training programs.

Views and Aspirations of Government Employees and Pension Recipients

This chapter delves into the views and aspirations of government employees and pensioners/pension derivative recipients in Malaysia. The results serve as an input for the development of the Career-Retirement Strategic Agenda (CReSA).

3.1 Views and Aspirations of Government Employees

The majority (51.6%) of respondents are in the age group below 40 years. The second-largest group consists of respondents aged 40-49 years, representing 33.7%. Respondents aged 50 years and above represent the smallest proportion, comprising 14.7% of the population

Government employees play a crucial role in shaping a nation's progress and public service delivery. Understanding the views and aspirations of government employees regarding retirement is crucial for crafting effective strategies to support their transition into the next phase of life.

This part explores various aspects related to work and retirement, such as knowledge, preparation, initiatives, as well as retirement facilities and services. Additionally, it explores their views on the pension system, attitudes towards retirement, retirement practices, and considerations concerning home ownership and housing options upon retirement. Furthermore, it examines the importance of social networks and also health and well-being. The findings are essential for facilitating the development of a strategic agenda focused on interventions to ensure a seamless transition into retirement.

3.1.1 Introduction

The Retirement Views and Aspirations Survey aims to obtain a comprehensive understanding of the perspectives and expectations of government employees concerning retirement. The insights gained from this study will serve as a foundation for developing strategies, policies, and programs that cater to the unique needs of government employees during their retirement years.

Overall, this study seeks to contribute to the enhancement of the retirement landscape for government employees in Malaysia, ensuring that they have the necessary support and resources to lead fulfilling and meaningful lives in their post-employment years.

The Retirement Views and Aspirations Survey among the government employees aims to achieve two main objectives:

1. To assess the knowledge, attitudes, and practices regarding life in old age and retirement; and
2. To identify the facilities and services that can contribute to well-being in retirement.

3.1.2 Results and Discussion

Respondent's Background
A total of 6,252 government employees participated in the survey, providing valuable insights into their demographic characteristics as illustrated in Figure 3.1-1. Their sex distribution was reasonably balanced, with 44.9% being males and 55.1% being females.

The mean age of the respondents is **40.8 years,** with ages ranging from 19 to 63 years. The majority of them fall within the age group of below 40 years, accounting for 51.6%. The second-largest age group is 40-49 years, representing 33.7% of the respondents. Individuals aged 50 and above make up a smaller proportion of the population, comprising 14.7%. Understanding the age distribution is crucial for identifying the different age cohorts within the surveyed population and tailoring strategies or interventions to address their specific needs and concerns. For instance, initiatives targeting career development and skill-building opportunities may be more relevant for younger employees, while strategies focusing on knowledge transfer and succession planning could be beneficial for older employees.

A significant majority (82.9%) of the respondents are married, followed by those who are never married (12.8%) and divorced/widowed/separated (4.4%). The largest ethnic group is Malay, accounting for 86.6% of the respondents. Furthermore, the presence of diversity within the workforce was observed, with representation from Chinese (2.6%), Indian (2.4%), and natives from Sabah (5.3%) and Sarawak (2.6%). Islam is the dominant religion among the respondents (91.6%) while Christianity (4.3%), Buddhism (1.8%), Hinduism (2.0%), and other religions (0.3%) are also represented.

An analysis of the highest education level reveals that most of the respondents pursued higher education, with 57.7% holding a university degree. Additionally, 23.3% of them completed secondary education and 15.6% obtained their education from a college, community college, or institute. Only a small percentage (0.4%) reported primary education as their highest attainment. These findings highlight the diverse educational backgrounds and competencies within the government workforce.

Demographic Characteristics of the Respondents
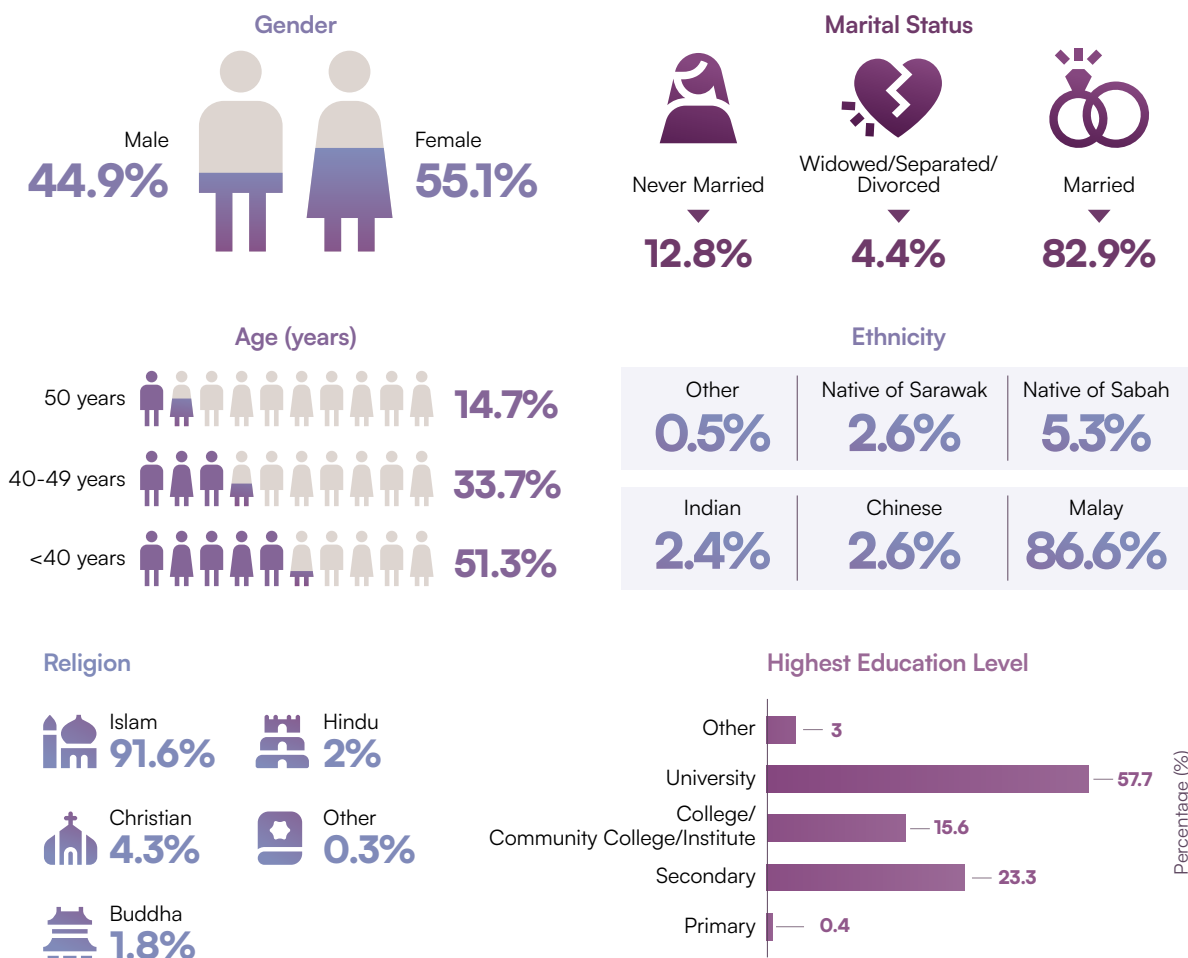
Figure 3.1-1
Demographic characteristics of the respondents (N=6,252)

*Age (M, SD = 40.8, 7.86)

The findings also offer an understanding of the respondents' various household characteristics. It provides a concise overview and enhances insights regarding their household composition and caregiving responsibilities (Table 3.1-1).

The average household size is 4.5 members. Most respondents (66.2%) have a household size ranging from 2 to 5 members. A small percentage (4.8%) live alone, while the remaining (1.3%) have a household size of 10 members or more.

Table 3.1-1 Household characteristics of the respondents (N=6,252)

Household Characteristics	Category	Frequency (n)	Percentage (%)
Household size mean, SD = 4.5, 1.90 min, max = 1, 12	1 (living alone)	295	4.8
	2-5	4101	66.2
	6-9	1718	27.7
	10 and above	79	1.3
Number of children who are still studying mean, SD = 1.8, 1.62 min, max = 0, 7	0	2060	33.1
	1-2	2061	33.1
	3-4	1772	28.4
	5 and above	336	5.4
Number of special/disabled children mean, SD = 0.06, 0.01 min, max = 0, 2	0	5937	95.0
	1	276	4.4
	2	35	0.6
Number of parents under care mean, SD = 1.1, 0.96 min, max = 0, 4	0	2119	34.0
	1	1813	29.1
	2	2022	32.4
	3	171	2.7
	4 and above	111	1.8
Number of other dependents mean, SD = 0.45, 1.10 min, max = 0, 8	0	4938	79.0
	1-2	935	15.0
	3-4	272	4.3
	5 and above	104	1.7

On average, the respondents have 1.8 children who are still studying. Approximately one-third of respondents have no children who are still studying while an equal percentage (33.1%) have 1-2 children who are still studying. The majority of respondents (95.0%) do not have any special or disabled children while a small percentage (4.4%) have one special or disabled child.

Furthermore, the respondents are responsible for the care of an average of 1.1 parents, indicating that they may have additional responsibilities and obligations in the caregiving role. A significant proportion (34.0%) do not have any parents under their care. Nearly one-third (29.1%) have one parent under their care, while 32.4% have two parents under their care. The respondents also have an average of 0.45 of other dependents. The majority (79.0%) do not have any other dependents while approximately 15.0% have 1-2 other dependents.

Demographic Profile

Majority of the respondents are female (55.1%).

Majority of the respondents are married (82.9%), Malay (86.6%), and Muslim (91.6%).

The respondents are in their prime working years. Their mean age is 40.8 years, with 77.7% fall within the age range of 31-50 years.

The average household size is 4.5 members, with the majority in the range of 2-5 members (66.2%).

On average, the respondents have 1.8 children who are still studying.

Most respondents do not have special/ disabled children (95.0%), parents under care (34.0%), or other dependents (79.0%).

Work and Retirement

Figure 3.1-2 displays a pyramid-shaped structure of the respondents' employment categories where supporting staff constitutes the largest proportion at 64.3% and forms the broad base of the pyramid. This is followed by the management and professional group at 34.6% in the middle section and the top management group with 1.1% who represents the smallest segment at the pinnacle of the pyramid.

Furthermore, Figure 3.1-3 provides a visual representation of the key findings related to various aspects of work and retirement among the respondents. In terms of working experience, half of the respondents have been working for 11-20 years (50.0%), followed by 1-10 years (24.0%) and 21-30 years (19.9%). A smaller percentage has over 30 years of experience (6.1%). This distribution highlights the hierarchical structure and staffing composition within the government sector in Malaysia. A vast majority (93.9%) has confirmed employment status while a smaller percentage (6.1%) is not yet confirmed.

Examining retirement options and preferences is essential in understanding the needs, aspirations, and expectations of government employees as they approach the end of their careers. The pension scheme is the most popular option among respondents (95.3%), followed by the Employees Provident Fund (EPF) Scheme (3.4%) and not applicable (1.3%). The promise of a pension plan, which provides regular income during the retirement, offers employees a sense of assurance and peace of mind, knowing that their future financial needs will be taken care of. However, individuals must also actively engage in financial planning for their old age to ensure a comfortable and fulfilling retirement. By combining the benefits of a pension plan with personal financial planning, government employees can enhance their financial security and effectively prepare for the challenges and opportunities of old age.

Employment Categories

1.1% — Top Management

34.6% — Management & Professional

64.3% — Supporting Staff

Figure 3.1-2 ▶
Distribution of employment categories (N=6,252)
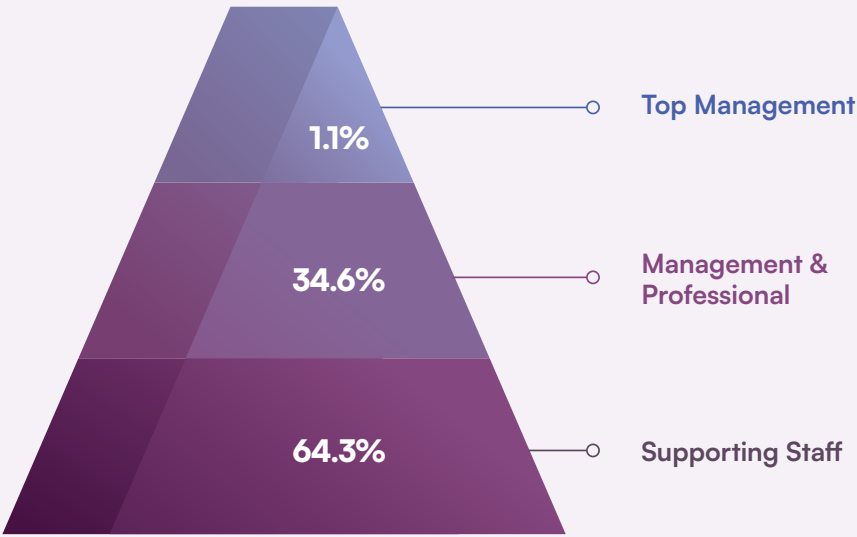
In addition, most respondents (69.7%) have a mandatory retirement age while a significant proportion (21.0%) have an optional retirement age and a smaller percentage (9.3%) are unsure of their retirement age. On average, the respondents anticipated to retire at the age of 58.16 years. A majority of them (85.9%) plan to retire between the ages of 56 and 60, a smaller proportion (9.0%) expect to retire between the ages of 51 and 55, while a minority (5.1%) plan to retire within the age range of 41 to 50.

When it comes to preferred work arrangements during retirement, the most preferred option is flexible work (45.8%), followed by voluntary work (15.6%), never working again (29.8%), part-time work (5.1%), and full-time job (3.7%). This highlights the importance of offering flexible work arrangements to pensioners, which can help retain valuable expertise and experience while accommodating their desire for reduced work hours or a more balanced lifestyle. Organisations and community initiatives can leverage this preference by creating opportunities for pensioners to participate in volunteering work, mentoring programs, or other forms of social engagement.

Work Experience and Retirement
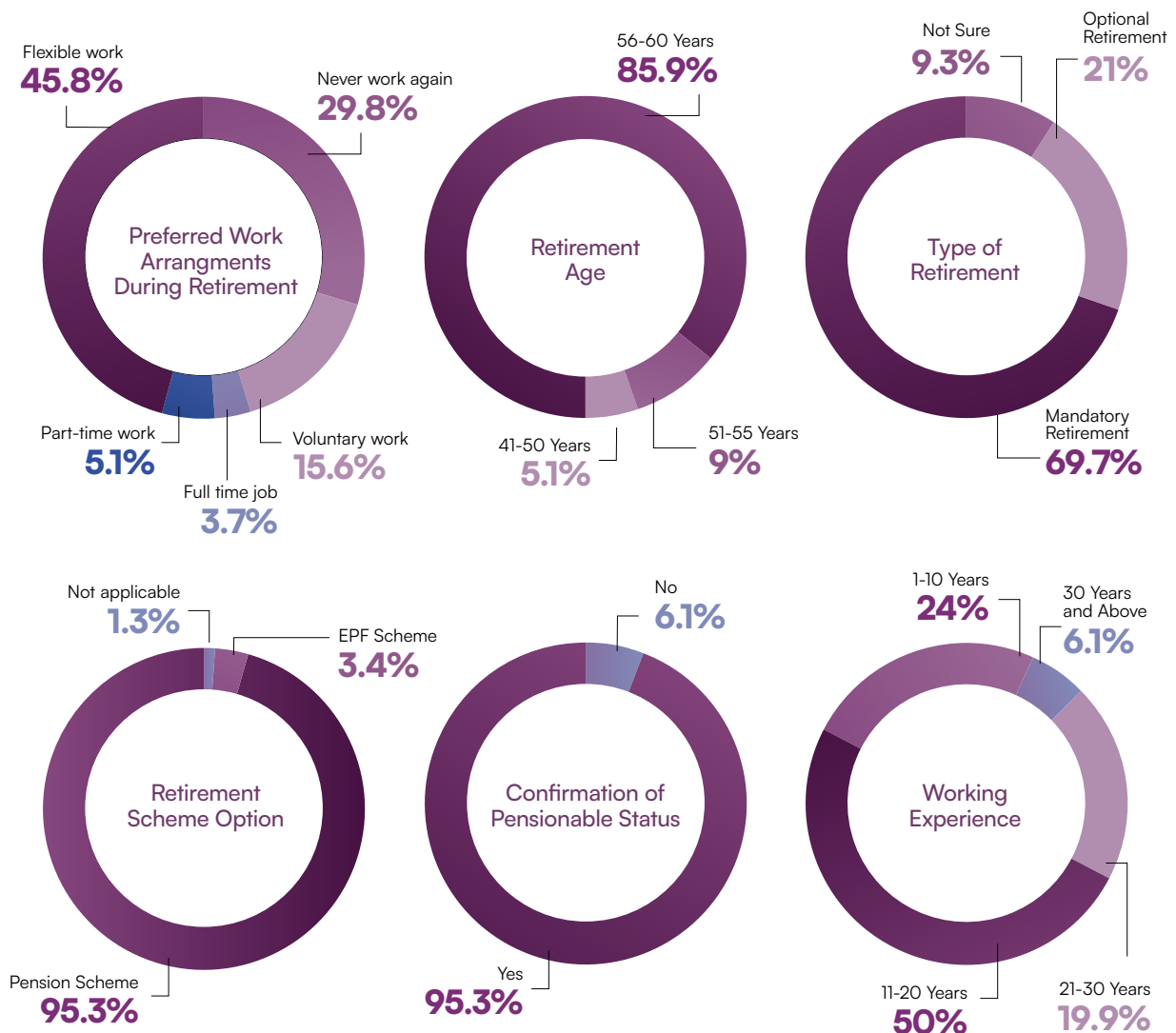
*Working experience (M=16.14, SD=8.17)
Age of retirement (M=58.16, SD=3.07)

Figure 3.1-3
Work experience and retirement
preference of the respondents (N=6,252)

As a substantial proportion of respondents expressed a desire to never work again during retirement, there is a need for retirement planning programs that focus on financial preparedness, enabling individuals to retire comfortably without the need for continued employment. Understanding these preferences for flexible work arrangements during retirement can guide organisations and policymakers in developing supportive policies and programs that align with the needs and aspirations of pensioners, thus promoting a smooth transition into retirement and enhancing overall well-being.

Respondents who choose to work during retirement have various motivations (Figure 3.1-4). The top reasons include the desire to remain mentally active (82.6%) and maintain physical activity (76.3%). Additionally, the need for a continued source of income (62.9%) and maintaining a social network (56.6%) are also important considerations for those who opt to work in retirement. Facing new challenges (13.5%) and health insurance benefits (6.1%) rank relatively lower among the factors influencing the decision to work in retirement.

Reasons to Work During Retirement

Figure 3.1-4
Reasons to work during retirement
(n=4,392)

The sources of income in retirement vary among the respondents (Figure 3.1-5). A majority of the respondents (95.6%) rely on their pension as a significant source of income. Other sources include employment-related income (26.2%), income related to property (29.3%), and income given by their children or other family members/heirs (17.3%). Additionally, a small percentage of the respondents receive income from friends or neighbours (0.5%) and periodic donations by organisations/government/zakat (2.6%). It is worth noting that a portion of the respondents (13.8%) reported uncertainty regarding their sources of income in retirement. These findings highlight the diverse financial circumstances and strategies adopted by pensioners to sustain their income during retirement.

Sources of Income During Retirement
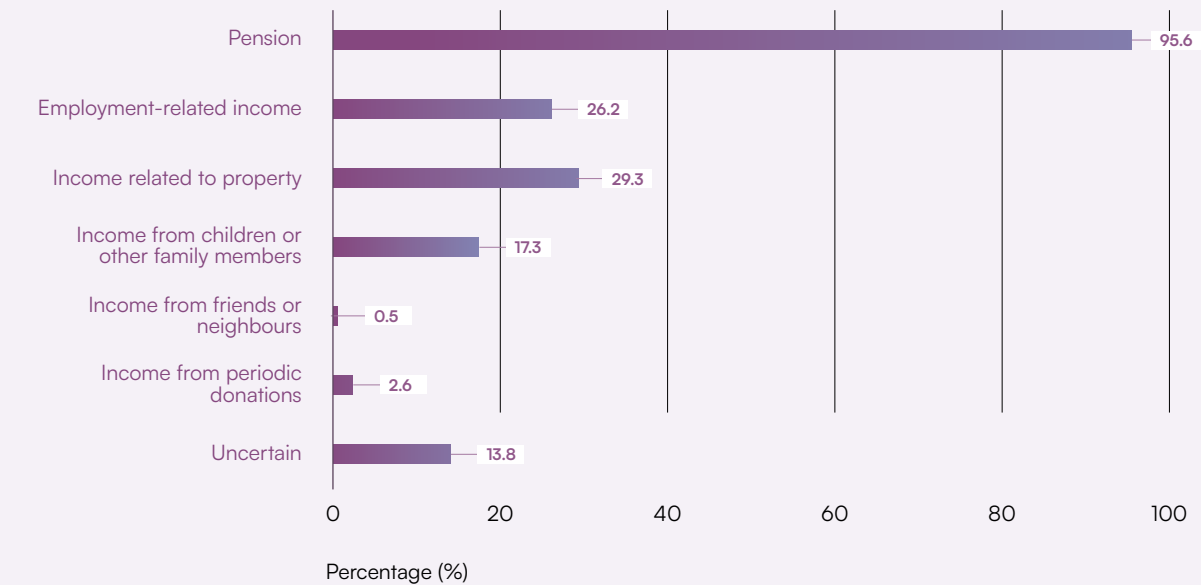
Figure 3.1-5
Sources of income during retirement
(N=6,252)

Demographic Profile

Most of the respondents are from the supporting staff category (64.3%).

Half of the respondents had 11-20 years of working experience.

The average retirement age among the respondents is 58.16 years.

Almost all respondents have confirmed employment status (93.9%) and are enrolled in the pension scheme (95.3%).

