

# What are the effects of new retirement age sociology



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- 3. 7 Data Analysis

Work or employment is an indispensable parts of people ' s lives. Peoples need work as the platform to obtain income in supplying the demands for ego and people around them. There are many types of plants available in the market. Public or private sectors, they are all up to persons to make up one's mind, which sector they preferred the most. Every people will be secured non merely in term of economic system but besides in term of psychological science if they are being employed. This is because, by holding work, it can assist them to better the quality of life. Harmonizing to World Health Organization ( WHO ) , quality of life is the perceptual experience their place in life based on the context of civilization, and value system which they live and in the relation with their ends, outlooks, criterions and concern.

Even though people do work to go on life, there is a restriction age to it. The restriction is called retirement age. Retirement can be defined as the period when an single stops employment wholly and begins a new stage of life. Harmonizing to the oxforddictionaries. com, retirement can be defined as the action or fact of go forthing one ' s occupation and discontinuing to work. Concise Oxford Thesaurus defines retirement as giving up work and halting work. Retirement is a period where people stop working because of the age factor and started to roll up pensions from the retirement history. All employees will be confronting retirement phase when the age is nearing the bounds. Retirement is said to give them some infinite to get down put back and loosen up since people at their age are non suited to execute more occupation because of wellness hazard. Retirement address the issues that <https://assignbuster.com/what-are-the-effects-of-new-retirement-age-sociology/>

persons face during retirement, including the passage from a life of employment and independency to a new being that can dispute a individual 's dignity ( Idon, 2011 ) .

Retirement provides loopholes that can be filled up with the entryway of new employees. Probably the replacings are among youth and fresh alumnuss.

The United Nations define young person as individuals between the ages of 15 and 24. Young person are a group of people who ever exhibit a fringy fond regard to the labor market ( Thirunaukarasu et wholly, 2005 ) . In Malaysia, as stated in Labour Force Survey Report Malaysia in 2002, young persons between ages of 15 to 24 old ages constitute about 21. 5 % from the entire labour force and about 19. 8 % of employed individual in Malaysia ( Thirunaukarasu et wholly, 2005 ) .

Recently, as harmonizing to The New Straits Time dated 14 June 2012, the authorities tabled Minimum Retirement Age Bill to raise the minimal retirement age for private sector workers to 60 ( Shankar, 2012 ) . Human Resources Minister Datuk Seri Dr S. Subramaniam said the new age bound would, nevertheless, non use to impermanent or contractual workers, those on probation, learners, non-citizens and domestic amahs ( Shankar, 2012 ) . The current minimal retirement age for most private sector workers is 55 but no compulsory retirement age has been set unlike in the populace sector. The retirement age for the populace sector has already been raised to 60. The measure proposed that any differing retirement age made in a old contract or understanding would be deemed null and substituted with the new minimal age of 60 ( Shankar, 2012 ) .

There are many statements about the extent of new retirement age. One of them is the accomplishments that senior workers offer are really valuable like gold. They are much more experient and it is hard to develop new employees. Training and training new employees besides will still necessitate more cost compared to continuing senior workers. In add-on, extension of the retirement age helps the economic system of the older people in order to get by with the rise of criterion of life. For illustration, in Japan they are encouraged older worker to work in order to back up themselves in lifting cost of life. Equally much as 37 per cent of work forces and adult females between the ages of 60 to 65 still are economically active in the labour force ( C. T. Lai & A ; Comeau, 2012 ) .

On the other manus, the new retirement age policy non merely extends the age of retirement but in bigger range will finally take to the job of unemployment among young person. It is found out that about 75 million immature people worldwide are without occupations. The planetary young person unemployment rate has remained gluey at 12. 6 per cent for the past three old ages and is non projected to take down this twelvemonth ( Mazlena, 2012 ) . Unemployment is said to be a common phenomenon in developed and developing states. Among the current pertinent jobs in many states is the increasing rate of unemployment among young person ( Shukran et al, 2005 ) . As harmonizing to The Star dated March 17, there will be some slowdown in occupation chances in certain industries when people are retired subsequently. For illustration, in the US air power industry, pilots have to wait longer for publicity to captain because of the addition in retirement age for captains to 65 from 60 ( Fintan, 2012 ) . A recent