The majority of respondents (69.7%) have a mandatory retirement age set and anticipate retiring at an average age of 58.16 years.

Flexible work arrangement is the most preferred option during retirement (45.8%), followed by voluntary work (15.6%).

Maintaining mental and physical activity are significant motivations for working in retirement (82.6% and 76.3% respectively).

Pension is identified as the primary source of income during retirement (95.6%).

Knowledge on Retirement

This part focuses on the knowledge of government employees regarding retirement-related statements. The respondents were presented with five statements and they had to determine whether each statement was true or false. The statements cover various aspects of **retirement planning, pension benefits, health benefits, job promotion,** and the **understanding of different needs in different life stages.** Exploring the respondents' perceptions offers insights into their level of awareness and understanding of retirement-related topics. This knowledge

is crucial for guiding educational initiatives, policy development, and support programs aimed at promoting financial security and well-being during retirement.

The results presented in Table 3.1-2 show the respondents' correct responses. Most of them provided correct answers for the given statements. The statement "Pension is a right for government servants" had the lowest percentage (26%) of respondents answering correctly. The results indicate a gap in knowledge regarding pension entitlement among the surveyed employees.

Table 3.1-2 Knowledge on retirement (N=6,252)

No.	Statement(s)	Correct Response Percentage (%)
1.	I need to get promoted to the highest position within the job category in order to earn the maximum pension benefit.	73.5
2.	I do not need to look after my health as I am eligible for health benefits after retirement.	96.9
3.	I do not need to plan for retirement as I am eligible for pension during retirement.	87.4
4.	I should be aware of different needs in different stages of life and be prepared for it.	96.7
5.	Pension is a right for government servants.	26.0

Key Findings

- A majority of respondents demonstrated awareness and understanding of retirement-related matters by correctly answering the provided statements.
- Only 26.0% of the respondents have a correct understanding of their entitlement to a pension.

Retirement Preparedness

The subsequent part on retirement preparedness explores **income adequacy, savings capabilities, barriers to saving,** and the **envisioned retirement lifestyle.** It also delves into retirement plans, recommendations for initiatives, facilities, and services to support pensioners and pension derivative recipients, with an emphasis on accessibility. Recommendations will be put forth to enhance and sustain the effectiveness of the pension system.

When asked about their current income adequacy (Figure 3.1-6), the respondents had varying perceptions. Many of them (34.7%) found their income to be adequate for most things but not all, 27.8% deemed it sufficient for basic needs, 17.1% considered it inadequate, 10.4% reported having enough income for all necessary expenses and savings, and 10.0% believed it was adequate for all necessary expenses. This indicates that there may be financial challenges in meeting their needs and saving for the future.

10.4%
Adequate for all
things needed and
enough to save

17.1%
Not adequate

10.0%
Adequate for all
things needed

27.8%
Adequate for
basic needs

**Perceived
Income Adequacy**

34.7%
Adequate for most
things but not all

Figure 3.1-6
Perceived income adequacy of
the respondents (N=6,252)
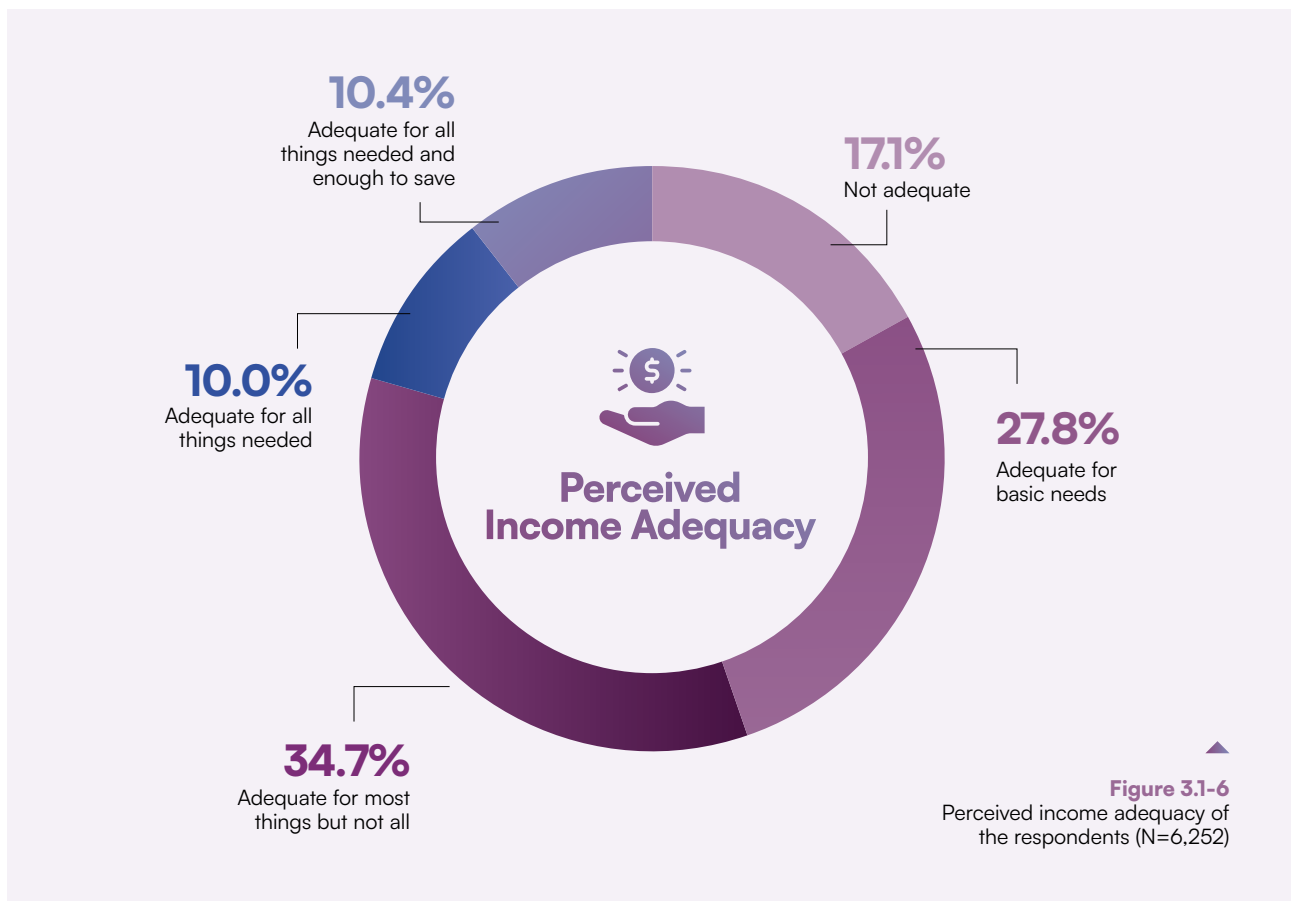
Detailed results pertaining to retirement savings and its barriers can be found in Table 3.1-3. The findings reveal that a majority of respondents (54.0%) engage in monthly retirement savings, although not consistently, while a significant proportion (26.9%) do not save for retirement. This highlights the need for promoting consistent and regular retirement savings habits among individuals to ensure better financial preparedness for their retirement years.

Only 1.2% of the respondents do not allocate any portion of their salary for retirement savings. On the other hand, a considerable number of them are actively saving a portion of their salary for retirement, with an average allocation of 13.6% of their total monthly income. Upon closer examination, an equal percentage (36%) of respondents allocate 1%-9% and 10%-19% of their salary for retirement savings. A smaller proportion allocates higher percentages, with 13.1% allocating 20%-29% and 13.6% allocating 30% and above. Encouraging higher allocation percentages would contribute to stronger financial preparedness for retirement.

As identified by the respondents, the primary barriers to saving for retirement include the cost of basic expenses (88.1%) and prioritising paying down debt (78.1%). Other significant factors include education expenses for children/ grandchildren (57.0%). These barriers highlight the financial challenges and competing priorities that individuals face when trying to save for retirement.

The results also showed that only 45.9% of the respondents have used online retirement calculators, while 54.1% have yet to utilise the tools. The use of online retirement calculators gives a better understanding of retirement savings. Thus, it is essential to encourage its utilisation among government employees.

Table 3.1-3 Percentage distribution of saving behaviours and barriers to save for retirement (N=6,252)

Saving Behaviours	Percentage (%)
Monthly Retirement Savings	
Yes, on a regular basis	19.1
Yes, but not consistently	54.0
No	26.9
Allocation of salary for retirement savings (M=13.60, SD=13.45)	
No allocation	1.3
1%-9%	36.0
10%-19%	36.0
20%-29%	13.1
30% and above	13.6
Barriers to saving for retirement	
The cost of basic expenses	88.1
Prioritising paying down debt	78.1
Prefer to spend my money on things that I enjoy today	10.4
Hard to know how to save	2.6
Education expenses for my children/grandchildren	57.0
Too old for it to matter	0.8
Partner out of work	11.7
Too young and still have lots of time to save	1.5
Loved one has a costly health problem	8.0
Has experience in utilising the online retirement calculator?	
Yes	45.9
No	54.1

In Figure 3.1-7, the top three preferences regarding their lifestyle in retirement are as follows:

1. Implementing new things that are unrelated to their current lifestyle - 86.1% of the respondents expressed this intention, indicating a desire for exploration and new experiences during retirement.

2. Working as needed - 78.6% of the respondents indicated their willingness to work on a flexible basis during retirement, suggesting the intention for continued engagement in employment or income-generating activities.

3. Continuing retirement passively and not being involved in many activities — 60.4% of the respondents preferred a more passive approach to retirement, highlighting a desire for rest or a quieter lifestyle with fewer active engagements.
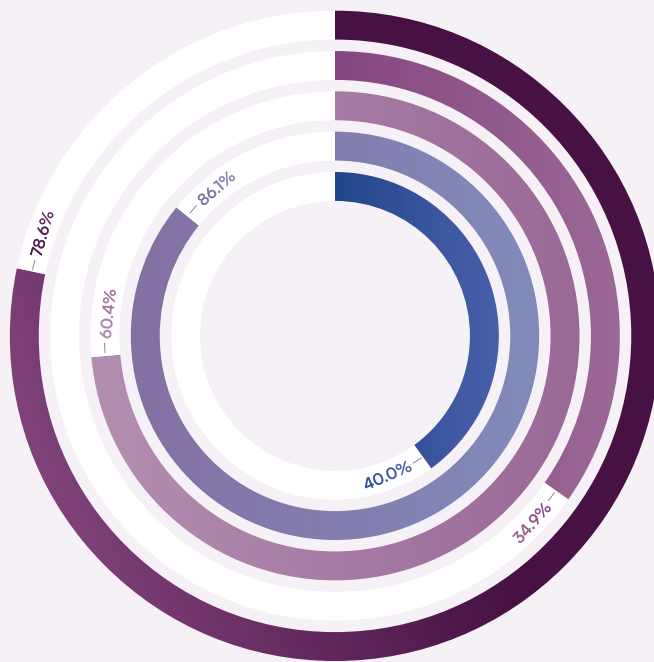
Envisioned Retirement Lifestyle

- I will work as needed
- I keep working to make ends meet
- I will continue retirement passively and not be involved in many activities
- I will implement new things that are not related to the current lifestyle
- I do not want to change my lifestyle in retirement

Figure 3.1-7
Envisioned retirement lifestyle (N=6,252)

To achieve the envisioned lifestyle in retirement, the respondents have taken various preparatory steps, as indicated by the survey results (Figure 3.1-8):

1. Retirement savings - 69.2% of the respondents have actively saved for retirement, recognising the importance of financial preparedness to support their desired lifestyle.

2. Started to deepen/learn new skills - 43.1% of the respondents have embarked on acquiring new skills, indicating a proactive approach to personal development and growth during retirement.

3. Explore job opportunities during the retirement - 36.5% of the respondents expressed their intention to explore job opportunities even during the retirement, indicating a desire to stay engaged and potentially supplement their income during their retirement years.

Explore job opportunities after retirement
36.5%

Have started to deepen/learn new skills
43.1%

Attend seminars/courses to improve skills
33.6%

Retirement savings
69.2%
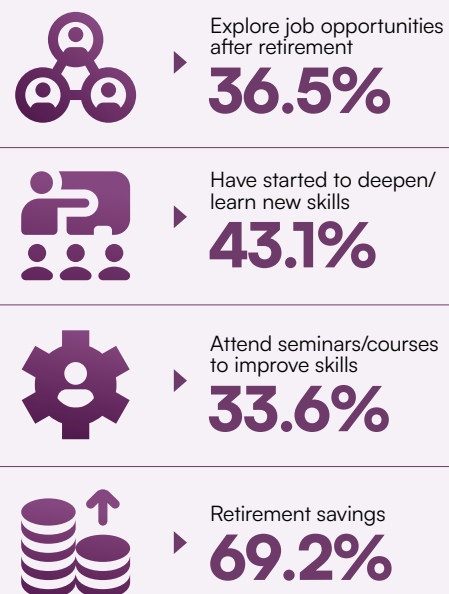
Figure 3.1-8
Preparation to fulfil lifestyle envisioned (N=6,252)

Next, the respondents were asked about their retirement planning (Figure 3.1-9). The results revealed that 57.1% of the respondents reported that they have a retirement plan, although it is not written. This indicates that they have some level of planning for their retirement. However, only 3.7% stated that they have a written retirement plan, highlighting a lower level of formalised planning. Therefore, there is a need to emphasise the importance of formal retirement planning. Creating written retirement plans can contribute to a more structured and secure future, providing a clear roadmap to achieve the desired retirement goals.

3.7%
I have a written plan

15.5%
I'm not sure

16.6%
I have no plans

Retirement Planning

57.1%
I have a plan but not written

7.1%
I don't need to make plans because I will get my pension and benefits when I retire
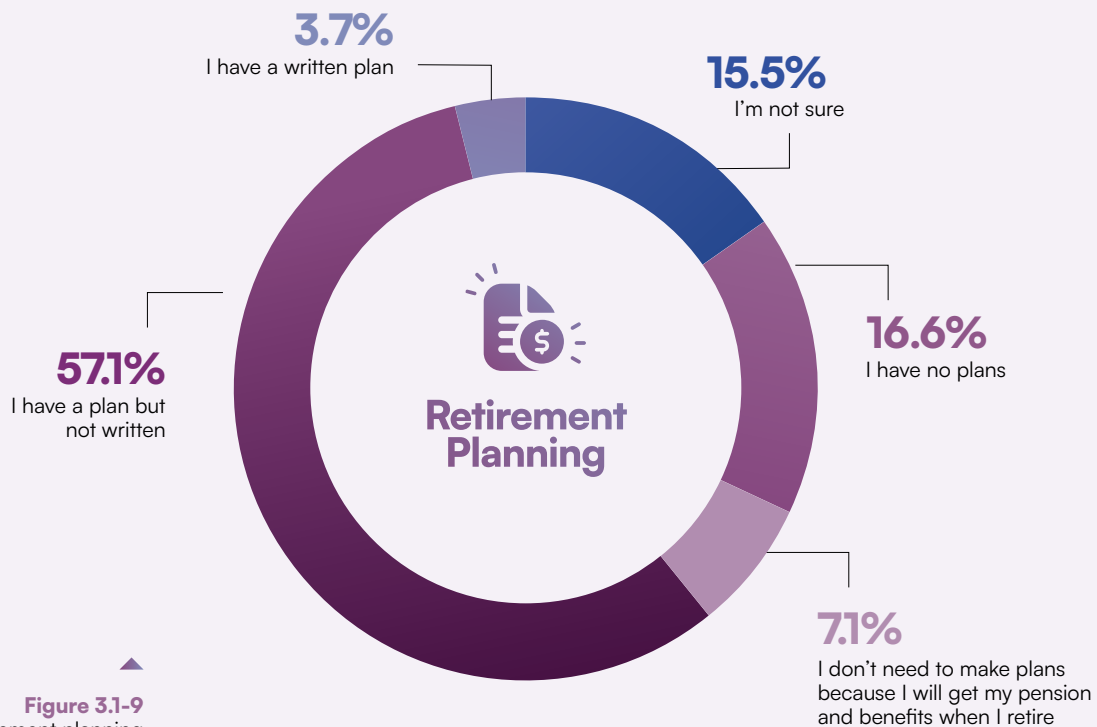
Figure 3.1-9
Retirement planning
(N=6,252)

Key Findings

- Most respondents (34.7%) perceived their current income to be adequate for most expenses but not all.

- A majority of the respondents (54.0%) practice monthly retirement savings, although not consistently.

- High level of awareness of retirement savings. Only 1.2% do not allocate any portion of their salary for retirement savings. On average, the respondents allocated 13.6% of their total monthly income for that purpose.

- The primary barriers to saving for retirement include the cost of basic expenses (88.1%), prioritising paying debts (78.1%), and education expenses for children/grandchildren (57.0%).

- Only 45.9% of the respondents have experience in utilising the online retirement calculator, while 54.1% have yet to utilise the tool.

- A majority of the respondents (86.1%) envision implementing new activities unrelated to their current lifestyle during retirement. Of the 86.1% population, 69.2% actually saved for retirement to achieve their desired retirement lifestyle.

- Only 3.7% have a written retirement plan.

Retirement Initiatives

The findings about retirement aspirations reveal several key initiatives that can be created in preparation for pensioner/pension derivative recipients as they embark on their retirement journey (Figure 3.1-10). The highest result was participation in the retirement preparation module on health, financial, social, and psychological, with 74.2% of respondents indicating their willingness to participate. This suggests a positive inclination towards acquiring knowledge and skills related to the health, financial, social, and psychological aspects of retirement.

On the other hand, automatic registration for retirement savings schemes received a 66.7% response, indicating a relatively high level of awareness and interest in this area. Similarly, automatic registration for health insurance schemes received a 54.2% response, indicating a moderate level of acceptance. The lowest result was on training to work again, with only 18.1%. It indicates a relatively low level of interest among government employees in pursuing training programs to re-enter the workforce during the retirement.

Overall, these results highlight the importance of providing opportunities for retirement education and facilitating automatic registration for retirement savings and health insurance schemes. This can help individuals to be better prepared for retirement and ensure access to necessary financial and healthcare coverage.

Expected Retirement Facilities and Services

The following part focuses on identifying the facilities and services that should be established for the benefit of future pensioners and pension derivative recipients to address their needs and preferences.

Facilities

The top three types of facilities (Figure 3.1-11) for future pensioners/pension derivative recipients are **'co-payment' facilities at private panel clinics (80.1%), discounts on transportation facilities including air/e-hailing/private transportation (74.0%), and holiday accommodation discounts (57.6%).** It indicates a strong demand among the respondents for accessible and affordable healthcare services, discounted transportation options, and discounted holiday accommodations.

Proposed Retirement Initiatives

74.2%

Participation in the retirement preparation module on health, financial, social and psychological

34.9%

Voluntary registration of health insurance schemes

48.5%

Voluntary registration of retirement savings schemes

54.2%

Automatic registration of health insurance schemes

66.7%

Automatic registration of retirement savings schemes

Figure 3.1-10
Type of initiatives for future pensioner/pension derivative recipients (N=6,252)

The findings imply that to cater to the needs and preferences of pensioners/pension derivative recipients, it is important for relevant authorities or organisations to establish co-payment facilities at private panel clinics, negotiate discounted transportation options, and collaborate with accommodation providers to offer special rates for pensioners. These facilities can improve pensioners' overall well-being and quality of life by addressing their healthcare, transportation, and leisure needs.

Proposed Retirement Facilities and Services
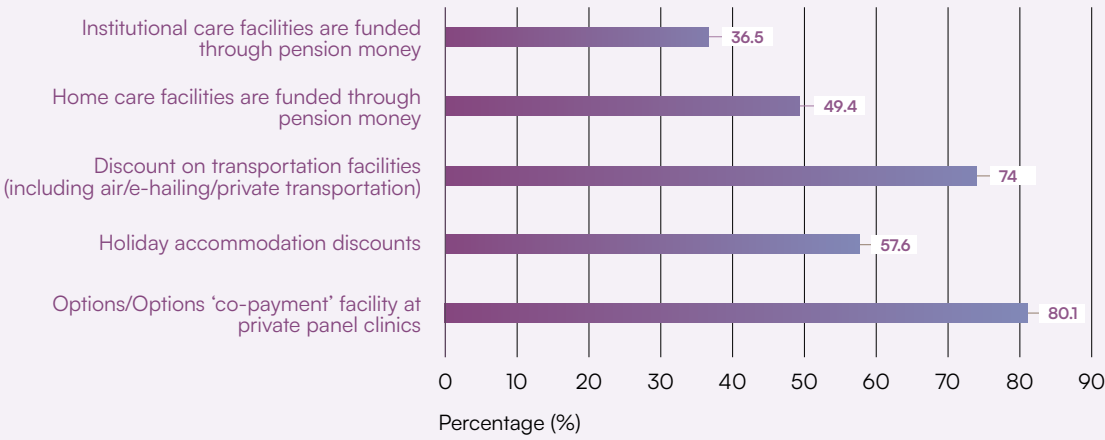
Figure 3.1-11
Type of facilities for future pensioners/
pension derivative recipients (N=6,252)

Services

Meanwhile, the top three services preferred by the future pensioners are **online medical service assistance** such as hospital appointment/haemodialysis centre (90.7%), **self-service service through the MyPesara application** (79.2%), and **advisory and consulting services on health, financial, social, and psychological** (70.4%).

These findings (Figure 3.1-12) highlight the importance of implementing online and self-service platforms to enhance accessibility and convenience for pensioners. Additionally, the provision of advisory and consulting services can greatly contribute to addressing the diverse needs and concerns of pensioners, promoting their overall well-being and quality of life.
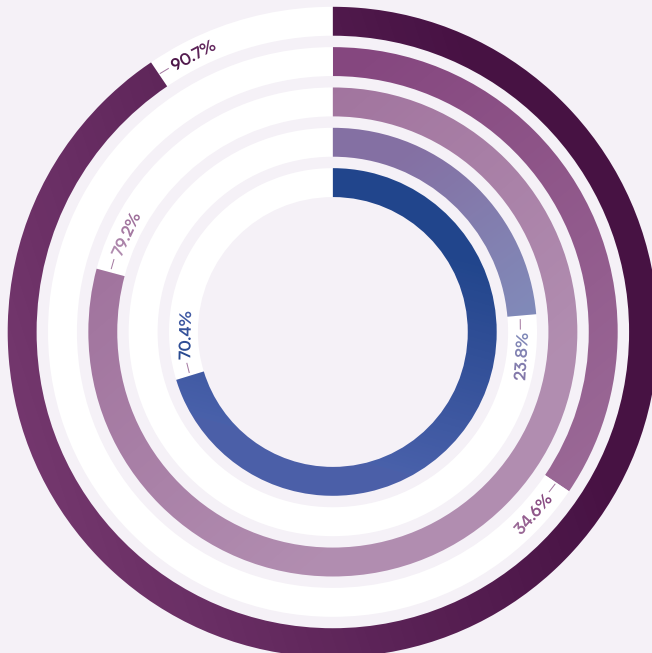
Proposed Services

- Online medical service assistance (hospital appointment haemodialysis centre)
- Online self-service service (Self Service Channel) for example Chat Bot, Online Portal
- Self-service service through the MyPesara application
- Online awareness/talking program service
- Advisory and consulting services (regarding health, financial, social and psychological)

Figure 3.1-12
Type of services for future pensioners/
pension derivative recipients (N=6,252)

These findings highlight the importance of implementing online and self-service platforms to enhance accessibility and convenience for pensioners. Additionally, the provision of advisory and consulting services can greatly contribute to addressing the diverse needs and concerns of pensioners, promoting their overall well-being and quality of life.

Figure 3.1-13 illustrates that the majority of the respondents expressed the importance of accessibility to services. Specifically, 76.6% of the respondents highlighted the significance of establishing a **Pensioners One Stop Center**, catering to various affairs such as retirement benefit applications, financial assistance, and health services.

Service accessibility (addition of KWAP branch-collaboration with SUK/LA/UTC*)
71.9%

Pensioners One Stop Center for pensioners' affairs such as applications for retirement benefits, finance, health services and others
76.6%

Figure 3.1-13
Access to retirement services (N=6,252)

Additionally, 71.9% of the respondents emphasised the need for service accessibility through the collaboration of KWAP branches with the State Government Secretary, Local Authority, and Urban Transformation Center. These findings underscore the demand for convenient and centralised access to retirement-related services to support the needs and welfare of pensioners/pension derivative recipients.

Pension System

The anticipated growth in the older population and extended life expectancy are projected to contribute to the government's financial burden and increased pension payment obligations. According to the survey results (Figure 3.1-14), the top three key recommendations for supporting and enhancing the pension system are:

1. **Improve the current pension system** (91.5%): Enhancing the existing system to ensure its effectiveness and reliability in providing adequate retirement benefits.

2. **Encourage additional personal savings** (76.2%): Promote proactive saving and investment by individuals to reduce reliance on the government pension system.

3. **Introduce a contributory pension system** (72.2%): Establish a sustainable financing mechanism by involving both employers and employees in contributing to a pension fund.

Increasing taxes received the least support with only 4.9% of the respondents favouring this option.

These recommendations highlight the need for a multi-faceted approach to strengthen the pension system, focusing on contributions from employers and employees, personal savings, and continuous improvements to the existing system. The findings also indicate a reluctance to consider increasing taxes as a viable solution.

Recommendations to Enhance the Pension System

91.5%
Improving the current pension system

4.9%
Increase taxes

76.2%
Encourage additional personal savings

10.8%
Increase the retirement age

72.2%
Introducing a contributory pension system (employers and employees contribute to a pension fund)

37.1%
Reduce the number of civil servants

Figure 3.1-14
Recommendations to enhance the pension system (N=6,252)

Key Findings

- Most preferred retirement aspirations for the benefit of future pensioners/pension derivative recipients:
    a. Initiatives: Participation in the retirement preparation module on health, financial, social, and psychological (74.2%)
    b. Facilities: 'Co-payment' at private panel clinics (80.1%)
    c. Services: Online medical assistance for hospital appointments/haemodialysis centre (90.7%)
- The demand for convenient and centralised access to retirement-related services to support the needs and welfare of pensioners through a Pensioners One Stop Center and collaboration of KWAP branches with the State Government Secretary, Local Authority, and Urban Transformation Center.
- Almost 53% of the respondents expressed the need to review the pension payment and benefits for future pensioner/pension derivative recipients.
- The government must prioritise on improving, strengthening, and supporting the existing pension system (91.5%).

Attitudes towards Retirement

An eleven-item scale was administered to government employees to identify their attitudes towards retirement. Table 3.1-4 shows the percentage of each response.

Table 3.1-4 Agreement scale for attitudes towards retirement

Items	Agreement Scale (1-Strongly Disagree to 5-Strongly Agree)				
	1	2	3	4	5
	Percentage (%)				
1. Retirement is something I look forward to.	3.7	6.0	22.3	24.7	43.3
2. Retirement allows me to fulfil unfulfilled dreams.	4.5	9.0	26.8	27.6	32.1
3. I believe retirement opens up opportunities for self-development.	4.1	8.7	27.8	29.6	29.8
4. I think life in retirement will be more fun.	3.1	7.1	24.4	30.4	35.0

Items	Agreement Scale (1-Strongly Disagree to 5-Strongly Agree)				
	1	2	3	4	5
	Percentage (%)				
5. Retirement does not mean feeling lonely because of the loss of friends.	3.4	5.2	17.7	30.9	42.8
6. Retirement gives a person the opportunity to be active in community activities.	1.9	3.9	16.3	32.5	45.4
7. I am worried that after retirement, I will find it difficult to get sympathy and support from others.	40.7	24.9	21.7	7.9	4.8
8. Retirement is the removal of a person from the position he holds due to old age.	43.4	21.4	18.0	9.4	7.8
9. Retirement is more about closing a person's opportunity and ability to continue contributing.	47.2	24.4	17.2	6.9	4.3
10. I have no problem giving up my current position when it is time to retire.	5.8	4.8	15.8	24.7	48.9
11. When I retire later, I will not feel the great loss of benefits and power that I had when I was still working.	9.7	9.4	24.1	24.0	32.8

The top three items that received the highest percentage of "strongly agree" response were: "I have no problem giving up my current position when it is time to retire" (48.9%), "retirement gives a person the opportunity to be active in community activities" (45.4%), and "retirement is something I look forward to" (43.3%). The total score of attitudes towards retirement was 78.1%, which was considered **"good"** as it exceeded the 75th percentile.

Independent samples t-test was conducted to examine the difference in attitudes towards retirement between males and females. The findings suggested **no difference in attitudes towards retirement between males** (37.3 ± 7.69) and females (37.6 ± 6.72), t = -1.517, p = 0.129. Besides, a one-way analysis of variance (ANOVA) was conducted to examine the difference in attitudes scored by age groups (< 40 years old, 40-49 years, and 50 and above). The analysis reported significant results (F = 15.958, p < 0.001). The post-hoc analysis reported that those aged less than 40 (37.0 ± 7.41) scored significantly lower than those aged 40-49 (37.7 ± 6.84) and aged 50 and above (38.4 ± 6.91) (both at p < 0.001). In addition, a one-way ANOVA was also conducted to check the difference in attitudes towards retirement between three job categories: top management group (principal position Grade C and above), management and professional group, and supporting group. It reported significant results (F = 4.052, p = 0.017). Post-hoc test revealed that the attitude score was significantly higher in the management and professional group (37.7 ± 6.82) than in the supporting group (37.3 ± 7.37) (mean difference = 0.47, p = 0.040).

Key Findings

- The total attitudes of the government employees towards retirement score was 78.1%, indicating a positive attitude towards retirement.
- There were no notable variations in retirement attitudes observed between genders.
- Younger (below 40 years old) government employees reported lower attitudes towards retirement scores than older (40 and above) government employees.
- Supporting groups reported lower attitudes towards retirement scores than the management and professional groups.

Practices for Retirement

This study measured retirement practices in three aspects: **financial, health,** and **psychological**. Tables 3.1-5, 3.1-6, and 3.1-7 show the respondents' financial, health, and psychological retirement practices, respectively. For financial practice, most government employees (78.9%) did not invest in Private Retirement Schemes for long-term retirement investments. More than half of the respondents did not buy stocks, funds, or bonds for long-term retirement investments (60.9%). Regarding health, 37.7% of the respondents did not purchase medical insurance while 19.6% of the respondents did not discuss their future retirement with pensioners (psychological aspect).

Table 3.1-5 Financial practices for retirement

Financial Practices	Yes	No
	Percentage (%)	
1. I bought fixed assets (house, building, land) for retirement.	87.8	12.2
2. I buy stocks, funds or bonds for long-term investment for retirement.	39.1	60.9
3. I invest in a Private Retirement Scheme for long-term investment for retirement.	21.1	78.9
4. I bought life insurance or Takaful.	64.5	35.5
5. I bought personal accident insurance.	63.5	36.5
6. I set aside money specifically for donations.	66.5	33.5

Table 3.1-6 Health practices for retirement

Health Practices	Yes	No
	Percentage (%)	
7. I bought medical insurance.	62.3	37.7
8. I exercise at least 30 minutes a day.	66.6	33.4
9. I do a regular medical examination at least once every 2 years.	76.9	23.1
10. I do not practice habits that are harmful to health (addiction to cigarettes/vape/alcohol/drugs).	85.7	14.3
11. I practice healthy eating practices to maintain an ideal weight.	85.0	15.0

Table 3.1-7 Psychological practice for retirement

Psychological Practices	Yes	No
	Percentage (%)	
12. I cultivate hobbies to stay active in retirement.	92.0	8.0
13. I get information about retirement from various sources (workshops, seminars, books, mass media).	82.7	17.3
14. I talk to other people about retirement (family members, friends, and colleagues).	86.3	13.7
15. I discuss retirement with retired people.	80.4	19.6

Key Findings

- Most government employees do not have voluntary retirement savings as most did not invest in a Private Retirement Scheme (78.9%).

- 60.9% of government employees did not buy stocks, funds, or bonds for long-term investments meant for retirement.

- Considerably high proportion of government employees subscribed to insurance packages, such as life insurance or Takaful (64.5%), accident insurance (63.5%), and medical insurance (66.5%).

Home Ownership and Housing Option During Retirement

The respondents were asked about the ownership of the house that they currently live in. More than 50% answered that they own the house they are living in now (52.5%), followed by the spouse (19.5%), rent (14.7%), family members (11.6%), employer (8.3%), and children (1.5%).

When asked about the intention to move out from the current house during retirement (Figure 3.1-15), more than half (53.8%, n=3,361) of the respondents answered "yes". From such figure, the majority of them (86.5%) intended to move to private housing, followed by special housing with a modern concept (10.7%), shared housing (1.8%), and a very small percentage would move to special housing with nursing care (1.1%).

10.7%
Special housing with
a modern concept

1.1%
Special housing with
nursing care

1.8%
Shared housing

**Preferred Concept
of Residence
During Retirement**

86.5%
Private housing

Figure 3.1-15 ▶
Distribution of
respondents by concept
of residence during
retirement (N=6,252)
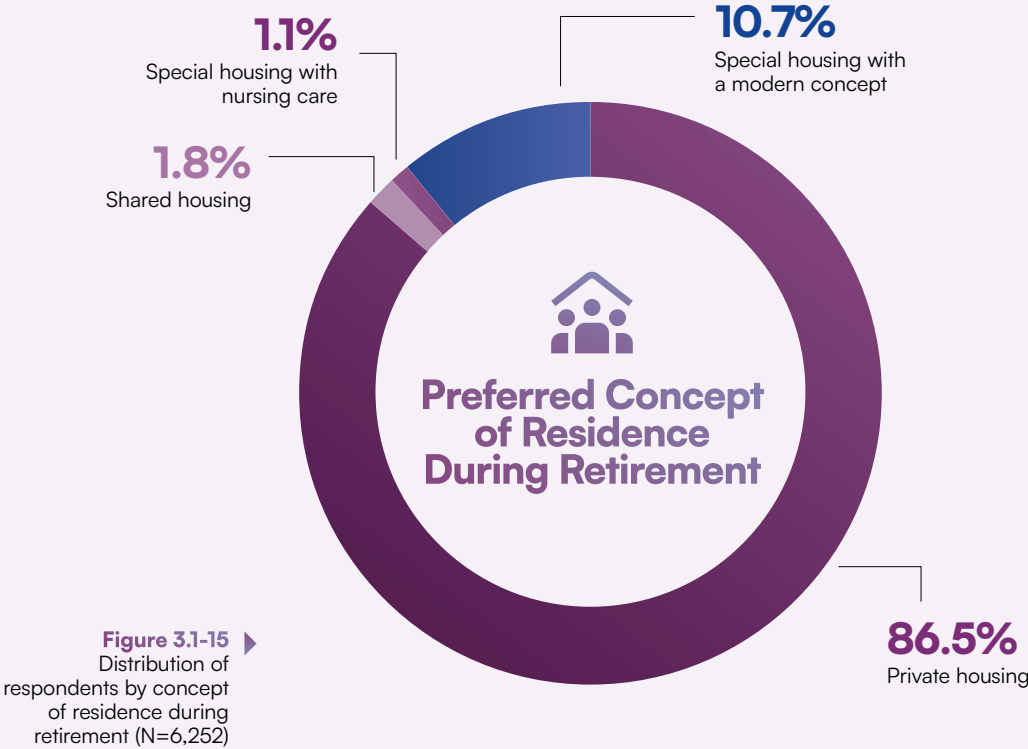
Those who intended to move to private housing were further asked about their preferred housing type (Figure 3.1-16). More than half of the respondents reported that they want private housing in a village (50.8%), smaller in size (11.5%), with special facilities for older adults (7.6%), with apartment service (4.1%), and the home of children or other family members (2.0%).

Type of Private Housing Preferred

	Percentage (%)
At village	50.8
Smaller size	11.5
Apartment service	4.1
With special facilities for the elderly	7.6
Home of children or other family members	2.0
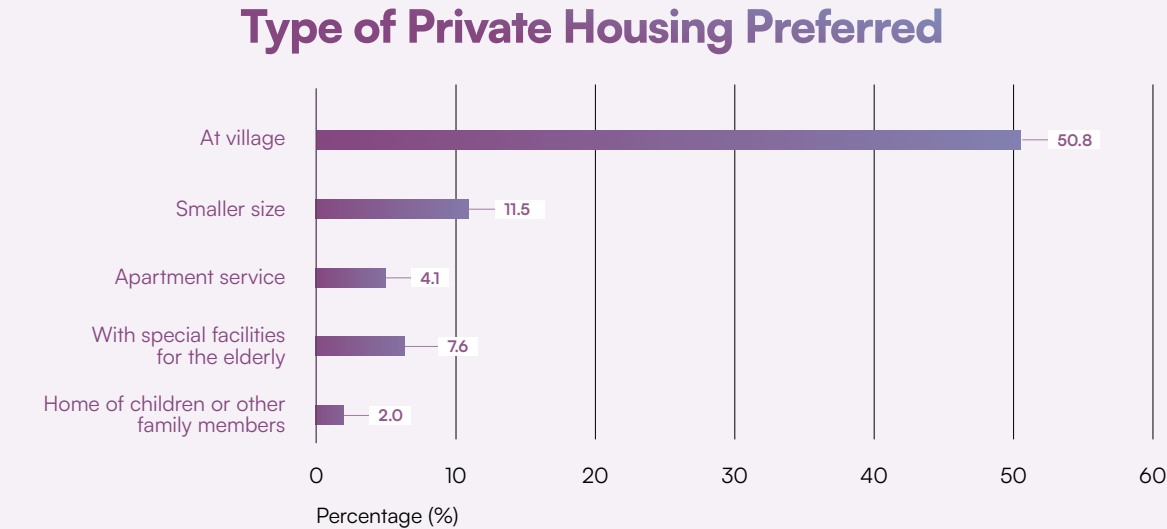
Figure 3.1-16
Type of private housing preferred
(n=2,906)

Next, the respondents were asked about their preference of residence during retirement Figure 3.1-17. They were asked to rate their preference on a Likert scale from 1 — strongly disagree to 5 — strongly agree. Four types of residence concepts during retirement were provided: (i) private housing, (ii) shared housing, (iii) special housing for pensioners/elderly (care) with personal care, health facilities, as well as community and worship centres, and (iv) special housing for pensioners/seniors with a modern concept, infrastructure facilities, technology and personal care facilities, as well as health, community, and worship centres.

The results showed that **private housing** was still the most preferred by the respondents as 71.0% answered "strongly agree" with this option. Table 3.1-8 refers to the concept of residence during retirement whereby only 22.5% of the respondents agreed to the concept of "shared housing" during the retirement.

Preferred Residential Concept During Retirement

Figure 3.1-17
Percentage distribution of respondents by the preferred residential concept during retirement (N=6,252)

Next, the respondents were asked about the amount that they were willing to pay every month to stay in their preferred housing option (Figure 3.1-18). Most of them were willing to pay RM 1 — RM 500 for their choice (67.5%), whereas another 19.3% were willing to pay RM 501 — RM 1000.

Willingness to Pay (monthly)
Unwilling to pay (RM 0)
▼
3.1%

Willingness to Pay (monthly)
RM 1 — RM 500
▼
67.5%

Willingness to Pay (monthly)
RM 501 — RM 1,000
▼
19.3%

Median = RM 500
Min = RM 0
Max = RM 400,000

Willingness to Pay (monthly)
RM 1,001 — RM 1,500
▼
4.1%

Willingness to Pay (monthly)
RM 1,501 — RM 2,000
▼
2.7%

Willingness to Pay (monthly)
RM 2,001 and above
▼
3.4%

◀ **Figure 3.1-18**
Percentage distribution of willingness to pay monthly for the housing option

Key Findings

- **More than half of government employees (53.8%) intended to move out from their current residence upon their retirement and private housing is the most preferred type of residence (50.8%).**

- **Private housing was the most preferred housing type among government employees (71.0% answered "strongly agree").**

Social Network

Social networks are an important social resource during retirement. Investing in adequate social networks during earlier life can accumulate social resources in later life. Therefore, the Lubben Social Network Scale-6 was used to measure the social network of government employees. Table 3.1-8 shows the frequency and percentage of each item. By using the established cut-off point of 12 and lower (Lubben et al., 2006), the prevalence of "at risk of social isolation" among government employees was 4.6% (N=6,252). This means that only 286 of the total respondents were at risk of social isolation.

This study also examined the relationship between social isolation with sex, age, and work category by using chi-square statistics. The results reported no relationship between social isolation with sex ($\chi^2 = 0.813$, $P = 0.367$) and job categories ($\chi^2 = 0.507$, $P = 0.776$). However, social isolation was found to be associated with age ($\chi^2 = 6.692$, $P = 0.035$) (see Table 3.1-11) when the prevalence of social isolation was highest among those aged below 40.

Table 3.1-8 Lubben Social Network Scale-6

Items	Categories					
	0	**1**	**2**	**3-4**	**5-8**	**9 or more**
	Percentage (%)					
a. How many relatives do you see or communicate with at least once a month?	2.9	4.0	11.2	31.7	23.1	27.1
b. How many relatives do you feel comfortable telling personal stories about?	12.6	14.6	25.6	32.5	8.7	6.0
c. How many relatives do you feel close enough to ask for their help?	9.3	13.2	24.9	32.9	10.9	8.8
d. How many friends do you see or communicate with at least once a month?	4.1	9.1	19.7	27.6	15.1	24.5
d. How many friends do you feel comfortable sharing personal stories with?	13.9	23.5	28.3	23.9	6.0	4.4
f. How many friends do you feel close enough to ask for their help?	12.0	20.8	29.0	24.7	7.1	6.3

Table 3.1-9 Association between age category and social isolation

		Age						Chi-square	*P*-value
		50 and above		40 — 49		50 and above			
		n	%	n	%	n	%		
Social Isolation	At risk of social isolation	166	5.3	81	3.9	34	3.8	6.692	0.035
	No social isolation	2977	94.7	1976	96.1	862	96.2		

Key Findings

- The prevalence of social isolation among government employees was considered low (4.6%).
- Age was found associated with social isolation when the prevalence of social isolation was highest among those aged below 40 (5.3%).

Health and Well-being

The respondents were asked about their self-rated health status in the health section. Interestingly, most of them (60.1%) reported that their health status was similar to others in the same age group (see Figure 3.1-19).

Next, government employees were also asked about their medical history to examine their morbidity and status. The results reported that the prevalence of asthma (22.2%) was the highest among the respondents, followed by high blood pressure (20.4%) and high cholesterol (17.9%) (see Table 3.1-10). Almost 50% of the respondents reported that they were healthy without any chronic condition.