Bloomberg study citing an industry engaging expert says “ first officers are happening it more hard to acquire publicities as the higher retirement age for captains creates a logjam at the top of the concatenation ” ( Fintan, 2012 ) . Lee says the survey shows that while there may be a impermanent addition in the unemployment rate as the economic system adjusts to an enlargement in the labour force, after four old ages all the extra labor will be absorbed ( Fintan, 2012 ) . In developed states like Singapore, as taken from the Singapore newspaper dated 15th June 2012, the unemployment rate edged up to 2. 1 per cent in March, from 2. 0 per cent in December 2011. The idle rate among occupants rose from 2. 9 per cent to 3. 0 per cent, while that among citizens besides inched up from 3. 0 per cent to 3. 2 per cent ( Sara 2012 ) . The increasing of retirement age nevertheless will be good intelligence to our older people. Retaining their work non merely helps them economically to back up their life, but authorities besides takes this chance to to the full use our human capital. Government need to believe how they are traveling to to the full use our human capital by non impacting our immature coevals.

## **1. 2 Problem Statement**

Sing people presents are acquiring healthier, authorities make determination to increase the retirement age. In add-on, our Malayan life span is already increasing to 71. 9 for male and 77 for female. This is warranting the ground why authorities wants to to the full use their human capital. The new retirement age was passed through a measure by the authorities on 13th June 2012 to be 60 old ages old on private sector. Minimal retirement age measure will protect the right of the people if they are prematurely being

retired by the organisation ( 14 June, 2012, New Straits Times ) .

Furthermore, to be retired at the age of 60 is still considered normal as Singapore ' s retirement age is 62. However, the job of this new retirement age is the likeliness to the lessening in occupation chance among the young person. In other word, the unemployment rate might increase due to this new execution. There are about 75 million of immature people unemployed around the universe ( 24 July, 2012, New Straits Times ) . The unemployment rate precisely will impact many things of people ' s life, particularly the hereafter of our young person. The United Nations define young person as individuals between the ages of 15 and 24. In Malaysia, young person is defined as those between 15 and 40 old ages old but the chief focal point of development plans in the state are for those aged between 18 to 25 ( Faizah Yunus, 2007 )

The new retirement age nevertheless might convey different perceptual experiences among pupils on young person unemployment. Percept of a people might be differing from one another. Factor that affects this perceptual experience is called demographic factor. Demography is a representation of cardinal attack to the apprehension of human society ( thefreedictionary. com ) . Human can be category in many ways. The manner of the classing homo is called demographic factors. Harmonizing to thefreedictionary. com, demographic factors are socioeconomic factors of population that statistically expressed harmonizing to their age, sex, instruction, degree of income, matrimonial position, business, faith, birth rate, decease rate, mean size of household, and norm at matrimony. All of these factors might impact people perception towards a thing. The manner

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of rich people think might not be same as the manner of the hapless people thinks.

Extension retirement age leads to diminishing the chance of occupation among the young person. It is proved in the instance of in the US air power industry, pilots have to wait longer for publicity to captain because of the addition in retirement age for captains to 65 from 60 ( Fintan, 2012 ) .

However even the existent instance is applied, it does not intend that the people will hold with this. The people might perceive this issue otherwise.

Gender, income distribution, instruction degree, matrimonial position and geographic might are the demographical factors that might impact the perceptual experience of the young person unemployment towards the new retirement age.

Young persons are the assets of the state. Their perceptual experiences on the new retirement age are not something that authorities can be neglected.

The perceptual experiences might be due to their demographic factors able to do a strong statement for the authorities on the extension retirement age.

Rich people might not care about the extension on retirement age because they are already rich. However, hapless people of class might care about the decreasing of occupation chance among the young person due to the

extension on retirement age because work is the lone their beginning of economic system. Thus authorities demands to see every demand of the

people in the state before enforcing the new retirement age. Too old to be retired will be makes us problem. It is better to engage the young person

with fresh head. However, engaging younger people who do not hold

experience will ensue in less of productiveness. In order to accomplish higher  
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income states, authorities demands to hold cheques and balance between employments of older and immature people.