5.0% Worse

34.9% Better

60.1% Similar
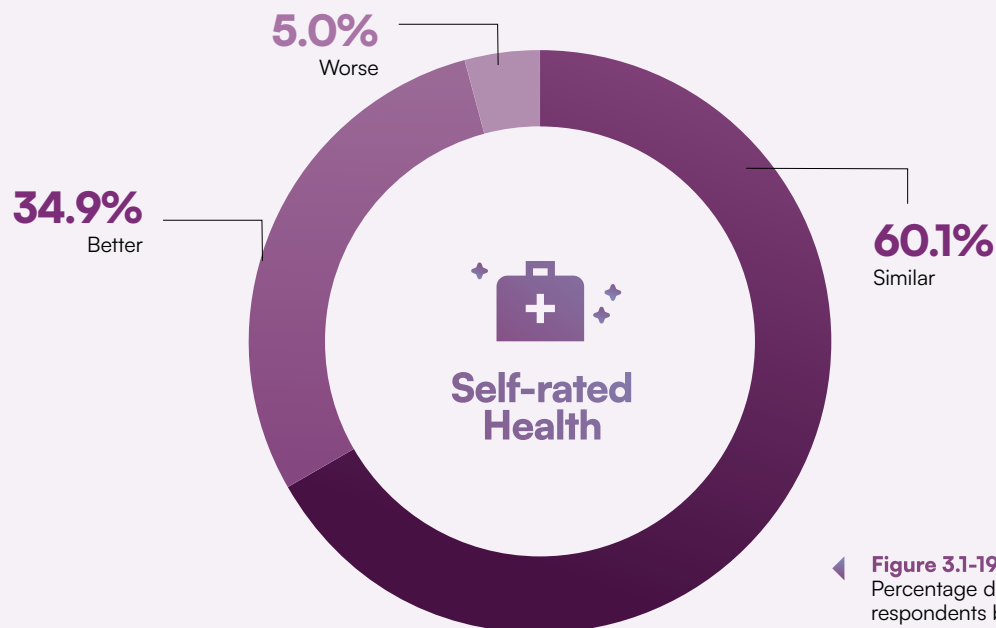
Self-rated Health

Figure 3.1-19 Percentage distribution of respondents by self-rated health

Table 3.1-10 Prevalence of selected chronic medical condition

Chronic Medical Conditions	n	%
None	3105	49.7
High blood pressure	1277	20.4
Diabetes	762	12.2
Incontinence	58	0.9
Heart attack	121	1.9
Cancer	103	1.6
Asthma	1390	22.2
Eczema/psoriasis	633	10.1
Cataracts	40	0.6
Gastric	440	7.0
Kidney disease	46	0.7
Joint pain/arthritis	213	3.4
Gout	214	3.4
Stroke	9	0.1
Dry cough/tuberculosis	9	0.1
Hearing problem	50	0.8
High cholesterol	1117	17.9
Sight problem	481	7.7

Next, the respondents were administered with a 10-item health-related self-management scale to explore their self-management to maintain a healthy lifestyle (see Table 3.1-11).

There were 8.8% of respondents who never followed the instructions for taking medicine as prescribed.

Table 3.1-11 Distribution of respondents by health-related self-management

Items for health-related self-management	Never → Always				
	Percentage (%)				
1. I sleep at least 6 hours every night.	2.1	6.8	16.2	22.4	52.5
2. I take care of my diet to ensure that I practice healthy eating.	0.6	6.1	28.4	34.7	30.2
3. I follow the instructions for taking the medicine as prescribed.	8.8	6.1	19.1	27.2	38.8
4. I control negative emotions by changing the way I think about them.	1.3	4.8	19.5	35.2	39.2
5. I share my feelings with others when faced with the pressures of life.	6.6	13.7	25.8	29.1	24.8
6. I spend time praying/ self-reflection or other spiritual activities.	0.7	3.3	13.7	31.1	51.2

Items for health-related self-management	Never → Always				
	Percentage (%)				
7. I spend time with family or friends.	0.5	3.4	12.7	30.1	53.3
8. I express my feelings and concerns with people close to me.	3.4	8.4	19.1	31.6	37.5
9. I make time for leisure activities regardless of my workload.	1.8	6.1	20.5	34.0	37.6
10. I do the health screening as recommended.	3.9	8.4	22.0	30.0	35.7

Lastly, the respondents' well-being was evaluated by exploring their life satisfaction. Most of them (66.2%) answered that they were "satisfied" with their life (see Figure 3.1-20).

1.2%
Not satisfied at all

10.2%
Not satisfied

22.3%
Very satisfied

Life Satisfaction

66.3%
Satisfied
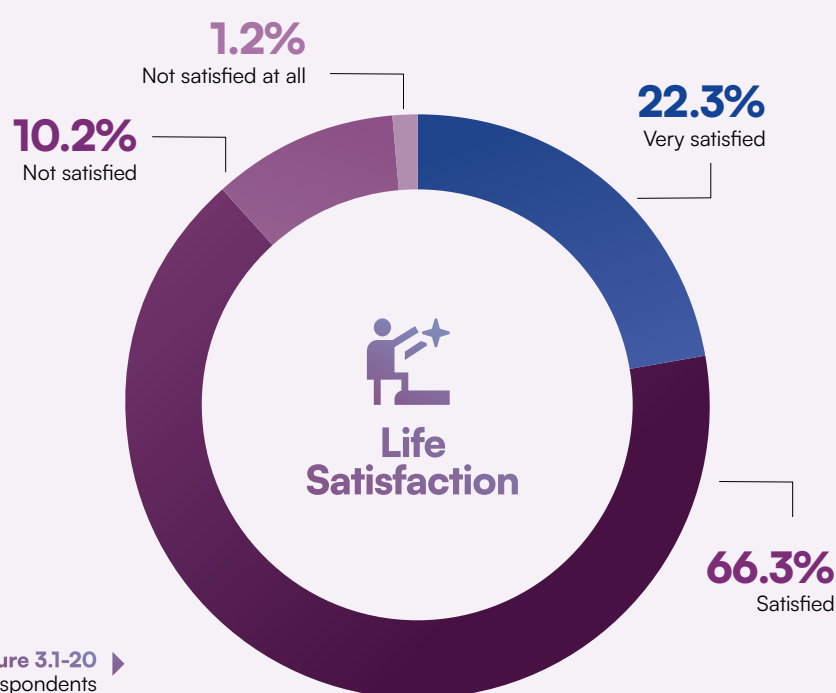
Figure 3.1-20 ▶
Distribution of respondents by life satisfaction

Subsequently, self-rated health status and life satisfaction were cross-tabulated with sex, age, and job categories to identify their relationships. Sex was significantly associated with both self-rated health status (χ^2 = 8.760, P = 0.013) and life satisfaction (χ^2 = 44.266, P < 0.001) whereby females tended to report their health status as "better" than their peers. Besides, a higher percentage of men reported their life satisfaction as "not satisfied" and "not satisfied at all" (see Table 3.1-14).

Table 3.1-12 Percentage distribution of self-rated health status and perception of life satisfaction by sex

Self-rated health status compared to same age group	Sex of Respondents				Chi-square	P-value
	Male		Female			
	n	%	n	%		
Worse	141	5.0	171	5.0	8.760	0.013
Similar	1740	62.0	2015	58.5		
Better	926	33.0	1259	36.5		

Perception of Life Satisfaction	Sex of Respondents				Chi-square	P-value
	Male		Female			
	n	%	n	%		
Very satisfied	614	21.9	781	22.7	44.266	< 0.001
Satisfied	1793	63.9	2347	68.1		
Not satisfied	347	12.3	292	8.5		
Not satisfied at all	53	1.9	25	0.7		

Interestingly, age was also related to self-rated health (χ^2 = 54.258, P < 0.001) and life satisfaction (χ^2 = 202.948, P < 0.001). Those aged 50 and above tended to report a "better" health status than their peers and had the highest tendency to report "very satisfied" with their life satisfaction (see Table 3.1-13).

Table 3.1-13 Percentage of distribution of comparative self-rated health and perception of life satisfaction by age groups

Self-rated health status compared to same age group	Age Groups						Chi-square	P-value
	< 40		40-49		50 and above			
	n	%	n	%	n	%		
Worse	170	5.4	113	5.5	22	2.5	54.258	< 0.001
Similar	1979	63.0	1206	58.6	483	53.9		
Better	994	31.6	738	35.9	391	43.6		

Perception of Life Satisfaction	Age Groups						Chi-square	P-value
	< 40		40-49		50 and above			
	n	%	n	%	n	%		
Very satisfied	567	18.0	447	21.7	334	37.3	202.948	< 0.001
Satisfied	2121	67.5	1385	67.3	534	59.6		
Not satisfied	404	12.9	203	9.9	24	2.7		
Not satisfied at all	51	1.6	22	1.1	4	0.4		

Furthermore, job categories were also associated with both self-rated health (χ^2 = 10.189, P < 0.037) and life satisfaction (χ^2= 41.517, P < 0.001). First, none of those in the category of Top Management Group (Principal Position Grade C

and above) reported their health status as "worse" than their peers. Besides, they also tended to report their life satisfaction level as "very satisfied" (see Table 3.1-14).

Table 3.1-14 Percentage distribution of self-rated health and life satisfaction by types of respondents

Self-rated health status compared to same age group	Top Management Group (Principal Position Grade C and above)		Management and Professional Group		Support Group		Chi-square	P-value
	n	%	n	%	n	%		
Worse	0	0	113	5.2	199	5.0	10.189	0.037
Similar	46	65.7	1338	61.9	2371	59.0		
Better	24	34.3	711	32.9	1450	36.0		
Perception of Life Satisfaction	Top Management Group (Principal Position Grade C and above)		Management and Professional Group		Support Group		Chi-square	P-value
	n	%	n	%	n	%		
Very satisfied	32	45.7	472	21.8	891	22.2	41.517	< 0.001
Satisfied	36	51.4	1485	68.7	2619	65.1		
Not satisfied	2	2.9	188	8.7	449	11.2		
Not satisfied at all	0	0	17	0.8	61	1.5		

Key Findings

- Only 5.0% of the respondents reported that their health status was "worse" than their peers.
- Asthma, high blood pressure, and high cholesterol were the top three most common conditions reported by the respondents.
- More than half of the respondents (66.2%) rated their life satisfaction as "satisfied".
- Self-reported health and life satisfaction are influenced by sex, age, and job categories.

3.1.3 Summary

This study found that the awareness of making written retirement planning was low and financial behaviours were still inefficient among government employees. Hence, taking proactive steps towards retirement planning and financial preparedness is essential for securing a comfortable and enjoyable retirement.

Individuals must prioritise their retirement goals and actively plan for their future. By developing **written retirement plans,** individuals can better understand their financial needs and make informed decisions to achieve their desired retirement lifestyle. To promote financial preparedness, **educating individuals about the long-term benefits** of consistent retirement savings and providing guidance on managing expenses and debt is important. Encouraging **online retirement calculators** and other financial planning tools can empower individuals to make informed decisions and track their progress towards retirement goals.

Moreover, this study also found that some government employees still prefer to work during retirement. It is essential to recognise that not all individuals envision a traditional retirement of complete leisure. Many individuals desire to continue working, albeit more flexibly or through voluntary work. Policy measures should be implemented to support and accommodate these preferences, providing opportunities for flexible work arrangements during retirement. Additionally, the survey highlights the reliance on pensions as the primary source of income during retirement. However, it is essential to acknowledge that pension income may only partially replace an individual's pre-retirement earnings. Addressing the barriers to retirement savings, such as basic expenses, debt repayment, and education costs, is crucial to bridge the income gap and ensure a financially secure retirement.

Regarding housing preference, this study noted that private housing was the primary option for government employees. Most of them reported that they wanted to stay in a private house during retirement. This finding indicates that efforts should be made to encourage government employees to buy a home as early as possible.

The survey also implies the actions to support and enhance the retirement system. The government should prioritise essential facilities and services, such as healthcare, to meet the needs of future pensioners. Additionally, ensuring convenient and centralised access to retirement services through user-friendly platforms is equally crucial. Governments should improve the current pension system to enhance its effectiveness and reliability. By implementing these measures, the retirement experience can be significantly improved for individuals, ensuring a more secure, meaningful, and fulfilling future.

3.2 Views and Aspirations of Pensioners/Pension Derivative Recipients

This part evaluates retirement-related facilities and services to identify areas for improvement. The analysis encompasses various aspects, including retirement preparation, retirement benefits, retirement facilities and services, and housing preferences during retirement. Additionally, the respondents were asked for their recommendations on measures that the government should undertake to support and strengthen the pension system. By gaining a comprehensive understanding through the firsthand experiences of pensioners and pension derivative recipients, the strategic agenda can prioritise targeted interventions to ensure a happy and meaningful retirement experience.

3.2.1 Introduction

Pensioners in this study refer to individuals who have retired from the government workforce and are receiving pension payments. Furthermore, pensioners also receive various retirement benefits as part of their pension entitlements, such as healthcare and medication, death and disability,y and membership in the Pensioners' Association. In the event of a demise, eligible dependents will be entitled to the derivative benefits.

Payment of pensions, gratuities, and other retirement benefits are managed and processed by KWAP as an agent to the Government of Malaysia under the supervision of the Public Service Department. However, these benefits are not an absolute right according to the Pensions Act 1980. Government employees do not have an automatic entitlement to receive compensation for past services or to receive any pension, gratuity, or other benefits as guaranteed by this Act.

According to the former Deputy Finance Minister I, the Malaysian civil service pensioners/pension derivative recipients in 2022 was estimated to be over 700,000 individuals (Bernama, 5 September 2023). Considering the projected increase in the number of pensioners/pension derivative recipients in the future alongside the growing population of Malaysia and the workforce in the public sector, it would be advantageous for KWAP to assess the views and aspirations among pensioners/pension derivative recipients.

The Retirement Aspirations Survey was conducted to gather a comprehensive understanding of the retirement perspectives of pensioners/pension derivative recipients. This study aims to contribute to the improvement of the retirement landscape in Malaysia, ensuring that pensioners/pension derivative recipients have the necessary support and resources for a happy and meaningful retirement.

The Retirement Views and Aspiration Survey among pensioners/pension derivative recipients have two main objectives:

1. To identify the required facilities and services in retirement; and
2. To provide recommendations to the government and policymakers on actions that can be taken to support and strengthen the pension system.

3.2.2 Results and Discussion

Social demographic and economic characteristics of the sample

The findings presented in this part are based on the responses obtained from 1,075 pensioners/pension derivative recipients. Figure 3.2-1 illustrates the demographic characteristics of the respondents. Pensioners formed most of the respondents at 88.7%, while a smaller proportion (7.0%) receive derivative pensions and the remaining portion (4.3%) are representatives of the pensioners.

In terms of sex, 59.6% of the respondents were male while the female counterpart accounted for 40.4%. The sex distribution in the surveyed population provides representation for both males and females. However, a higher proportion of males suggests the possibility of sex-related challenges in employment.

Most respondents (58.0%) are aged 60 years or above, while 42.0% are below the age of 60. The average age of the pensioners surveyed is 59.5 years, with the youngest participant being 16 years old and the oldest participant being 87 years old. The presence of individuals below the age of 60 as pensioners emphasises the significance of early retirement options and the need for comprehensive retirement planning for all age groups.

In Malaysia, the mandatory retirement age for government employees is currently set at 60 years old. The retirement age in Malaysia has undergone three changes within a span of 20 years, starting in 2001 when the retirement age for public servants was extended from 55 years to 56 years. In 2008, it was further extended from 56 years to 58 years. The final change occurred in 2012 when the retirement age was extended from 58 years to 60 years.

The dominance of pension (90.0%) as the primary form of pension received highlights the significance of traditional pension programs in supporting pensioners. The presence of derivative pensions (10%) indicates the existence of retirement benefits.

Demographic Characteristics of the Respondents

Form of Pension Received

Derivative Pension **10%**   Pension **90%**

Age

60 and above **58%**   Less than 60 **42%**

*Age (Mean, SD = 59.5, 8.15)

Sex

Male **59.6%**   Female **40.4%**

Category

Pensioner's Representative **4.3%**
Pensioner Derivatives **7.0%**
Pensioner **88.7%**

Figure 3.2-1
Demographic characteristics of the respondents (N=1,075)
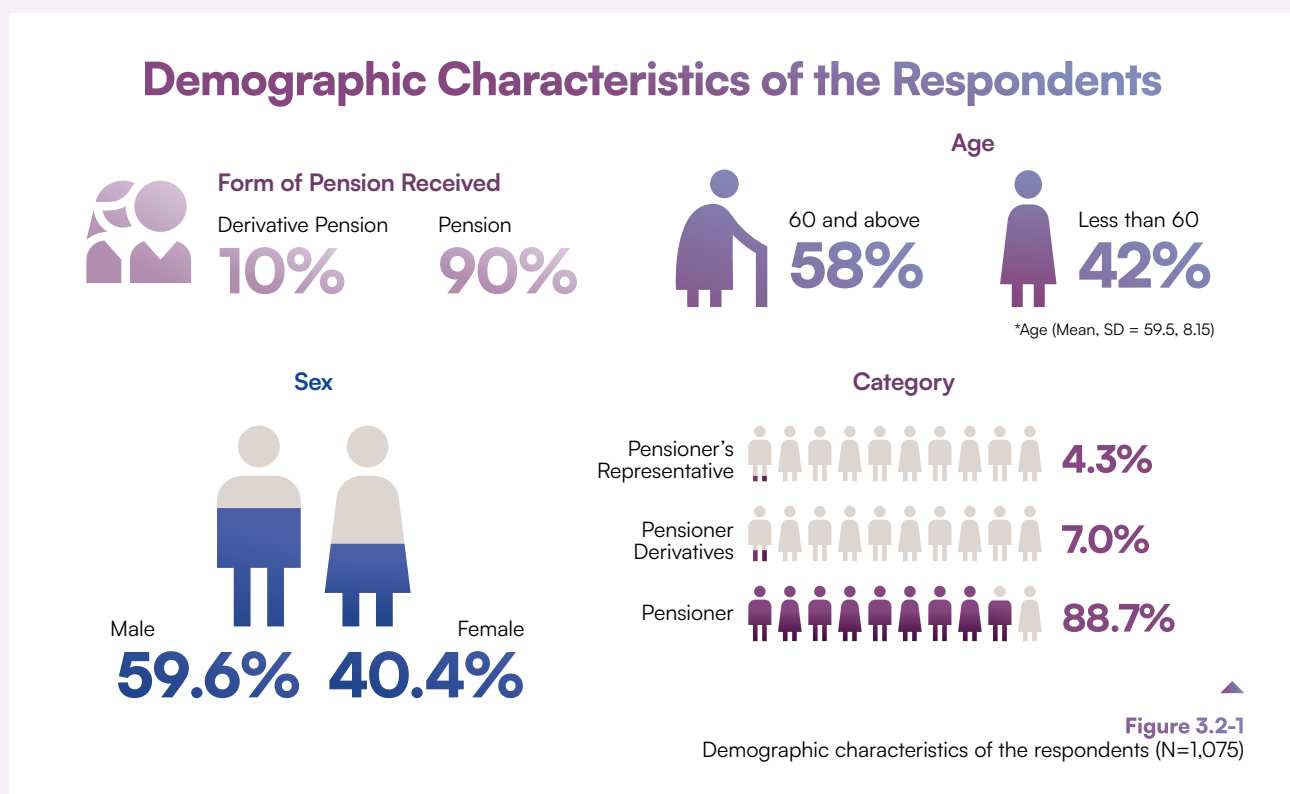
Table 3.2.1 compares the estimated monthly pensions for pensioners and pension derivative recipients, showing that pensioners receive higher pensions on average compared to pension derivative recipients.

For pensioners, the mean monthly pension is RM3,686. Conversely, pension derivative recipients receive lower average pensions with a mean of RM2,652.

Table 3.2-1 Estimated monthly pensions for pensioners and pension derivative recipients

Category	Estimated Monthly Pension (RM)
	Mean
Pensioners	3,686
Pension Derivative Recipients	2,652

Table 3.2-2 presents the mean age at which the respondents begin receiving pension payments or derivative pensions, along with the standard deviation (SD). For pensioners, the mean age to start receiving a pension is 56.7 years. For derivatives pensioners, the mean age at which they start receiving payments is 50.8 years.

Table 3.2-2 Mean age of respondents to start receiving pension payments/derivative pensions (years)

Category	Mean Age	SD
Pensioners	56.7	4.767
Pension Derivative Recipients	50.8	11.789

Demographic Profile

Most of the respondents (88.7%) were pensioners.

Among the respondents, 59.6% were male, and 40.4% were female.

Most respondents (58.0%) were aged 60 years or above, with an average age of 59.5 years.

The primary form of pension received by the respondents was pension (90.0%).

Pensioners receive higher monthly pensions on average compared to pension derivative recipients with pensions averaging RM3,686 for pensioners and RM2,652 for pension derivative recipients.

The mean age of pensioners to start receiving pension is 56.7 years old and 50.8 years old for pension derivative recipients.

Aspirations for Pension Recipients

This survey also examined the aspirations of pension recipients. The outputs could help guide the development of future products and services for government pensioners. Concerning retirement preparation, the respondents were asked to select three initiatives that can be implemented as a preparation for pensioners/pension derivative recipients in the future. It appeared that **"automatic enrolment in a retirement saving scheme"** (58.8%), **"participate in the Retirement Readiness Module (related to health, financial, social, and psychological)"** (54.7%), and **"automatic enrolment in health insurance scheme"** (52.7%) (see Figure 3.2-2) had the highest percentage among all options.

Retirement Preparedness Initiatives
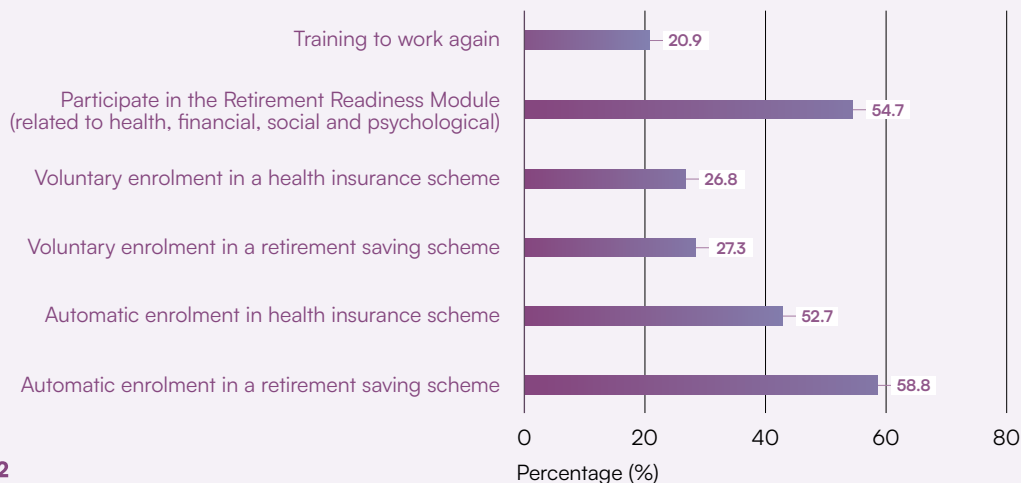
Figure 3.2-2
Retirement preparedness initiatives that can be
implemented for pensioners/pension derivative recipients
in the future (maximum 3 answers) (N=1,075)

An open-ended question was posed to pensioners to gather their opinions on the potential improvisation to be made to some of the retirement benefits and services. Although a total of 1,075 respondents participated in the study, an automatic recode analysis using SPSS denoted that only 959 sets of data were deemed meaningful for analysis. The feedback was divided into four categories: **pension payment, healthcare benefits, retirement preparedness,** and **other retirement benefits** (Table 3.2-3).