### **1. 3 Research Questions**

1. Does demographic factors affect the perceptual experience of pupils on increasing retirement age and young person unemployment?
2. Does new retirement age affect the unemployment rate of immature coevalss?
3. What are the effects of new retirement age on young person unemployment?

### **1. 4 Research Aims**

1. To analyze the perceptual experience of young person on the relationship of new retirement age with youth unemployment rate.
2. To analyze the relationship between extension of retirement age and unemployment of young person.
3. To analyze the perceptual experience of young person on the relationship of new retirement age with youth unemployment rate.

### **1. 5 Scope of Study**

The range of this survey is to cognize whether or non the new retirement age will impact the unemployment rate among immature coevalss. The perceptual experience of child will be measured in order to place whether or non the hypothesis can be accepted or non.



The survey will be carried out among 200 pupils in Universiti Teknologi Mara ( UiTM ) , Universiti Selangor ( UNISEL ) and Management Science University ( MSU ) . The scope of age will be between 18 to 28 old ages old.

## **1. 6 The Significance of the Study**

This survey is aiming on to analyze the pupil perceptual experiences from different demographic background towards the extension of new retirement age and youth unemployment. Extension of retirement age is a new issue that heatedly debated today. Elder people might hold with this extension of retirement age because it will be an advantage for them. Younger people might non hold with this because it will be a disadvantage for their hereafter. However, we do non the existent perceptual experiences of our young person. Their perceptual experiences might be different based on their demographic factors. Demographic factors such as gender, income distribution, instruction degree, matrimonial position and geographical will find the important of the relationship between the pupils perceptual experience on new retirement age and youth unemployment. All of these perceptual experiences will be measured to see amenity of the young person towards the new retirement. The effects of new retirement age and unemployment among young person are act as the yardstick in mensurating our younger coevals perceptual experience. We are trusting that this survey might assist in lending to the Ministry of Human Resource and other related bureau sing the issue of the retirement. This survey might be the platform for authorities to get down mensurating the relationship between widening the retirement among older worker and unemployment rate among young person.

## 1. 7 Definition of Key Footings

1. Retirement: the clip when people to retreat from their occupation for good and worker besides eligible for retirement resources such as societal security, pension and another retirement plan that they are entitled off.

hypertext transfer protocol: //humanresources. about.

com/od/glossaryr/g/retirement. htm

2. Unemployment rate: is the per centum that shows unemployed people over the entire civilian labor force. hypertext transfer protocol: //www.

cliffsnotes. com/study\_guide/Unemployment-Rate. topicArticleId-9789, articleId-9735. html

3. Percept: the procedure which people translates centripetal feeling into a coherent and incorporate position around them. hypertext transfer

protocol: //www. businessdictionary. com/definition/perception. html

4. Young coevals: United Nations define immature coevals as the people who are at age of 15 to 24 old ages old. hypertext transfer protocol: //mdgs.

un. org/unsd/mdg/Metadata. aspx? IndicatorId= 0 & A ; SeriesId= 630

5. Demographic factors: socioeconomic feature of a population expressed statistically, such age, sex, instruction degree, income degree, matrimonial

position, business, faith, birth rate, decease rate, norm of a household size and mean age at matrimony. hypertext transfer protocol: //www.

businessdictionary. com/definition/demographic-factors. html

6. Gender: refers to socially constructed functions, behaviour, activities, and attributes that peculiar society see appropriate for work forces and adult females. [hypertext transfer protocol: //www. who. int/topics/gender/en/](http://www.who.int/topics/gender/en/)

7. Income Distribution: TheA distributionA ofA wagesA earned across aA company, A industry, or country. A IncomeA distribution reveals what per centum of persons are at variousA wageA degrees, information that can uncover more aboutA overallA wageA patternsA thanA averageA income can.

[hypertext transfer protocol: //www. investorwords. com/5614/income\\_distribution. html # ixzz2DdPcYGdu](http://www.investorwords.com/5614/income_distribution.html#ixzz2DdPcYGdu)

8: Education Degree: Degree of instruction which represents a wide subdivision of the instruction “ ladder ” , that is, the patterned advance from really simple to more complicated acquisition experience, encompassing all Fieldss and programme groups that may happen at that peculiar phase of the progression. A [hypertext transfer protocol: //stats. oecd. org/glossary/detail. asp? ID= 1522](http://stats.oecd.org/glossary/detail.asp?ID=1522)

9. Marital Status: A the status of being married or unmarried. [hypertext transfer protocol: //www. thefreedictionary. com/marital+status](http://www.thefreedictionary.com/marital+status)

10. Geography: the scientific discipline covering with the areal distinction of the Earth ‘ s surface, as shown in the character, agreement, and interrelatedness over the universe of suchA elementsA asA clime, lift, A dirt, A flora, A population, A landA usage, A industries, A orstates, A andA ofA theA unitA areasA formedA byA theA complexA ofA these individualA elements.

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hypertext transfer protocol: //dictionary. reference. com/browse/geography

## **1. 8 Hypothesis**

1. The higher the instruction, the higher concern of the effects on new retirement age towards youth unemployment.
2. The higher the household income distribution, the lower concern about occupation chance.
3. Peoples in rural country are more likely to less concern about employment than people in urban country.
4. Married people more probably more concern about the employment than individual people.
5. Work force are more likely concern about employment than adult females.
6. The higher the retirement age among older worker, the lower the occupation chance among the young person.
7. The longer the retirement age, the less productiveness of the worker.
8. The higher the unemployment, the lower quality of life among the young person.
9. The more unemployment, the more offense will wish to be happen.

## Chapter 2

### LITERATURE REVIEW

#### 2.0 Introduction

Literature reappraisal is a organic structure of text that aiming to reexamine critical points of current cognition including substantial determination including theoretical and methodological of peculiar subjects from what have been published by the commissioned bookman and research workers. A reappraisal may be self-contained unit, an terminal itself or a foreword to and rationale for prosecuting in primary research. Literature reappraisal is secondary informations. Literature reappraisal helps us to hold unsmooth thought of the job and phenomenon and how it is related with other variables.

In this survey, we are aiming to analyze perceptual experiences of pupils based on their demographic backgrounds sing the extension of new retirement age. The demographic factors such as instruction degree, household distribution income, geographics, matrimonial position and gender are being the benchmark for this survey. The effects of new retirement age and besides the consequence of young person unemployment besides being investigated in order to understand the perceptual experiences of pupils who are coming from assorted demographic backgrounds. All of these effects were obtain through the secondary informations including diary, newspaper, book and besides books.

## **2. 1. 1 Definition of Retirement**

Webster ' s New World Dictionary ( 2006 ) defines retirement as employee who for good go forthing employment. American Heritage Dictionary of Business ( 2009 ) on the other manus defines retirement as a voluntary expiration of employment upon making a certain age.

Retirement besides is defined by WordIQ. com ( 2009 ) as the position of a worker who has stopped working. This happens upon making a determined age. However, non all workers retire because of the age. They have many grounds to retire. For illustration, the grounds are illness, personal pick and many other grounds.

In Malaysia, the compulsory retirement age for public sector employees is at 56. However, workers may choose for early retirement at the age of 40 if they have served the authorities for a lower limit of 10 old ages.

Normally, retired workers will be paid with pension. A pension is a contract for a fixed amount to be paid on a regular basis to a individual, typically following retirement from service.

## **2. 1. 2 Types of Retirement**

Harmonizing to Jabatan Perkhidmatan Awam ( JPA ) , there are four types of retirement. First type of retirement is Compulsory Retirement where the workers are mandatory to retire upon making the age of 60 as the authorities already revised the retirement age to widen it until 60 which will be come into consequence in 2013.

Second type of retirement is Retirement due to wellness status. Retirement happens when workers unable to make the work because of unwellness either physically or mentally. However, they need to hold an blessing from medical tester.