Table 3.2-3 Suggestions of retirement benefits for future pensioners or derivative pensioners (n=959)

No.	Retirement Benefits	Frequency (n)	Percentage (%)
1	Pension Payment • Start pension payment for those who selected optional retirement even before the age of 55, • Decide the pension amount based on the country's inflation rate, • Increase the pension of lower-grade workers.	799	74.5
2	Healthcare Benefits • Introduce healthcare insurance for pre-retirees, • Implement a subsidy program for healthcare services within private healthcare settings.	76	7.1
3	Other Retirement Benefits • Provide more discounts for retirees, • Provide wider benefits to retirees who are single, • Provide financial assistance for children who still attend schools or children with special needs; provide Haji-related incentives.	67	6.2
4	Retirement Preparedness • Introduce comprehensive retirement preparedness modules and make them compulsory for pre-retirees before retirement, • Emphasise on financial literacy to ensure financial sustainability during retirement, • Start voluntary or mandatory retirement saving funds for pre-retirees).	17	1.6

For retirement facilities, most of the respondents wanted facilities, such as "discount on transportation facilities (including air transportation, e-hailing, private)" (71.5%), followed by "choice of 'co-payment' facilities at private panel clinics" (66.2%) and "holiday accommodation discount" (60.7%) in the future (see Figure 3.2-3).

Facilities

Figure 3.2-3
Facilities that need to be established for the benefit of pensioners/pension derivative recipients In the future (maximum 3 answers) (N=1,075)
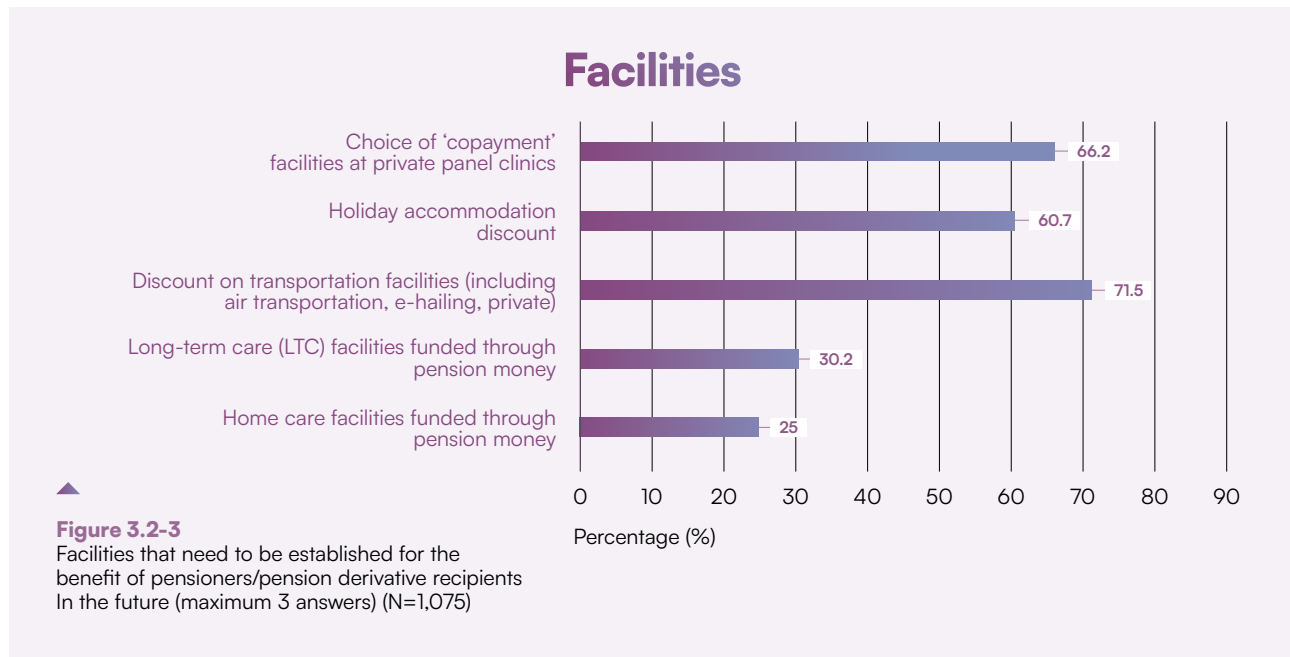
The respondents were required to rate their top three possible future services that could be offered to future pensioners. The results showed that **"online medical services assistance (hospital appointment/haemodialysis centre)"** (75.2%), **"self-service service through the MyPesara application"** (62.6%), and **"advisory and consulting services (regarding health, financial, social and psychological)"** (60.1%) were the top three services rated by the respondents (see Figure 3.2-4).

Services

Figure 3.2-4
Services that need to be established for the benefit of pensioners/pension derivative recipients in the future (maximum 3 answers) (N=1,075)
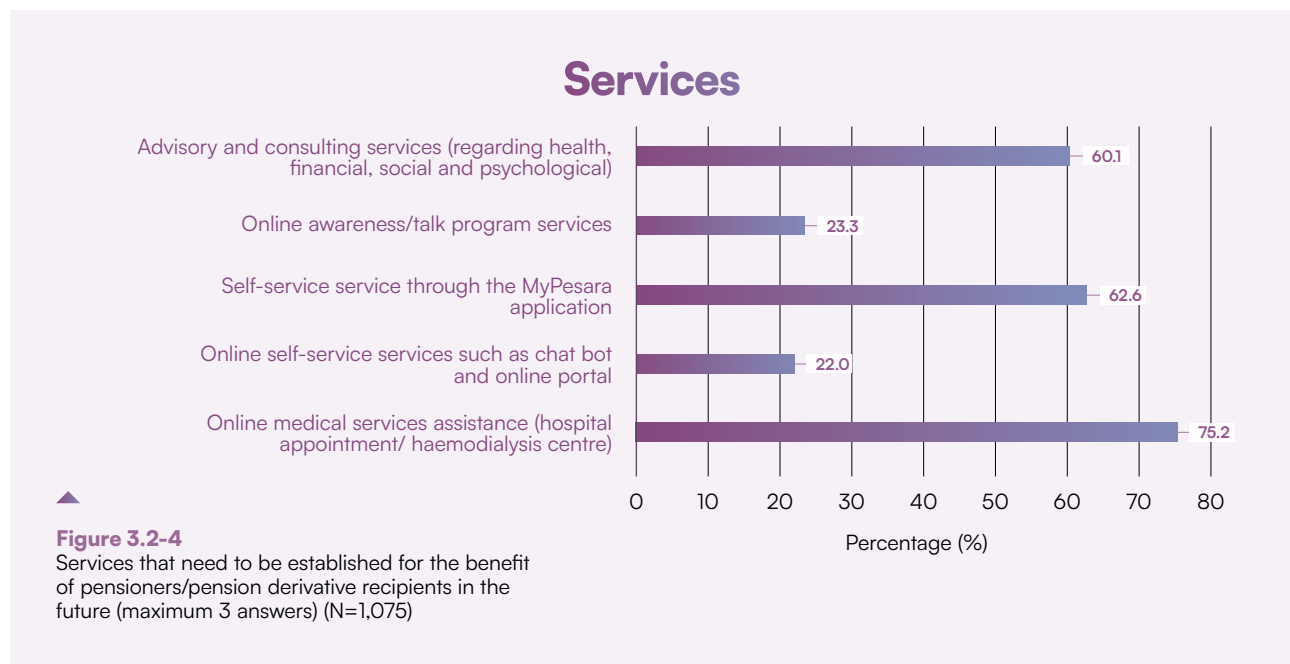
In terms of services' accessibility, 78.3% of the respondents would like the services to be offered by the Pensioners One Stop Centre for pensioners' affairs, such as applications for retirement benefits, finance, and health services. Whereas, 57.4% of them wish KWAP could collaborate with *Setiausaha Kerajaan Negeri*, *Pihak Berkuasa Tempatan*, and *Pusat Transformasi Bandar* to serve the customers (see Figure 3.2-5).

Services' Accessibility That Could be Offered in Future Time

Service accessibility (addition of KWAP branch-collaboration with SUK/LA/UTC*)

57.4%

Pensioners One Stop Center for pensioners' affairs such as applications for retirement benefits, finance, health services and others

78.3%

▲

Figure 3.2-5
Services' accessibility that could be offered in future time (maximum 2 answers) (N=1,075)

The research team also received several open-ended suggestions on possible retirement facilities and services to be offered in the future, such as financial literacy programs for government employees, financial assistance for the purpose of Haji or Umrah, voluntary contribution to the medical card, nursing home facilities for pensioners, organising special training for pensioners based on their interests, discounted rate for road tax and driving license renewal, and recreational parks for the pensioners.

Next, the concept of residence during retirement was identified to examine pensioners' housing preferences during retirement. The results reported that 32.2% and 44.5% of them answered "agree" and "strongly agree" on private housing, respectively (see Figure 3.2-6), indicating that private housing was still the favourite option during retirement.

Preferred residential concept during retirement

▲

Figure 3.2-6
Percentage distribution of respondents by the preferred residential concept during retirement

The increase in the number of government pensioners and the longer life expectancy of the population are expected to add to the government's financial burden. Therefore, the respondents were also asked to choose three main recommendations that the government should do to support and strengthen the pension system. The results showed that 80.0% of them felt that additional saving for retirement should be encouraged, followed by 79.1% who believed on the need to introduce a contributory pension system (both employers and employees contribute to the pension fund) (see Figure 3.2-7).
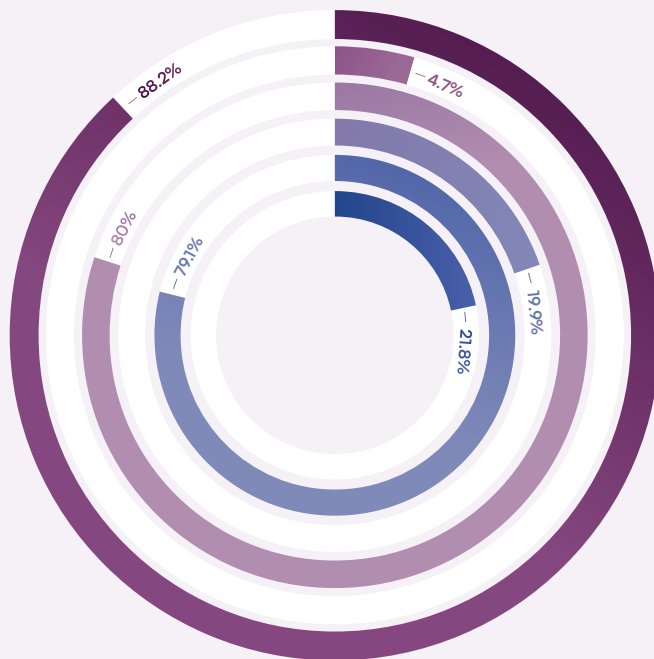
Recommendations to Enhance the Pension System

- Redefine the current pension system
- Increase taxes
- Encourage additional personal savings
- Increase the retirement age
- Introducing a contributory pension system (both employers and employees contribute to a pension fund)
- Reducing the number of civil servants

Figure 3.2-7
Recommendations to enhance the pension system

Key Findings

- "**Automatic enrolment in a retirement saving scheme**" (58.8%), "**participate in the Retirement Readiness Module** (related to health, financial, social, and psychological)" (54.7%), and "**automatic enrolment in health insurance scheme**" (52.7%) were the top three future possible retirement preparedness services selected by the respondents.

- "**Discount on transportation facilities** (including air transportation, e-hailing, private)" (71.5%), "**choice of 'co-payment' facilities at private panel clinics**" (66.2%), and "**holiday accommodation discount**" (60.7%) were the top three future possible retirement facilities selected by the respondents.

- The top three possible future services that could be offered to future pensioners were "**online medical services assistance** (hospital appointment/hemodialysis centre)" (75.2%), "**self-service service through the MyPesara application**" (62.6%), and "**advisory and consulting services** (regarding health, financial, social, and psychological)" (60.1%).

- 78.3% of the respondents would like the retirement facilities and services to be offered by the Pensioners One Stop Centre for pensioners' affairs, such as applications for retirement benefits, finance, health, and services.

  Whereas, 57.4% of them wish KWAP could collaborate with *Setiausaha Kerajaan Negeri*, *Pihak Berkuasa Tempatan*, and *Pusat Transformasi Bandar* to serve the customers.

- 32.2% and 44.5% of the respondents answered "agree" and "strongly agree" on private housing as their residence of choice during retirement.

- To stabilise the whole pension system in the country, 80.0% of them felt that additional saving for retirement should be encouraged and 79.1% of them believed on the need to introduce a contributory pension system (both employers and employees contribute to the pension fund).

3.2.3 Summary

In conclusion, the findings provide comprehensive insights into the needs, preferences, and aspirations of government pensioners, offering valuable guidance for the development of future products, services, and policy interventions. This study highlights significant priorities for retirement preparation, including automatic enrollment in saving schemes and enhanced retirement readiness modules. It also underscores the importance of revising pension payments and expanding healthcare benefits to meet evolving needs.

Moreover, the survey identified diverse suggestions for improving retirement facilities and services, emphasising the demand for accessible online medical assistance and self-service applications. The respondents expressed a preference for private housing during retirement, reflecting individualistic housing choices.

The respondents also recognised the financial challenges facing the pension system due to demographic shifts, endorsing measures such as encouraging additional retirement savings and implementing a contributory pension system to ensure sustainability.

These insights are pivotal for policymakers and stakeholders in developing inclusive and effective programs that address the varied needs of pensioners and enhance their retirement experiences. By incorporating these findings into future planning and initiatives, we can strive to create a more supportive and sustainable retirement environment for government pensioners in the years ahead.

This study highlights significant priorities for retirement preparation, including automatic enrollment in saving schemes and enhanced retirement readiness modules. It also underscores the importance of revising pension payments and expanding healthcare benefits to meet evolving needs

Issues and Challenges in Retirement
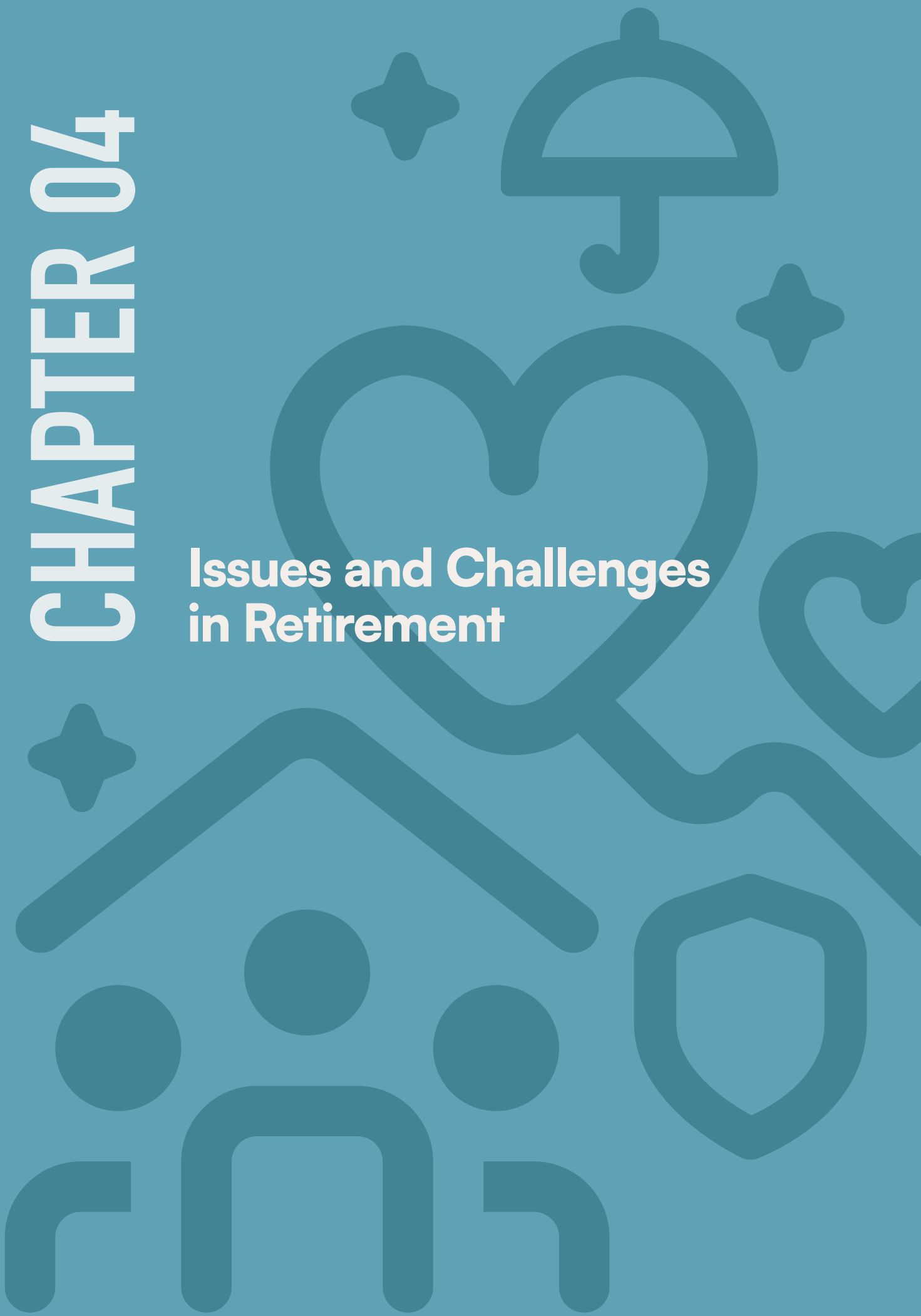
4.1 Introduction

Several focus group discussions (FGDs) were conducted to achieve comprehensive stakeholder engagement and consultation. The stakeholders were categorised into three groups based on their respective zones, namely (1) central, (2) northern and southern, and (3) Sabah and Sarawak. This ensures that the stakeholders' views from various geographical locations were captured. The stakeholders included non-government organisations (NGOs), private agencies, and government agencies. A senior representative from each identified agency was invited to participate in the discussions. The FGDs were conducted between October and November 2022. The FGDs were primarily conducted online using the Zoom platform, except for the government agencies in the central zone, which were held physically. Table 4.1-1 summarises the distribution of participants for each FGD.

The FGD objectives were to gain insights into the issues and challenges encountered by government employees and pensioners in the retirement system and to understand their retirement planning practices.

The FGDs were primarily conducted online using the Zoom platform, except for the government agencies in the central zone, which were held physically

Table 4.1-1 Distribution of participants by FGD groups

Date	Group	Zone	Method	Participants	Group Number
05 Oct 2022	NGO/Private	Central	Online	15	1
12 Oct 2022		Northern and Southern	Online	3	2
27 Oct 2022		Sabah and Sarawak	Online	3	3
10 Nov 2022	Government	Sabah and Sarawak	Online	5	4
17 Nov 2022		Northern and Southern	Online	10	5
22 Nov 2022		Central	Physical	9	6

4.2 Results and Discussion

4.2.1 Definition of Retirement

The first question in the interview protocol was the informants' definition of retirement according to their understanding and perception. The thematic analysis results discovered two main themes: **age** and **lifestyle**.

Age

As reported by most informants, retirement is often defined by age of retirement. In Malaysia, the formal retirement age is 60 years old. According to the Public Service Department, the compulsory retirement age (reached the age of retirement) for members of public service is 55/56/58 or 60 years subject to the retirement age option selected by the member. The first sub-theme discovered under this main theme was **mandatory retirement age.**

> *"Kalau dekat Malaysia ni usually we are bombarded with the information and common knowledge that retirement is at age 60, dekat public sector, government, private sector pun sama, unlike zaman bapa kita dulu umur 55 ya so now knowledge is 60." (Group 4)*

In addition to the mandatory retirement age, another sub-theme was also identified: **non-mandatory retirement age**. This means that employees determine their retirement age independently without adhering to legal requirements. They choose to retire when they believe they have made sufficient contributions to society or when they simply desire to retire, seeking rest and the enjoyment of life.

> *"56 is already enough. Sebab you dah tak contribute to the development of the nation itself." (Group 6)*

> *"Cuma kalau tengok...bukan lah middle, yang bawah, contohnya macam staf yang bawah issue juga. contoh kerani kan at 50, 55 tu dah macam haih lah. So, you nak push you dah tak boleh push. Dia dah penat, dia dah kan... nak suruh buat kerja berat berat ini memang lah." (Group 6)*

Lifestyle

Lifestyle was the second main theme identified. The informants often defined retirement by associating it with the lifestyle they wish for during retirement. They reported that retirement provides freedom to daily life when they do not need to stick to working structured life, making **freedom** a sub-theme under lifestyle.

> *Stop routine and structured lifestyle. Bebas dari structured life." (Group 1)*

Besides, the informants also perceived retirement as **changes in role and life view.** Retirement involves transitioning from working to not working and from materialistic slowly turns to individualistic as pensioners start considering their life purpose during retirement.

> *"Persaraan bagi saya adalah kehadiran diri bagi seseorang individu supaya tidak lagi menjadi individualistik. Maksudnya, tidak lagi memikirkan mereka semata, tapi dia build up diri untuk menghadapi aspek hidup, supaya menghadapi hari tua dengan tenang, berhemah dan penuh dengan cabaran, dicabar dan tercabar. So, anyway itulah hidup persaraan seseorang." (Group 3)*

> *"Persaraan ni transisi perubahan antara transisi di mana orang tu dan tidak berkhidmat lagi. Dari ada pendapatan dan mungkin tidak ada pendapatan lagi. Yang mana pendapatan tu mungkin ada reduction because kalau macam kita melihat pada pencen tu sendiri, income dia akan ada reduction by 40 percent. Makna 60 percent dia akan earn." (Group 6).*

4.2.2 Perceived Issues and Challenges During Retirement

After the definition of retirement, the informants were asked to elaborate their perceived issues and challenges during retirement. The in-depth thematic analysis identified 17 issues and challenges that could be categorised under five main themes: **finance, health, social, environment,** and **psychology.**

Finance

Inadequate retirement saving (sub-theme 1) is the most frequent issue and challenge reported by the informants throughout FGDs. Due to increased longevity, more retirement savings are required to sustain a retirement life.