Third type of retirement is the Retirement

## **2. 1. 3 Definition of Unemployment**

International Labor Organization ' s dei→? nition of unemployment, which requires that an person does non hold a occupation, has been actively looking for a occupation ( Alena, 2010 ) . The ILO reported that the planetary unemployment rate for immature people had risen to its highest recorded degree, and is expected to go on increasing ( Sudirman Nasir, 2010 ) . At the terminal of 2009, across the universe, unemployment among immature people ( aged between 15 and 24 ) stood at 13 per centum or about 81 million people ( Sudirman Nasir, 2010 ) . In Indonesia, Indonesia ' s Central Statistics Agency has reported that the figure of registered unemployed in the state in 2009 reached 8. 96 million people out of a work force of 113. 83 million, of which many were immature people aged between 15 and 24 ( Sudirman Nasir, 2010 ) . Unemployment injuries at any age ; but for immature people, long-run unemployment cicatrixs for life. Quoted from ACEVO ( Association of Chief Executive of Voluntary Organisations ) , “ Unemployment injuries at any age ; but for immature people, long-run unemployment cicatrixs for life. It means lower net incomes, more unemployment, [ and ] more sick wellness later in life. It means more inequality between rich and hapless - because the hurting hits the most deprived ” ( Adnan Al-Daini, 2012 ) .

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## **2. 1 Demographic factors**

Demographic factor can be defined as socioeconomic features of a population expressed statistically, such as age, sex, instruction degree, income degree, matrimonial position, business, faith, birth rate, decease rate, mean size of a household, mean age at matrimony. A nose count is a aggregation of the demographic factors associated with every member of a population. A demographic factor is used to be the cardinal factors that affect the consequence of people ' s determination in life. Every individual has different demographic factors which lead to different determination devising. In this research, a few features have been shown to be first-class indexes of the unemployment towards young person. The features that have been used are gender, household income, instruction degree, matrimonial position, geographical country.

### **2. 1. 1 Gender**

Unemployment among young person is sing gender as the index. Gender is said to be the most of import factor that will find young person ' s perceptual experience. It is believed that adult female and adult male have different perceptual experience approximately employment as both genders sing occupation otherwise. Harmonizing to Oxford lexicon, gender is the province of being male or female ( typically used with mention to societal and cultural differences instead than biological 1s ) . Harmonizing to World Health Organization ( WHO ) on the other manus, gender refers to the socially constructed functions, behaviours, activities, and attributes that a given society considers appropriate for work forces and adult females.



Different gender might hold different sentiments and thought about being employed. Man is in higher demand of obtaining occupation instead than adult female. However it is found out that unemployment among work forces has increased and acquiring worse. Harmonizing to a survey, the unemployment has increased by 600, 000 since 2008. The figure of unemployed adult females on the other manus has besides increased by about half a million, to make a record degree of 1. 12 million, although this is non chiefly due to fewer occupations for adult females but alternatively to a comparatively big rise of 438, 000 in the figure of adult females take parting in the labor market ( John Philpott, 2012 ) . Male are believed to be affected more from the unemployment. This is due to the point that male necessitating work more that adult female. In today ' s phenomena, the duty to back up household in footings of economic system is placed on work forces ' s shoulder. Therefore, to hold occupation and employed is really indispensable to the male. Without occupation and income, they can non derive money to prolong their lives and the household. On the other manus, adult female is less likely to concern about unemployment. Most of adult females are dependent on work forces in footings of economic system particularly those who are married. The sentiment about employment may be non every bit debatable as the male side. But, there are few adult females feel that employment is really of import to them. These yearss, many adult females besides are employed even with higher place due to the making and instruction degree. Therefore, gender demographic should be taken into consideration in this research.

## **2. 1. 2 Income distribution in household**

It is undeniable that bulk of the young person are still populating with the household. They are coming from assortment background of household. Background of household here means the income distribution in the household. There are adolescents originally coming from affluent and low-cost household and there are besides adolescents coming from less fortunate household. Their income might non even plenty to prolong their life. Those coming from affluent household might non hold job sing money and income distribution. Their parents can afford to supply them with satisfactory sum of money or even more. They besides will be provided with equal degree of instruction. They will be less likely concern about acquiring occupation or being employed particularly when the household own a household concern. Differ to the young person coming from in-between income household or lesser ; they are more concerned about work and income they will obtain. The income distribution in household is non every bit good and promising as from affluent household. That will probably be the ground employment is indispensable to prolong their lives.

Peoples coming from hapless household will experience more duty to derive money for the interest of the household. Their age is sufficient plenty to happen occupation and contribute to the household. If there are no available occupation offers in the working market, they are unable to supply income for the household. They have to vie with older workers for a topographic point in company.