> *"We can say that jangka hayat rakyat Malaysia maybe 70-75 years old kan. So bila umur makin panjang, we need more fund ataupun more savings untuk retirement." (Group 3).*

Inadequate retirement savings is probably due to high and rapid **inflation** (sub-theme 2) in the country. Inflation causes an increase in household expenditure that could create a barrier to retirement savings.

"Dalam poket if you less than 3 thousand ringgit dalam Kuala Lumpur you dah miskin tegar. Lepas tu Khazanah pulak bagi satu dapatan lain. Satu keluarga 4 orang, 2 adults 2 children, membesar di Kuala Lumpur hidup di Kuala Lumpur ...aaa...within the outskirt lah. dalam kawasan outskirtlah. dalam kawasan Melawati, Kepong, Selayang, Damansara whatever it is 10 thousand is still T20 below sikit. border lain. Tapi dia tak cakap the expenses and everything. Kalau katakan combine husband and wife, kalau katakan husband and wife salah sorang kerja...kalau dua dua kerja alhamdulillah lah. dia tak cakap. Kalau katakan if dia combine pun T20 juga tapi duduk kat Kuala Lumpur tapi duduk kat Kuala Lumpur, Penang tau pun JB atau pun Kuching atau pun KK. It's not T20 anymore. It's M40."
(Group 6)

Besides inflation, **poor financial literacy** (sub-theme 3) could also cause inadequate retirement savings and ultimately affect retirement life quality. Poor financial literacy causes government employees to fail to save for retirement and finish retirement savings quickly.

"At least pre-school dia kena, you need to have savings. Even though you are children. To explain and then after that when you are secondary what you need to spend, how to spend itu semua you kena tahu." (Group 6)

"Kadang-kadang orang sudah pencen dia terus pergi bercuti. Habis duit balik, alamak, dah habis. Cari kerja pulak." (Group 3)

The informants also reported concern about the **debt burden** (sub-theme 4) during retirement. Financial institutions allow loans by government servants close to retirement and some government servants tend to buy houses for their children or other family members due to easier loan approval.

"58 tahun masih ada lagi pinjaman yang dia buat because bank melihat di mana dia masih lagi mampu membayar pinjaman tersebut which is dia clash dengan pencen dia tadi because dia anggap duit pencen tadi tu income kepada pesara tersebut." (Group 6)

The informants were also worried about **financial fraud** (sub-theme 5) that frequently happens nowadays. Pensioners are often the target of scammers because they have retirement savings, low digital literacy, and low awareness.

"Sebab kita selalu dengar orang pencen ni kan, dia banyak duit, lepas tu, ada scammer, habis duit dia." (Group 3)

Health

Undeniably, physical health is at higher risk to deteriorate with ageing. The informants were worried about their **poor physical health** (sub-theme 1) during retirement, which might affect their daily lives.

"...untuk kesihatan, belum bersara pun penyakit dah macam-macam. Bersara je lagi worst." (Group 5)

To make things worse, the informants expressed concern over the **expensive healthcare cost** (sub-theme 2) nowadays, especially at private healthcare facilities. Consequently, most pensioners visit government clinics and hospitals for treatment, which are overloaded with patients and have slow waiting times.

"Memang wujud dgn usia yang meningkat, kos perubatan, penyakit. Jadi kos perubatan meningkat." (Group 2)

"Access to health services, klinik panel dah takde. Kena pergi klinik kesihatan, klinik biasa mahal." (Group 1)

Some informants also mentioned that pensioners are **unaware of the health-related benefits** (sub-theme 3) they have as government pensioners. Some did not know they could claim health treatment reimbursement, although they are eligible.

"10 ribu (medical fees). Saya kata apa masalah, claim jelah. Bukannya tak boleh, boleh takde masalah. Dia tak tahu benefitnya eh." (Group 6)

Social

Issues and challenges in the social aspects of life were also actively discussed during the FGDs. **Lack of social participation** (sub-theme 1) was a concern to several informants. This could be due to poor functioning status that causes pensioners to stay in the house continuously.

"Jadi ada yang banyak duduk rumah sebab keadaan fizikal tidak mampu dah nak teruskan ni kan." (Group 5)

Lack of social participation could be due to a **lack of re-employment opportunities** (sub-theme 2). Not all pensioners would like to stop working after the age of retirement. Some, especially those still medically fit and needing income, are still willing to work. Unfortunately, the re-employment policy in the country is not mature.

"Sebab banyak company dia macam tak nak ambik dah. bila retire dia tak nak ambik kan." (Group 6)

The informants reported that they were worried about **social isolation** (sub-theme 3) during retirement. They verbalised that not working and staying away from their children during retirement at the same time could introduce social isolation.

"Kalau kita tak bekerja and then kita also cannot assume lepas pencen anak-anak dekat dengan kita kan. And then now days tengok-tengok youth kita pun ramai yang tak kahwin ataupun kahwin lambat and then kerja jauh-jauh so ada currentnya kita tertinggal sorang-sorang ataupun dengan pasangan bagi yang ada pasangan." (Group 4)

Environment

In terms of environment, the informants felt that **poor digital literacy** (sub-theme 1) could affect their retirement life. Therefore, they suggested that digital literacy programs should be taught before retirement.

"Dari segi teknologi, saya rasa mereka perlu ada pendedahan, teknik nak tahu tu perlu ada pada setiap seorang. Sekurangnya mereka mempunyai anak-anak yang mempunyai education." (Group 3).

Besides, future pensioners were also concerned about **the lack of aged-care facilities** (sub-theme 2) that cater to pensioners who have physical disability problems or require assistance. The lack of aged care facilities restricts the activities of pensioners.

"Thing about retirement is that we don't actually have proper (aged-care) facilities." (Group 3).

They were also worried about the condition of **unaffordable housing** (sub-theme 3) as the price of a house has increased continuously. To make things worse, inflation has caused the housing loan interest to rise, increasing the burden on future pensioners to own a home.

"Yes, housing is also important sebab tak ramai rakyat malaysia ada rumah sendiri. Due to bila apply untuk loan, bank tak lepas. sebab komitmen tinggi. Why sebab interest rate naik. sekarang ni dah naik 3 kali. Almost going to fourth." (Group 6)

Psychology

In terms of psychological changes, government employees were worried about their **declining self-esteem** (sub-theme 1) during retirement as they will have difficulty defining their new life purposes and lose value during retirement.

"Jadi inilah yang menjadikan salah satu individu digelar bersara, rasa macam tidak ada value added, tiada nilai di dalam hidup mereka jadi mereka perlu bersuara. Jangan rasa rendah diri" (Group 3)

Due to poor retirement planning, government employees were also concerned that they would experience **maladjustment** (sub-theme 2) during retirement, meaning they would be shocked due to changes in roles and lifestyles.

"Jadi dia akan menghadapi suatu culture shock. Bekerja tiba-tiba dia alam bersara, ha kan shock." (Group 5)

"Sebenarnya saya tiada. Saya tiada (perancangan). Bagi saya selepas saya 30 years in service ni, bagi saya... persaraan ni adalah satu masa untuk saya berehat dan melakukan hobi-hobi yang tak terikat pada jadual lah." (Group 5)

Lastly, lifestyle changes and staying away from children as mentioned in the social isolation sub-theme create a prominent concern among government employees about the issue of **loneliness** (sub-theme 3) in retirement, which could impact their mental health and well-being in retirement.

"Is very sad if you see a documentary on how in Japan they find orang tua yang dah mati lepastu dia orang terpaksa bongkar tempat dia orang punya barang, dia punya wardrobe ye semuanya tempat sedih tau. So, it is reflected on this issue of loneliness nombor satu." (Group 4).

4.2.3 Products and Services for Future Pensioners: Suggestions for Improvement

The informants were asked to provide their opinions on how to improve the products and services for future pensioners.

Physical Environment

The informants wish to have easier access to **elderly-friendly facilities** (sub-theme 1) when they are retired. Specifically, the informants prefer all forms to be in the physical format. The **online form needs to be elderly-friendly.** Several other examples of elderly-friendly facilities provided by informants included **elevators and special lanes or counters** for senior citizens.

"So, apa pun sistem di pejabat online ke, isi borang ke, janganlah buat tulisan yang kecil, orang tua memang tak nampak. Kalau boleh sediakan untuk orang yang ada apa nama dia print out lah, tulisan tu kena besar lah. Sebab kebanyakkan orang yang bersara ni umur 60 keatas semuanya akan menghadapi masalah penglihatan." (Group 4)

"Saya harap bangunan-bangunanlah especially bangunan kalau boleh di buat lif, buat lif lah kan. Especially bangunan lamalah untuk kemudahan orang tua ni lah. Sebab orang tua ni masalah dia nak naik tangga tu kaki dia sakit kan."
(Group 4)

"Kalau ada kaunter khas untuk senior citizen yang especially yang ada masalah kesihatan tu lah." (Group 4)

Besides, they also hope to stay in an **age-friendly city** (sub-theme 2) during retirement. The age-friendly city initiative should consider upgrading general infrastructure, such as roads and recreational parks, so that people from all age categories can access them.

"So, kalau nak buat infrastructure banyaklah kalau kita tengok bawah AFCI (Age Friendly City Initiative) okay yang telah di utarakan oleh united nations under UNICEF. AFCI ni maknanya kita punya tahun NCT planning for the future infrastructure, jalan raya, taman bunga, semua kena mengambil kira keperluan dari segenap lapisan umur daripada budak—budak ke, OKU ke, orang tua." (Group 4)

In addition, the informants suggested setting up more **one-stop service centres** (sub-theme 3) that can provide better service for future pensioners as they do not have to travel too far to access KWAP service.

"Saya mahu disediakan satu kemudahan setempat."
(Group 4)

Pensioners Benefits Program

The informants wish for a **discount card** (sub-theme 1) specifically for government pensioners. The card's benefits should be similar to the Kenyalang Card in Sarawak, allowing them to get discounts when seeking medical treatment, purchasing goods, booking flight tickets, and buying train fares.

"Kalau di negara negara lain OAPs old age pensioners. Macam kat UK ya, dia menikmati 50% diskaun. 50-70% discount untuk all transportation, tak kira public naik kapal terbang, naik kapal laut or whatever it is. Dia akan automatic." (Group 6)

Social

The informants realised the importance of **support groups** (sub-theme 1) during retirement. Joining support groups, such as elderly activity centres, can help to promote **active ageing and extend their social networks** during retirement.

"Mempunyai pusat-pusat aktiviti yang lebih aktif dan juga dengan program berstruktur di setiap daerah kalau boleh supaya semua warga emas biar dia di kampung ke atau di bandar dapat jumpa geng-geng dia." (Group 4)

The informants, who are also professionals, further expressed their wish to continue contributing to society during their retirement. However, such **volunteering programs** (sub-theme 2) should be available so that they can contribute.

"Kumpulkan golongan yang retiree ni bagi nasihat dengan orang muda mudi kita menjalani hidup kerja dengan menggunakan pengalaman hidup dia orang." (Group 4)

Finance

As a measure of income adequacy during retirement, the informants are concerned about the possibility of developing a **mandatory or voluntary retirement saving policy** (sub-theme 1) for government employees.

"Sabah sedang dalam kajian lah untuk membuat persediaan awal kepada penjawat awam yang bakal bersara supaya menubuhkan ataupun mewujudkan tabung persaraan di mana mereka diwajibkan ataupun mengikut pilihan masing-masing untuk menabung." (Group 4).

The informants also felt that **financial literacy programs** (sub-theme 2) should be available for newly joined workers to increase their literacy on financial preparedness for retirement.

"Melalui financial literacy for apa tu youth yang baru masuk bekerja" (Group 4).

4.2.4 Acceptability of Retirement Village

In this section, the informants were asked about their acceptance of retirement villages. First, **the concept** of retirement village was still unclear among the informants as they equated a retirement village as an activity centre.

"Saya tengok retirement village ini mungkin sedikit ada similar dengan apa yang saya sedang kendalikan iaitu pusat aktiviti warga emas. Iaitu tempat dimana warga emas dapat meneruskan aktivitinya selepas persaraan 60 tahun."
(Group 2)

The idea of retirement villages has been met with mixed opinions from government employees. While some are open to the idea, others are hesitant to support it without evidence-based proof of its benefits. Therefore, it is essential to understand the key factors that form a successful retirement village and how they can address the concerns of Malaysian government employees. On top of that, the informants also felt that the necessary facilities should be included in the village so they could agree to stay there.

"Macam Dr. bagitau dan saya maklum tadi, ia bergantung kepada hasil (kajian) itu. Objektif nya tu...sejauhmana benda tu dapat menyakinkan pesara, bakal-bakal pesara." (Group 5)

"Retirement village maybe yang betul-betul dirangka dan dirancang dengan baik, dengan infra-kesihatan dia, sebab macam yang saya cakap warga emas ini dia bercampur untuk mendapat khidmat kesihatan di klinik-klinik kerajaan. Dia akan kena beratur juga, sedangkan dia memerlukan special care. Jadi maybe kita perlukan benda-benda tu lah yang akan memberi keselesaan." (Group 2)

One of the primary concerns raised by government employees is that pensioners have built social networks in their previous neighbourhoods and may be **reluctant to move** to a retirement village. Moving to a new location may affect accessibility to the facilities and services that they used to obtain.

"Agak sukar sikitlah. kadang kadang kan...untuk dia bergerak ke satu tempat yang dia tak familar..." (Group 6)

"Orang tua ni, especially like us also our next generation lah, kita dah selesa dengan kat situ, kawan kawan pun ada..." (Group 6)

Funding and ownership mechanisms are important factors to consider in the development of retirement villages. In Malaysia, it is crucial to ensure that retirement villages are **affordable and accessible** to a wide range of individuals regardless of their financial status. This can be achieved through **public-private partnerships** where the government provides financial support and incentives to private developers to build retirement villages. It is also important to ensure that the ownership of the retirement village is transparent and clear to avoid any potential disputes or conflicts.

Some informants verbalised their concern that retirement villages might only be suitable for older people with higher socio-economic status.

"Retirement village ni puan, baik pergi kepada pihak swasta lah puan. bukan kerajaan yang buat. tetapi kerajaan...swasta atau NGO lah." (Group 5)

"Yang mana orang yang berpendapatan tinggi yang terima konsep ini, jadi apabila mereka melibatkan diri mereka dalam hal ini, ia akan mendatangkan manfaatlah pada diri mereka. Yang mana berpendapatan rendah tu dia tak boleh nak menyertai perkara ini." (Group 2)

"Sebab bila melibatkan fund, masuk dalam pool semua tu memang kalau tak ada education, kalau tak ada clear path, memang agak sukarlah." (Group 6)

Monitoring is also essential to ensure the safety and well-being of residents in retirement villages. It is important to have a regulatory body that monitors the operations of retirement villages and ensures that they comply with safety standards and regulations.

"Kerajaan hanya lah bertanggungjawab untuk kawal selia dari segi pelbagai aspek. Dari segi perundangan, dari segi kualiti dan sebagai perkhidmatan dan sebagainya. Saya kira itu lebih praktikal lah ya puan ya. berbanding dengan universiti ke, jkm ke, nak buka sendiri ke, jangan lah buat. itu saja." (Group 5)

Diversity of age group is another key factor that can contribute to the success of a retirement village. It is important to ensure that the community is not segregated by age but includes individuals from different age groups. This can help create a vibrant, diverse community that promotes social interaction and engagement. Besides, only some older people are suitable to stay in retirement villages due to personal variety. For example, an older patient who requires medical care should remain at a hospital or long-term care facility rather than a retirement village.

"Dia akan jadi macam tu lah. kita akan bergaul dengan orang yang semua dah berumur haa....kalau saya, saya prefer ada pelbagai lah di situ." (Group 5)

"Idea retirement bukan keperluan tetapi pilihan. Berkelompok, ada yang bersara sihat, ada yang bersara ada masalah seperti ditinggalkan keluarga, ada yang bersara sakit tiada siapa nak jaga. Pengasingan tak bolehlah untuk retirement village. Bagaimana kita boleh elak orang retire perlukan semua itu, pentingnya kita orang islam untuk jaga, didik anak-anak?" (Group 2)

Children in Malaysia are expected to care for their elders as part of filial piety and sending them to a retirement village may be viewed as shirking that responsibility.

"Kita punya budaya Malaysia ni, orang tua lahirkan kita, jaga kita besarkan kita at the end of the day kita kena jaga balik orang tua kita. same goes to our kids. also have to take care of us. not to say take care jaga. just small phone call, video call kan. bukan kata balik kampung raya je. so that is the culture here tau. same goes for Singapore juga, Thailand pun sama juga. Budaya dia adalah orang tua besarkan kita. Dia jaga kita, dia raise us whatever it is kita dah successful takkan kita nak lupakan dia." (Group 6)

Pensioners who are unmarried, have no children, or caregivers may consider retirement villages as an option. This is because they may not have a support system in place and a retirement village could provide the necessary care, facilities, and **community support** to help them lead a fulfilling life.

"One day, might be you akan hidup sorang. so untuk you jaga...berada di rumah sorang sorang tu macam...ada risiko yang sangat besar. and i see friends yang mana dia ada mothers dekat kampung, duduk kat kampung, tak nak datang kat sini......sunyi, jatuh sorang sorang. so i rasa macam kalau i diberi pilihan, I'm staying alone without any kids, without husband nothing, i akan pergi cari rumah yang so call...this one...retirement village ni." (Group 6)

In short, the retirement village market in Malaysia is still considered a blue ocean due to having a low supply compared to other types of property (Jean, 2018). Older adults prefer to age in place. Hence, it is crucial to offer adequate support services and programs that help them **live safely and independently** in their homes for as long as possible. It is also important to address the concerns of providing evidence-based benefits to retirement villages to make it a viable and attractive option for pensioners. Individual preferences and circumstances may vary, and therefore, a thorough market survey is essential to determine the feasibility of retirement villages as an option for pensioners in Malaysia.

4.3 Summary

The FGDs provided valuable insights into the issues and challenges faced by government employees and pensioners within the retirement system, including their retirement planning practices. The discussions emphasised the need for greater **awareness and education** about retirement options and financial planning among this group.

Thematic analysis of the discussions revealed key themes, such as concerns about the adequacy of retirement benefits, the necessity for improved communication and information dissemination from relevant authorities, and the importance of financial planning and literacy. Furthermore, the FGDs highlighted the desire for improved **access to age-friendly facilities** and emphasised the significance of physical forms and **user-friendly online** options for retirement-related processes.

These insights are crucial for policymakers and stakeholders involved in the retirement system, underscoring the need for proactive measures to address these concerns and enhance the retirement experience for government employees and pensioners. Further research is essential to bridge these gaps effectively and implement meaningful changes in the retirement system.

The FGDs highlighted the desire for improved access to age-friendly facilities and emphasised the significance of physical forms and user-friendly online options for retirement-related processes

Career-Retirement Strategic Agenda (CReSA) 2024-2030

5.1 Introduction

This section describes the strategies and initiatives for the CReSA framework, which incorporates an expanded version of the active ageing model promoted by the International Longevity Centre Brazil (2010) encompassing four pillars, namely **Health, Security and Safety, Social Participation and Network, and Lifelong Learning.** The Four-Pillar Model starts at the work entry level and is silent on the earlier life stages before work life as the focus of the framework is on the work lifecycle. We take into consideration the micro-, meso-, and macro-level influences of human development at different life stages and acknowledge that ageing is a lifelong process that is shaped by earlier experiences as well as interactions with social forces (Alwin, 2012; Gill & Taylor, 2012).

The proposed CReSA consists of **4 objectives, 12 strategies, and 78 initiatives** for different 3 lifecycle stages:
(1)   Entry-Level;
(2)   Mid-Level-to-Experienced; and
(3)   Retirement (Pensioners/Pension Derivative Recipients)

The proposed CReSA was presented at a Stakeholders' Consensus Workshop held on 17 August 2023 at The Everly Putrajaya. The main objective of the workshop was to gather inputs from stakeholders for the contents of the CReSA, while also facilitating discussions aimed at creating a shared vision and fostering a sense of responsibility.

The workshop was attended by a total of 34 participants (37% of our invitees out of 92 invitations/46 agencies), who represented 14 government agencies, four private agencies, and three non-governmental organisations. In addition, nine officials from KWAP attended as observers. The participants' distribution is shown in Table 5.2-1.

The workshop was attended by a total of 34 participants, who represented 14 government agencies, four private agencies, and three non-governmental organisations

Table 5.1-1 Distribution of participants by pillar

Group	Agencies	Number of Participants
Health Pillar	Institut Penyelidikan Penuaan Malaysia, Universiti Putra Malaysia (MyAgeing®)	1
	Kementerian Kesihatan Malaysia (KKM)	2
	Institut Keselamatan & Kesihatan Pekerjaan Negara (NIOSH)	2
	Kementerian Pelaburan, Perdagangan dan Industri (MITI)	1
	Kumpulan Wang Simpanan Pekerja (KWSP)	1
	Pertubuhan Keselamatan Sosial (SOCSO)	1
Security and Safety Pillar	Kementerian Sains, Teknologi dan Inovasi (MOSTI)	1
	Institut Tadbiran Awam Negara (INTAN)	2
	Kementerian Dalam Negeri (KDN)	2
	Kongres Kesatuan Pekerja-Pekerja Di Dalam Perkhidmatan Awam (CUEPACS)	2
	Kementerian Kemajuan Desa dan Wilayah (KKDW)	1
	Pertubuhan Keselamatan Sosial (SOCSO)	1
	Kementerian Ekonomi	1
Social Participation and Network Pillar	Kementerian Perpaduan Negara	2
	Kementerian Pembangunan Wanita, Keluarga dan Masyarakat (KPWKM)	1
	University of Third Age, Universiti Putra Malaysia (U3A)	1
	Jabatan Perangkaan Malaysia (DOSM)	2
Lifelong Learning Pillar	Jabatan Perkhidmatan Awam (JPA)	1
	Kementerian Pendidikan Tinggi (MOHE)	2
	Pusat Aktiviti Warga Emas (PAWE) Putrajaya	1
	Open University Malaysia (OUM)	2
	Pesara Putra Universiti Putra Malaysia	2

Subsequently, a Validation Workshop took place on 22-23 August 2023, involving representatives from KWAP and JPA. The workshop aimed to harmonise and finalise the objectives, strategies, initiatives, timeline, success indicators, and responsible agencies as detailed in the strategic agenda.

The final strategic agenda was presented at the *Persidangan Aspirasi Persaraan Penjawat Awam dan Pesara Kerajaan*, a significant conference organised by JPA on 17 November 2023. This event gathered representatives from over 20 government agencies, providing a platform to discuss and align on the strategic objectives and initiatives outlined in the agenda.

The conference facilitated meaningful dialogue among key stakeholders, ensuring a shared understanding and commitment to the goals set forth for the government employees. The presentation highlighted the collaborative efforts and comprehensive planning that went into developing the strategic agenda, emphasising its importance for future policy implementation and agency responsibilities.

5.2 Career-Retirement Strategic Agenda (CReSA) 2024-2030

The Four-Pillar Model of the Career-Retirement Strategic Agenda (CReSA)
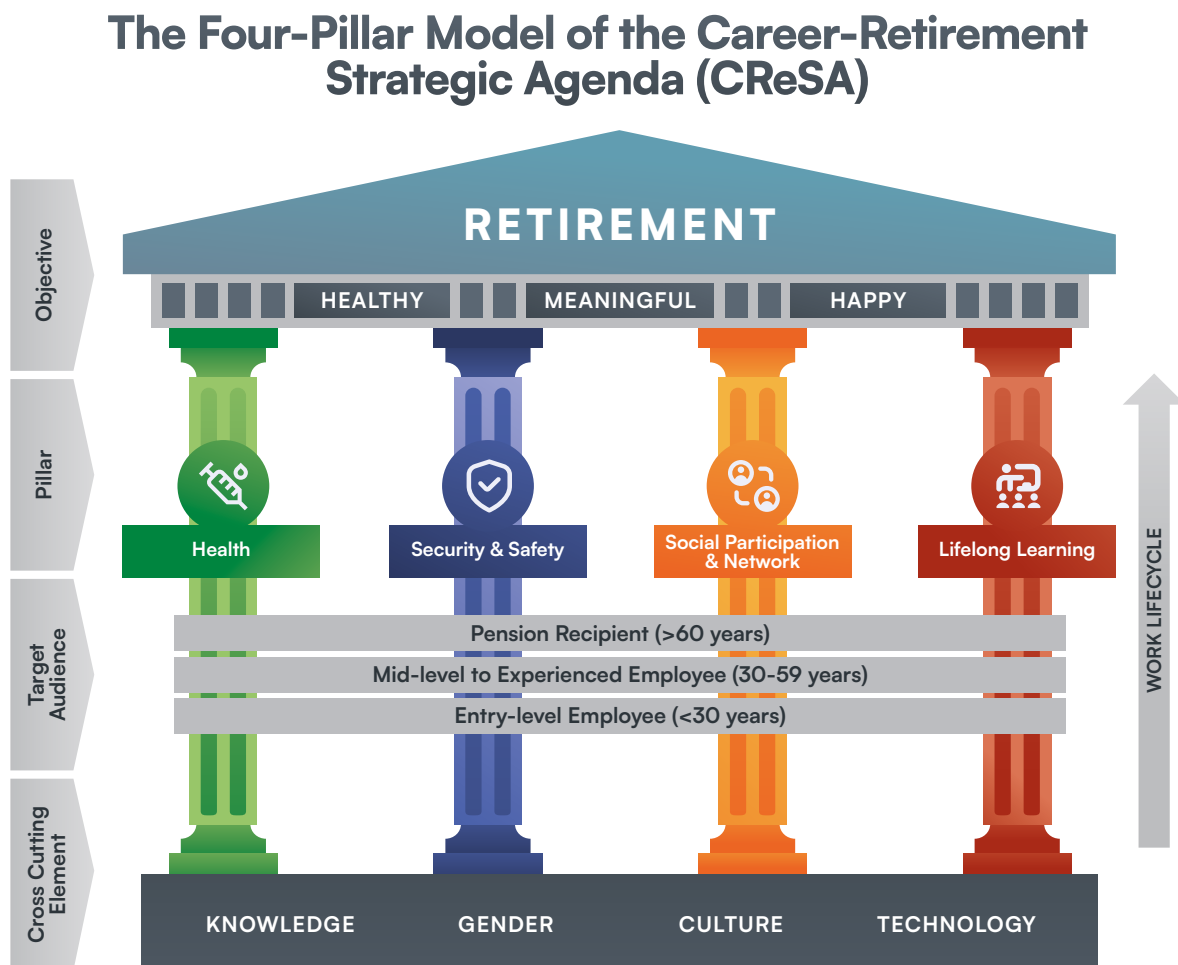
Figure 5.2-1
The Four-Pillar Model of the Career-Retirement Strategic Agenda (CReSA)

In Figure 5.2-1, the four pillars are intertwined in the lives of the early-level employee, mid-level to experienced employee, and pensioner/derivative pensioner. The three groups reflect the stages of life of our respondents.

Four cross-cutting elements of knowledge, gender, culture, and technology influence the work lifecycle and retirement living. Our culture determines gender role differentiations, which may influence accessibility to knowledge and technology. Technology is an enabler but can also be a hindrance to the population without knowledge of its uses and abuses.

Malaysians may live longer in retirement than in their work lifecycle, which necessitates the need to have proper guidance and planning for life in retirement. The vision of retirement accentuated in this model is for employees

to achieve a healthy, meaningful, and happy retirement. Healthy retirement would mean that pensioners may have diseases but are under control and remain functioning for themselves, their families, and the community. Meaningful retirement is associated with having a purpose and being involved in activities that are meaningful to the individual. With a healthy and meaningful retirement, individuals would attain a happy retirement.

The health pillar encompasses physical, mental, social, and spiritual health and it is largely influenced by the determinants of social, economic, behavioural, personal, physical environment, and health and social services. Health across all ages will be achieved if the determinant risks are reduced, such as by adopting a healthy lifestyle and engaging in preventive health practices.

The security pillar encompasses social protection programs developed by the public and private sectors to ensure income security in old age. Older people are assured through policy initiatives to attain dignity and care in the event that they are no longer able to support and protect themselves. Meanwhile, the safety pillar considers climate change issues, crimes, and neighbourhood safety.

Social participation and network pillars revolve around engagement in any social, civic, recreational, cultural, intellectual, or spiritual pursuit that brings a sense of meaning, fulfilment, and belonging.

The lifelong learning pillar encompasses education and training at every stage of life. Lifelong learning is required to keep abreast with technological advancements that support our daily lives.

The four pillars described above are not mutually exclusive. There is a need for intersectoral actions that consist of intergovernmental organisations including international agencies, the private sector, civil society, the media, academia, and the people, to translate the pillars into actions. Successful integration and operationalisation of the pillars will culminate in a healthy, meaningful, and happy retirement.

5.2.1 Health

Objective

To promote preventive, promotive, and rehabilitative healthcare policy and practices among government employees, pensioners, and pension derivative recipients.

Table 5.2-1 The strategies and initiatives of the Career-Retirement Strategic Agenda (CReSA) Framework for health

🩹 HEALTH

Strategy	Initiative	Proposed Agencies	Success Indicators	Timeline
ENTRY-LEVEL EMPLOYEES (<30 years old)				
Key Objective: **Systematically implement promotive and preventive health policy among government employees**	1. Expand minimum standard fitness tests and health status based on job requirements	JPA	• Reduction in medical leave • Reduction in healthcare expenses • Reduction in critical illness rate • Healthy Body Mass Index (BMI) • Drafted policy on promotive and preventive health	Short Term (1-2 years)
	2. Introduce mandatory full health check-ups (blood/urine test)	JPA		Long Term (3-7 years)
	3. Include digital health literacy content in the induction program	JPA		Short Term (1-2 years)
	4. Enculturation of health and wellness program e.g. emphasising KOSPEN Plus program	MOH (KOSPEN Plus)		Short Term (1-2 years)
	5. Provide incentives for employees who are involved in preventive health activities	JPA		Long Term (3-7 years)

🩹 HEALTH

Strategy	Initiative	Proposed Agencies	Success Indicators	Timeline
ENTRY-LEVEL EMPLOYEES (<30 years old)				
Key Objective: **Systematically implement promotive and preventive health policy among government employees**	6. Promote group health insurance (e.g MySalam)	MOF, JPA	• Reduction in medical leave • Reduction in healthcare expenses • Reduction in critical illness rate • Healthy Body Mass Index (BMI) • Drafted policy on promotive and preventive health	Long Term (3-7 years)
	7. Subscribe long-term healthcare insurance	MOF, JPA		Long Term (3-7 years)
	8. Enforce employees' adherence to occupational health and safety requirements	JKKP (MOHR)		Long Term (3-7 years)
MID-LEVEL-TO-EXPERIENCED EMPLOYEES (30-59 years old)				
Key Objective: **Increase self-care practices among government employees**	1. Expand mandatory full health check-ups at the age of 30, 40, 50, and before retirement	JPA	• Reduction in critical illness rate • Reduction in medical leave	Long Term (3-7 years)
	2. Self-care awareness through various mediums and activities	MOH	Reduction in medical leave	Short Term (1-2 years)
	3. Recognise staff who practice self-care and healthy lifestyles	JPA	Reduction in healthcare expenses	Short Term (1-2 years)
	4. Encourage self-care activities through the formation of self-care teams/committees	JPA	Number of self-care activities implemented	Short Term (1-2 years)
	5. Enforce employees' adherence to occupational health and safety requirements	JKKP (MOHR)	Low work-related accident and disease	Short Term (1-2 years)
	6. Encourage enrolment in health insurance and long-term healthcare insurance schemes	JPA	Drafted policy on health insurance and long-term healthcare insurance schemes	Long Term (3-7 years)

⚕ HEALTH

Strategy	Initiative	Proposed Agencies	Success Indicators	Timeline
MID-LEVEL-TO-EXPERIENCED EMPLOYEES (30-59 years old)				
Key Objective: **Increase self-care practices among government employees**	7. Provide co-payment facilities at private panel clinics	JPA	Drafted policy on co-payment facilities at private panel clinics	Short Term (1-2 years)
	8. Increase accessibility of rehab services (i.e., more rehab centres/facilities)	MOH, SOCSO, MOF	Increase the number of rehab services in the locality	Long Term (3-7 years)
PENSIONERS/PENSION DERIVATIVE RECIPIENTS (60 years and above)				
Key Objective: **Improve access to healthcare services among pensioners**	1. Promote digital health literacy awareness using MySejahtera for appointments and health monitoring	KWAP, SOCSO, MOH	Increase the number of appointments and users made through apps	Short Term (1-2 years)
	2. Concession of vital home medical equipment and prescribed medication through Kad Pesara	KWAP, MOH, JPA	Utilisation of home medical equipment and prescribed medication through Kad Pesara	Long Term (3-7 years)
	3. Create a list of local providers directory for elderly services	KWAP	Controlled health conditions	Short Term (1-2 years)
	4. Provide awareness on service counter availability at SUK offices (via KWAP and JPA social media platforms	KWAP, JPA		Short Term (1-2 years)
	5. Provide tax incentives for service providers of non-emergency transport	KWAP, LHDN, MOF	More providers involved in the initiative	Long Term (3-7 years)
	6. Increase the number of rehab centres/facilities in the community	MOH, SOCSO, MOF	Increase the number of new rehab centers/facilities	Short Term (1-2 years)

HEALTH

Strategy	Initiative	Proposed Agencies	Success Indicators	Timeline
PENSIONERS/PENSION DERIVATIVE RECIPIENTS (60 years and above)				
Key Objective: **Improve access to healthcare services among pensioners**	7. Increase the proportion of promotive, preventive, and rehab health budget in the national budget	MOH, MOF	Promotive, preventive, and rehab health included in the national budget	Long Term (3-7 years)
	8. Review implementation of digital health mechanism	MOH	Implementation of digital health mechanism	Long Term (3-7 years)
	9. Train more healthcare personnel on geriatric care	MOH	• Number of training programs • Number of geriatric professionals trained	Long Term (3-7 years)
	10. Promote and expand the other retirement-related services at the State Government (SUK) offices (including serving as information centre)	SUK, JPA, KWAP, MOH	• Expansion of services at State Government (SUK) • Number of service utilisation	Long Term (3-7 years)

5.2.2 Security and Safety

Objective

To manage life planning, revisit and evaluate career direction among government employees and institutionalise re-employment.

Table 5.2-2 The strategies and initiatives for the Career-Retirement Strategic Agenda (CReSA) Framework for security and safety

SECURITY & SAFETY

Strategy	Initiative	Proposed Agencies	Success Indicators	Timeline
ENTRY-LEVEL EMPLOYEES (<30 years old)				
Key Objective: **Set career development and life planning**	1. Include financial literacy content in the induction program	INTAN, KWAP, JPA, HR of Respective Agencies, KPT, Financial Education Network	Financial literacy content included in the induction program	Short Term (1-2 years)

🛡 SECURITY & SAFETY

Strategy	Initiative	Proposed Agencies	Success Indicators	Timeline
ENTRY-LEVEL EMPLOYEES (<30 years old)				
Key Objective: **Set career development and life planning**	2. Develop introductory comprehensive retirement preparedness modules towards financial security and well-being in later life	INTAN, KWAP, Financial Education Network	• Number of training programs • Number of geriatric professionals trained	Long Term (3-7 years)
	3. Reinforce routine contribution to retirement saving plans	HR of Respective Agencies	Regular saving contribution	Long Term (3-7 years)
	4. Develop an automated personal savings scheme	JPA, MOF	Draft policy on automated personal savings scheme	Long Term (3-7 years)
	5. Awareness of workplace ergonomic design, illness and workplace accidents	DOSH, NIOSH, Human Factors Ergonomic Malaysia, JPA, HR of Respective Agencies	• Reduce illness and workplace accidents • Award ergonomically furniture/ recognition	Long Term (3-7 years)
	6. Introduce a social protection system for non-pension schemes e.g. voluntary registration with PRS	HR of Respective Agencies	• Existence of the social protection system for non-pension schemes • Number of voluntary enrolment in SOCSO, PRS	Long Term (3-7 years)
	7. Introduce transfer of accrued pension right from one pension fund to another	JPA, MOF	Development of portability policy (portability of schemes, e.g. if government workers take a job in the private sector before they are eligible for pension, the cumulative finances should be able to transfer to EPF, not as now when they start a new job level of sharing)	Long Term (3-7 years)

⛉ SECURITY & SAFETY

Strategy	Initiative	Proposed Agencies	Success Indicators	Timeline
ENTRY-LEVEL EMPLOYEES (<30 years old)				
Key Objective: **Set career development and life planning**	8. Introduce indexing in the pension system	JPA, MOF	Introduce indexing in the pension system to ensure the purchasing power of retirees/ derivative retirees	Long Term (3-7 years)
MID-LEVEL-TO-EXPERIENCED EMPLOYEES (30-59 years old)				
Key Objective: **To evaluate and improve current resources required for retirement goal**	1. Awareness campaigns on asset accumulation, wealth creation and debt management	HR of Respective Agencies	Routine asset declaration	Long Term (3-7 years)
	2. Awareness campaigns on productive and active ageing (social activities, healthy lifestyle, networking, entrepreneurship)	HR of Respective Agencies JPA, KWAP	Results of Pre- and Post-evaluation on awareness of productive and active ageing	Long Term (3-7 years)
	3. Encourage a second career transition program	HR of respective Agencies	Enrollment in second career courses	Long Term (3-7 years)
	4. Develop retirement preparedness modules: financial security and well-being in later life	INTAN, JPA, KWAP, Financial Education Network	Existence of advanced comprehensive retirement preparedness module	Long Term (3-7 years)
	5. Develop aged friendly home modification scheme	Local Authority, State Government, KPKT, MOF, MOH, Majlis Negara Kerajaan Tempatan	Existence of the policy	Long Term (3-7 years)
PENSIONERS/DERIVATIVE PENSIONERS (60 years and above)				
Key Objective: **Review re-employment policy, strengthen financial security awareness and resource management**	1. Develop 'employment-packages' suitable for re-employment	MOHR	Development of re-employment policy	Long Term (3-7 years)
	2. Develop policy for aged-friendly home modification scheme	Local Authority, State Government, KPKT, MOF, MOH, Majlis Negara Kerajaan Tempatan JKM - bantuan baiki rumah	Existence of the policy	Long Term (3-7 years)

SECURITY & SAFETY

Strategy	Initiative	Proposed Agencies	Success Indicators	Timeline
PENSIONERS/DERIVATIVE PENSIONERS (60 years and above)				
Key Objective: **Review re-employment policy, strengthen financial security awareness and resource management**	3. Awareness on safe driving and self-regulate capability at older age	JPJ, PDRM, PPKM	Awareness campaign	Short Term (1-2 years)
	4. Awareness of fraud, scam, abuse, and exploitation	KKD, PDRM, KWAP, PPKM	• Reduction of the number of police reports on fraud, scam, abuse, and exploitation • Knowledge and action to avoid fraud, scam, abuse, and exploitation (from pre- and post-training evaluation)	Long Term (3-7 years)
	5. Awareness on wills and bequests, and appointment of trustee	JPA, KWAP, Amanah Raya, PPKM	Realistic actions to develop wills and bequests	Short Term (1-2 years)
	6. Neighbourhood/community watch crime and snatch thief	KDN, Local Authority, Residential Association	Decrease in the number of crimes	Short Term (1-2 years)
	7. Aged-friendly public spaces and built environment	KWAP, KPKT, Local Authority	Availability of aged-friendly spaces	Short Term (1-2 years)
	8. Awareness of derivatives rights and benefits	JPA, KWAP	Reduce complaints on derivative rights and benefits	Short Term (1-2 years)
	9. Incentives to employers who employ pensioners as trainers, lecturers or any other advisory or professional services	MOF, JPA, LHDN	Existence of incentives	Long Term (3-7 years)

5.2.3 Social Participation and Network

Objective

To enhance participation in activities that foster a sense of community, purpose, and fulfilment for government employees, and pensioners.

Table 5.2-3 The strategies and initiatives for the Career-Retirement Strategic Agenda (CReSA) Framework for social participation and network

SOCIAL PARTICIPATION & NETWORK				
Strategy	**Initiative**	**Proposed Agencies**	**Success Indicators**	**Timeline**
ENTRY-LEVEL EMPLOYEES (<30 years old)				
Key Objective: **Cultivate social relationship**	1. Promote work-life balance at the workplace	JPA	Happiness Index for government employees, Employee Satisfaction Index	Short Term (1-2 years)
	2. Teamwork and collaboration work culture in the workplace	JPA	Employee Satisfaction Index, Number of completed projects across departments	Short Term (1-2 years)
	3. Promote intergenerational programs to strengthen family relationships	JPA, HR of Respective Agencies	Number of intergenerational programs	Short Term (1-2 years)
	4. Community activities as an integral component of their work	JPA, HR of Respective Agencies	Number of community activities engaged	Short Term (1-2 years)
MID-LEVEL-TO-EXPERIENCED EMPLOYEES (30-59 years old)				
Key Objective: **Strengthen social relationship**	1. Encourage membership enrollment in civil society or union	JPA	Number of Membership enrolments in civil society or union	Short Term (1-2 years)
	2. Encourage hobbies, leisure and social activities	JPA, KBS	Psychological well-being index	Short Term (1-2 years)
	3. Strengthen family and friends' relationships	JPA, KPWKM	Psychological well-being index, family well-being index	Short Term (1-2 years)
	4. Engage in community activity as an integral component of their work	JPA, KPWKM	Number of community activities engaged	Long Term (3-7 years)

SOCIAL PARTICIPATION & NETWORK

Strategy	Initiative	Proposed Agencies	Success Indicators	Timeline
PENSIONERS/PENSION DERIVATIVE RECIPIENTS (60 years and above)				
Key Objective: **Maintain and expand the social relationship**	1. Promote socialisation through digital platforms	MCMC, KWAP	Percentage of government pensioners using social media	Long Term (3-7 years)
	2. Recognising active volunteers among pensioners	KWAP	Number of recognitions and appreciations awarded to pensioners	Short Term (1-2 years)
	3. Establish a mechanism for volunteerism opportunities and community activities	KPWKM, KWAP	• Existence of directory • Number of pensioners involved in volunteer work	Long Term (3-7 years)
	4. Include community activity and service information in MyPesara App	KWAP	Existence of community activity and services information in MyPesara App	Short Term (1-2 years)
	5. Inculcate volunteerism in the community	KWAP	Number of pensioners involved in volunteer work	Short Term (1-2 years)

5.2.4 Lifelong Learning

Objective

To provide education and lifelong learning opportunities to government employees, pensioners, and pension derivative recipients.

Table 5.2-4 The strategies and initiatives for the Career-Retirement Strategic Agenda (CReSA) Framework for lifelong learning

LIFELONG LEARNING

Strategy	Initiative	Proposed Agencies	Success Indicators	Timeline
ENTRY-LEVEL EMPLOYEES (<30 years old)				
Key Objective: **To support parents and self-professional development**	1. Introduce tax relief for employees paying for parents' lifelong learning programs	MOF, LHDN	Implemented in the tax declaration form	Short Term (1-2 years)

🔧 LIFELONG LEARNING

Strategy	Initiative	Proposed Agencies	Success Indicators	Timeline
ENTRY-LEVEL EMPLOYEES (<30 years old)				
Key Objective: **To support parents and self-professional development**	2. Encourage participation in skill and development of workforce capacity building	JPA, HR of respective agencies	Employee performance appraisal	Short Term (1-2 years)
	3. Work-life planning program (for beginners)	INTAN, JPA, KWAP, MyAgeing®, UPM	Existence of work-life planning program	Short Term (1-2 years)
	4. Encourage further study beyond his/her present qualification to upgrade/develop skills for promotion opportunity	MOHR, HRD Corp, HR of agencies/ministries	• Increase the number of employees pursuing higher education • Increase the number of programs related to the nature of job	Short Term (1-2 years)
MID-LEVEL-TO-EXPERIENCED EMPLOYEES (30-59 years old)				
Key Objective: **To support parents and own lifelong learning**	1. Introduce tax relief for employees who are paying parents' lifelong learning programs	LHDN, MOF	Implemented in the tax declaration form	Short Term (1-2 years)
	2. Encourage up-skilling and reskilling programs	HR of respective agencies, MOHR	Number of employees enrolled in this program	Short Term (1-2 years)
	3. Provide work-lifecycle planing program	INTAN, JPA, KWAP, MyAgeing®, UPM	Existence of work-lifecycle planning program	Short Term (1-2 years)
	4. Introduce Career Transition Program (training opportunities to transit to new sector/segment) e.g. Singapore (Skills Future Career Transition Program (SCTP))	JPA (In-Service Division)	• Number of employees with multiple skills • Number of employees graduated	Long Term (3-7 years)
	5. Encourage to further study beyond his/her present qualification to upgrade/develop skills for promotion opportunity	JPA, KPT, HR of agencies/ministries, certified training provider	• Increase the number of employees pursuing higher education • Increase the number of programs related to the nature of job	Short Term (1-2 years)

🖳 LIFELONG LEARNING

Strategy	Initiative	Proposed Agencies	Success Indicators	Timeline
PENSIONERS/PENSION DERIVATIVE RECIPIENTS (60 years and above)				
Key Objective: **To increase access to lifelong learning programs**	1. Increase awareness on lifelong learning	U3A Malaysia, KWAP	Number of enrolments in lifelong learning programs/ activities	Short Term (1-2 years)
	2. Expand lifelong learning programs partnership with college communities and NGOs	KPT, college communities and NGOs	Number of partnerships established	Short Term (1-2 years)
	3. Establish a national council for lifelong learning	KPT, KPWKM, KKM	Existence of a national council for lifelong learning	Long Term (3-7 years)
	4. Collaborate with private sector on lifelong learning programs	Private Company's Foundation	-	Short Term (1-2 years)
	5. Develop training providers and facilities directories on lifelong learning programs	KWAP, KPT (Jabatan PSH)	Existence of the lifelong learning program directories on training providers and facilities	Short Term (1-2 years)
	6. Awareness on derivatives rights and benefits	JPA, KWAP	Reduce enquiries on derivative rights and benefits	Short Term (1-2 years)
	7. Provide reskilling for the rehiring in promoting/ encouraging development of silver economy	MoHR, HRD Corp, MEF, KWAP	• Increase the number of companies involved in hiring seniors • Number of seniors rehired	Short Term (1-2 years)
	8. Collaborate with public/private higher learning	Public & Private HLI and companies	• Number of HLI and companies involved in this program • Number of trainers involved in this program (completing the program)	Short Term (1-2 years)

5.3 Summary

The proposed CReSA framework comprises four pillars: Health, Security and Safety, Social Participation and Network, and Lifelong Learning. It consists of four objectives, twelve strategies, and seventy-eight initiatives for different life stages. Each proposed initiative was categorised based on the timeframe. Successful integration and operationalisation require collaborative support from key stakeholders across government agencies, employees, pensioners/pension derivative recipients, community groups, NGOs, media, and the private sector. CReSA is envisioned to culminate in a healthy, meaningful, and happy retirement.

5.4 Key Success Factors

The CReSA framework involves multisectors and multiple stakeholders; hence, there will be challenges to implement the strategies and activities. Therefore, several success factors need to be considered in the implementation of the strategic agenda:

- **Leadership and commitment from top management**
  Support from top management of the organisation and their commitment to understanding the issues related to work-life career and retirement pathways is important to ensure the human resource obtain the appropriate information and guidance across the life span. Financial support to implement the activities is needed.

- **Multisectoral and Intersectoral planning of activities**
  The involvement of stakeholders in the process of designing and planning of initiative will lead to co-creation and ownership of the activities. This will ensure buy-in and support to implement the activities in the future. For early and mid-career works, involving them in the program design will lead to support and ownership of the program. The HR department plays a major role in empowering the development of programs to assist in work-life planning. Involving whole-of-government and whole-of-society approaches are important to the success of implementation.

Successful integration and operationalisation of the proposed initiatives require collaborative support from key stakeholders across government agencies, employees, pension recipients, community groups, NGOs, media, and the private sectors

- **Collaborate with and build on existing age-related initiatives**
  It is important to collaborate and build on existing age-related initiatives to ensure continuity and buy-in. We do not need to reinvent the wheel and must reach out to stakeholders who champion previous work and build on that foundation to develop new initiatives such as healthy lifestyle inbuild in the National Health Policy on Older Persons and reemployment in the National Human Resources (HR) Policy. There may be a need for training to coordinate and structure multisectoral and intersectoral work to overcome silo practices.

- **Political will**
  Political will is crucial for the successful implementation of the strategic agenda and the need to identify champions as the flag bearers of the strategies. Continuation of the implementation plan regardless of political changes is also crucial.

- **Monitoring and evaluation**
  Performance monitoring and continuous data collection mechanisms are needed to measure the performance review process and decision-making. It also requires the reporting of performance to ensure resource allocation and impact.

CHAPTER 06

Conclusion and
Recommendation

6.1 Conclusion

The comparative analysis provided several key insights on the best practices in retirement products and services reflecting the nation's unique socio-cultural and economic context. Hong Kong SAR and Singapore both employed a unified pension system. Nonetheless, Singapore's approach is more encompassing and comprehensive. Meanwhile, a **multi-pillar system** is practised in Canada, Germany, the Netherlands, Malaysia, and Singapore.

The shift in the global trend towards Defined Contribution (DC) is noted across several countries to bolster the sustainability of the pension scheme. This change aligns with the evolution of pension plans towards greater individual responsibility and self-sufficiency in retirement financing across the pension system.

The **portability of pension benefits** remains a prevalent feature across all of the countries except Malaysia. This would foster flexibility and adaptability in an increasingly globalised world. The funding strategies to support the pension plan reflect the underpinning philosophy of the individual countries, while Malaysia is still traditional in the funding strategy.

Pension income is **indexed** in several countries. Canada uses inflation and quarterly adjusted benefits based on changes to the Consumer Price Index (CPI). Germany adjusts annually based on changes in the average wage index. Similarly, the Netherlands index benefits based on CPI and life expectancy. Singapore's Central Provident Fund (CPF) retirement savings are adjusted with a combination of wage growth and inflation rates. Malaysia and Hong Kong SAR do not have indexation mechanisms. These indexation mechanisms will ensure the purchasing power of pensioners.

The global shift highlights the need for Malaysia to improvise its pension system by adopting industry best practices, implementing portability, and indexation mechanisms to ensure sustainability and equitability in retirement

Policy adaptations are evident across countries to ensure the longevity of retirement pension plans and the agility in response to evolving needs varies, with certain nations demonstrating more dynamic adjustments than others. Unfortunately, Malaysia appears to lag in this aspect, highlighting a potential area for improvement.

The project's insights into the views and aspirations of government employees and pensioners/pension derivative recipients offer valuable knowledge about pensioner demographics and the diverse range of pensions they receive. The study also uncovered the preferred products and services among the participants, highlighting the importance of policy interventions to enhance retirement planning for individuals of all ages and ensure the long-term sustainability of pension systems. Policymakers and stakeholders can utilise these insights as a roadmap to develop more inclusive and efficient pension programs that cater to the varied needs of pensioners.

The focus group discussions (FGDs) have illuminated significant challenges encountered by government employees and pensioners within the retirement system, highlighting the critical need for increased awareness and education about retirement options and financial planning. Thematic analysis of these discussions has uncovered key concerns, including doubts about the adequacy of retirement benefits, the necessity for improved communication from relevant authorities, and the importance of enhancing financial planning and literacy among this demographic. These findings have substantial implications for policymakers and stakeholders involved in the retirement system, indicating the necessity for further research and strategic interventions to enhance the retirement experience for government employees and pensioners.

Moreover, the FGDs emphasised the urgent requirement for enhanced accessibility to age-friendly facilities. They underscored the critical importance of creating environments that cater to older persons' needs as well as the necessity for intuitive and user-friendly online platforms for retirement-related procedures. These insights highlight the imperative for policymakers and service providers to prioritise the development of inclusive environments and

digital solutions that address the specific requirements of ageing populations.

Lastly, the proposed CReSA offers a structured approach with four essential pillars and a comprehensive set of objectives, strategies, and initiatives tailored to various life stages. The successful realisation of the CReSA framework requires collaborative support from a diverse array of stakeholders, including government agencies, employees, pensioners, community groups, non-governmental organisations (NGOs), media outlets, and the private sector. Together, these stakeholders can work towards a vision of retirement that promotes good health, security, active social engagement, lifelong learning, and overall well-being for retirees.

6.2. Potential Products and Services

Based on the expectations and aspirations of government employees, pensioners, and pension derivative recipients, the potential products and services that can be considered in the future are outlined as follows:

Health

1 Automated Health Insurance Enrollment: Implement a system that automatically enrols pensioners and their dependents in health insurance, guaranteeing them hassle-free access to comprehensive healthcare coverage.

2 Co-Payment Facilities at Private Clinics: Establish partnerships with private panel clinics to provide retirees with the option of 'co-payment' facilities for medical services, reducing the financial burden of healthcare expenses.

3 Enhance the MyPesara app to include hemodialysis records, verification of visit, appointment dates, and Guarantee Letter.

4 Provide Access to Transportation Services:
- Non-emergency medical treatments
- Ride-sharing services tailored for pensioners and seniors

Security and Safety

1 Automated Personal Savings Scheme: Promote initiatives that encourage individuals to save more for retirement beyond their existing pension contributions, with automatic enrollment in the scheme.

2 Transportation Discounts: Partnership with transportation providers to offer exclusive discounts on various travel options, including air travel, e-hailing services, and private transportation, making travel more affordable for retirees.

3 Home Modification Services: Incorporate the 'age-proofing' concept to meet the evolving needs of retirees.

4 Raise awareness about estate planning, wills, *hibah*, and the appointment of trustees.

Social Participation and Network

1 Holiday accommodation discounts: Collaborate with hotels and resorts to provide discounted accommodation packages, making it easier for retirees to enjoy their leisure time with affordable travel options.

2 Leveraging technology for online advisory and consulting: Create advisory services that offer retirees guidance on health management, financial planning, social engagement, and psychological well-being, addressing their comprehensive needs through digital platforms.

3 Improve and promote existing service channels: Enhance and publicise current service channels, including detailed information on SUK roles, to boost awareness and increase usage.

4 Create an AI-powered self-service platform: Develop a platform with AI-driven self-service capabilities for addressing basic and common inquiries related to:
- Pension benefits-related enquiries.
- Chatbot and virtual counter
- Health, home safety, fraud, and financial management.
- Usage of essential apps, such as Grab, MyPesara, MySejahtera, Waze, Google Maps, etc.
- KWAP awareness and outreach program
- Senior rehiring and reskilling

5 Offer a platform for pensioners to engage in Volunteer Programs: Create a platform where pensioners can register and participate in volunteer opportunities, fostering social involvement and mental activity while making contributions to their communities.

Lifelong Learning

1 Retirement Readiness Module: Develop an all-encompassing Retirement Readiness Module that addresses key aspects of retirement, such as health, financial planning, social engagement, and psychological well-being. This module can be provided as a training program to help individuals prepare for retirement more effectively.

2 Offer self-service online learning platforms: Provide structured and user-friendly online learning modules covering essential topics, such as digital literacy (e.g., online shopping, booking transportation, news updates, home safety), first aid and emergency medical treatments, and basic entrepreneurship skills and requirements.

3 Offer skill development workshops: Conduct workshops aimed at developing new skills in areas such as gardening, cooking, handcraft, photography, or writing.

4 Programs designed to improve physical environment, pensioner benefits, social well-being, and financial status: Initiatives focused on enhancing the physical environment, boosting pensioners' benefits, promoting social well-being, and improving the financial status of retirees.

5 Provide knowledge and training to promote silver and circular economies among pensioners: Offer education and training to encourage participation in the silver and circular economies, helping pensioners to engage effectively with these economic models.

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APPENDIX 1

METHODOLOGY

This section outlines the research methodology employed for the various activities conducted in this project. The research activities are organised into four main parts. Each part employs a rigorous and systematic approach to ensure comprehensive and reliable findings. To facilitate referencing within the project report, these sections are structured as follows:

1. Chapter 2: Best Practices in Retirement Products and Services in Selected Countries
2. Chapter 3: Views and Aspirations of Government Employees and Pensioners/Pension Derivative Recipients
3. Chapter 4: Issues and Challenges in Retirement
4. Chapter 5: Career-Retirement Strategic Agenda (CReSA) 2024-2030

Chapter 2: Best Practices in Retirement Products and Services in Selected Countries

The desk review was conducted from July to September 2022 as a preliminary phase with the intention of informing and guiding the primary data collection activities that followed. The team produces a desk study that provides a comprehensive overview of the country's pension system and identifies similarities and differences of each country's pension system. Additionally, an analysis of best practices in retirement products and services in selected countries was undertaken by the team.

Due to the paucity of cross-cultural policy, research, and other documentation directly pertinent to pension systems in the target countries, the review was exploratory and pragmatic in nature, as opposed to being highly systematic. The desk review was carried out to obtain data from diverse secondary sources. This includes studies and institutional reports on the pension system. Secondary data sources were gathered from pension system literature obtained from credible journals, books, various articles, periodicals, conferences, websites, and other sources that were considered and included in the desk assessment. Comparing the different pension systems around the whole would be valuable to policymakers, government, and industry. Comparison is not straightforward as countries differ in pension systems and welfare regimes. Nonetheless, certain features and characteristics across the different systems may be adopted and adapted to improve the provision of retirement income for civil servants in Malaysia. Investigation of the best practices utilised by selected countries can be used to optimise the retirement experience for their loyal public servants.

At the first level, the decision was made to select one country from North America, two countries from Europe, and two countries from Asia based on the Mercer CFA GPI. Based on these criteria, the selected countries were Canada, Netherlands and Germany, Hong Kong SAR, and Singapore to represent Asia.

Chapter 3: Views and Aspirations of Government Employees and Pensioners/Pension Derivative Recipients

3.1 Views and Aspirations of Government Employees

Data were obtained through an online survey, which allows rapid access to input from the target population. This approach significantly shortens the entire data collection cycle, as all data is collected and analysed in real time. The online questionnaire was created using Google Forms. The question formats consisted of drop-down lists, open-ended questions, and arrays.

The data collection period spanned seven weeks, from 5 December 2022 to 31 January 2023. The data collection was conducted in collaboration with the Public Service Department (Jabatan Perkhidmatan Awam, JPA). JPA facilitated the data collection process by sending email invitations containing the online survey URL link to all ministries and departments. The survey invitation was made available on JPA, and MyAgeing®, UPM social media platforms. This broader outreach aimed to encourage a larger number of individuals to participate in the survey.

To ensure a 95% confidence level and a margin of error of 5%, the minimum required sample size is 385 (Krejcie & Morgan, 1970). This is the minimum number of actual responses needed to achieve the desired level of accuracy in the study. As a result of the extensive outreach efforts, the survey surpassed the initial target sample size of 600, and we successfully obtained an impressive response from 6,252 respondents. This high level of participation indicates a strong engagement from the targeted population and provides a robust dataset for analysis and insights.

The online survey provides the convenience of viewing and analysing data in Excel format. Furthermore, to conduct more advanced data analysis, the survey data was exported to IBM SPSS Statistics version 27.0. Descriptive statistics were applied to summarise the characteristics and trends within the data. Additionally, cross-tabulation was employed to examine relationships and dependencies between different variables, providing further comprehension into the survey results.

3.2 Views and Aspirations of Pensioners/Pension Derivative Recipients

Data collection was conducted through an online survey, allowing for a streamlined data collection process. This approach significantly reduced the time needed for data collection, as all responses were collected and analysed in real time. The online questionnaire was developed using Google Forms and included drop-down lists, open-ended questions, and arrays. The Data was collected over a period of five weeks, involving two phases. The first phase of data collection spanned from 14 November to 5 December 2022, covering a duration of three weeks. Following that, the second phase took place from 19 January to 31 January 2023, for two weeks.

The survey was kicked off with data collection at Seminar Perancangan Kewangan organised by KWAP on 14 November 2022, where respondents had the opportunity to participate in the survey on-site. In addition to that, the distribution of the online survey questionnaire involved multiple channels. The URL link to the survey was shared with the target respondents through various platforms, including the JPA, KWAP, and MyAgeing's social media platforms. Additionally, the MyPesara Applications and walk-ins at the KWAP Cyberjaya office were also utilised as means of reaching and engaging with the targeted respondents.

As recommended by Krejcie and Morgan (1970), it was necessary to obtain a minimum sample size of 385 responses in order to achieve a 95% confidence level and 5% margin of error. However, the survey exceeded the initial target sample size of 400 and successfully collected data from 1,075 respondents. The large dataset provides a substantial and reliable analysis.

The online survey facilitated convenient data viewing and analysis in Excel format. For more advanced data analysis, the survey data was exported to IBM SPSS Statistics. Descriptive statistics were utilised to summarise the characteristics and trends within the data, while cross-tabulation was employed to examine relationships and dependencies between different variables, further enhancing our understanding of the survey results.

Chapter 4: Issues and Challenges in Retirement

The focus group discussions (FGDs) were led by a moderator and one assistant, and a specific protocol was followed, which included the following steps:

1. The moderator gave participants an overview of the study's objectives.
2. Participants were asked for consent and permission to record the session.
3. The moderator asked questions to the participants based on the interview protocol and probed their answers to obtain further information.
4. If more than two individuals from the same agency were present, one was redirected to other groups to ensure that the group size was manageable, which could impact the effectiveness of the FGD.

The discussions were recorded and transcribed verbatim to ensure the information was captured accurately. Thematic analysis using Braun and Clarke's approach was used to analyse the data.

Chapter 5: Career-Retirement Strategic Agenda (CReSA) 2024-2030

The Career-Retirement Strategic Agenda (CReSA) was proposed based on the evidence obtained from:

1. Desk review on the benchmarking of best practices in retirement products and services;
2. Survey on the views and aspirations of government employees and pensioners; and
3. Stakeholder engagement and consultation — focus group discussion.

The proposed CReSA was presented at a Stakeholders' Consensus Workshop held on 17 August 2023 at The Everly Putrajaya.

The workshop began with a briefing on its purpose and the approach for conducting group discussions to reach a consensus. The Nominal Group Technique (NGT) was employed to facilitate the workshop. This technique involved individuals responding to questions presented by a moderator, followed by participants collectively prioritising ideas or suggestions from all group members.

The workshop was attended by 32 participants, representing 35% of the 92 individuals invited from 46 agencies. These participants included representatives from 14 government agencies, four private agencies, and three non-governmental organisations. Additionally, nine officials from KWAP attended as observers.

The participants were divided into four groups based on the four pillars of the CReSA. The distribution of the participants is shown in Table 5.1.

Table 5. 1 Distribution of participants by pillar group

Group	Agencies	Number of Participants
Health Pillar	Institut Penyelidikan Penuaan Malaysia, Universiti Putra Malaysia (MyAgeing®)	1
	Kementerian Kesihatan Malaysia (KKM)	2
	Institut Keselamatan & Kesihatan Pekerjaan Negara (NIOSH)	2
	Kementerian Pelaburan, Perdagangan dan Industri (MITI)	1
	Kumpulan Wang Simpanan Pekerja (KWSP)	1
	Pertubuhan Keselamatan Sosial (SOCSO)	1
Security and Safety Pillar	Kementerian Sains, Teknologi dan Inovasi (MOSTI)	1
	Institut Tadbiran Awam Negara (INTAN)	2
	Kementerian Dalam Negeri (KDN)	2
	Kongres Kesatuan Pekerja-Pekerja Di Dalam Perkhidmatan Awam (CUEPACS)	2
	Kementerian Kemajuan Desa dan Wilayah (KKDW)	1
	Pertubuhan Keselamatan Sosial (SOCSO)	1
	Kementerian Ekonomi	1
Social Participation and Network Pillar	Kementerian Perpaduan Negara	2
	Kementerian Pembangunan Wanita, Keluarga dan Masyarakat (KPWKM)	1
	University of Third Age, Universiti Putra Malaysia (U3A)	1
	Jabatan Perangkaan Malaysia (DOSM)	2
Lifelong Learning Pillar	Jabatan Perkhidmatan Awam (JPA)	1
	Kementerian Pendidikan Tinggi (MOHE)	2
	Pusat Aktiviti Warga Emas (PAWE) Putrajaya	1
	Open University Malaysia (OUM)	2
	Pesara Putra Universiti Putra Malaysia	2
Total		**32**

Subsequently, a Validation Workshop took place on 22-23 August 2023, involving representatives from KWAP and JPA. The workshop aimed to harmonise and finalise the objectives, strategies, initiatives, timeline, success indicators, and responsible agencies as detailed in the strategic agenda.

The final strategic agenda was presented at the Persidangan Aspirasi Persaraan Penjawat Awam dan Pesara Kerajaan, a significant conference organised by the Jabatan Perkhidmatan Awam (JPA) on 17 November 2023. This event gathered representatives from over 20 government agencies, providing a platform to discuss and align on the strategic objectives and initiatives outlined in the agenda. The conference facilitated meaningful dialogue among key stakeholders, ensuring a shared understanding and commitment to the goals set forth for public service retirement and pension schemes. The presentation highlighted the collaborative efforts and comprehensive planning that went into developing the strategic agenda, emphasising its importance for future policy implementation and agency responsibilities.