## 2. 1. 3 Geography

Geography refers to the topographic point or country people come from. The geographical country is taken into consideration as a step of their perceptual experience. There are urban and besides rural countries. An urban country is characterized by higher population denseness and huge human characteristics in comparing to countries environing it. Urban countries may be metropoliss, towns or urban sprawls, but the term is non normally extended to rural colonies such as small towns and crossroadss. Increasing degrees of urbanisation are caused by natural growing of the urban population and migration of the rural population towards metropoliss ( Hartmut Schwarzbach, 2002 ). Rural countries are big and stray countries of an unfastened state with low population denseness. The traditional differentiation between urban and rural countries within a state has been based on the premise that urban countries, no affair how they are defined, supply a different manner of life and normally a higher criterion of life than are found in rural countries. In many industrialised states, this differentiation has become blurred and the chief difference between urban and rural countries in footings of the fortunes of populating tends to be a affair of the grade of concentration of population. Although the differences between urban and rural ways of life and criterions of life remain important in developing states, rapid urbanisation in these states has created a great demand for information related to different sizes of urban countries ( United Nation, 2012 )

Peoples in urban country are confronting with high life cost which requires them to believe of more options to derive money. They should obtain more

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money become the disbursements are besides high. Compared to rural country, the life cost are much slighter. Therefore, people in rural country will be less worry about money.

## **2. 1. 3 Education degree**

A “ authoritative ” theoretical account of passage from school to work applies when immature people start working merely after finishing their highest degree of instruction. In such a theoretical account, individuals seldom combine instruction with employment. A recent survey by the US Census Bureau for the US confirms the connexion between a individual ‘ s degree of instruction and his or her employability and net incomes. The survey shows that US college alumnuss earned far more over their life-times than people who merely graduated from high school ( Ben Graham and Charles Paul ) . The statement prove that people with higher instruction will probably be employed instead that those with lower instruction degree. This is due to the making required for certain business. In add-on, today ‘ s on the job field is really competitory, therefore whom require more accomplishments and better making will non confronting the job of unemployment. For the least educated or those who are luckless plenty to see long periods out of work, it becomes progressively difficult to acquire that interruption that opens the door to the labor market ( Paul Gregg and Lindsey Macmillan, 2011 )

## **2. 1. 4 Marital position**

New informations for 2010 high spot that even married twosomes have been vulnerable to unemployment. And for the first clip in decennaries

unemployment has been concentrated among hubbies instead than married  
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womans ( Heather, 2011 ) . High unemployment, particularly among hubbies, is happening across households, irrespective of race or ethnicity ( Heather, 2011 ) .

## **2. 2 The effects of new retirement age**

The new retirement age will come into consequence by the twelvemonth of 2013. Seventy two per centum out of 3485 jobseekers from JobStreet. com ' s database agree with the increasing of retirement age. The ground for their amenity is due to Malayan necessitating more salvaging due to the increasing of life anticipation every bit much as 84 % . Retaining particular endowment particularly professional who additions it through experience was amounted every bit much as 73 % . However, the respondents are afraid the consequence of increasing the retirement age. The chief ground for their worried are the worker will go less effectual or low productiveness and there will be diminishing of occupation opportunities among the fresh alumnuss. Forty six per centum of the answering thinks that increasing the retirement age might faces wellness issues that limit the senior worker to execute the better occupation. ( www. JobStreet. com ) . From this study, we can reason that the chief effects that will probably to go on when increasing the retirement age are diminishing occupation opportunities among the young person and low productiveness. The Singapore authorities ' s principle to raise the retirement age of Singapore workers to 62 old ages of age is because they live longer and many of them might non hold adequate money to retire ( theonlinecitizen, 2007 ) .

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## 2. 2. 1 Decreasing in occupation opportunities among young person

Increasing the retirement age helps the older worker economically as they can hold their full sum of salary alternatively of holding pension which might be half of their full month wage. Developing state helps our state to hold more people to be physically fits to work at the age more than 55 old ages old. This helps our state to to the full capitalise our human capital as we are holding valuable human capital. However, increasing retirement age would impact our young person for unemployment. Unemployment rate will increase due to diminishing occupation opportunities when there is increasing the retirement age ( [www. sundaytimes. lk](http://www.sundaytimes.lk) ) . If our economic system does non systematically turning as the demands for a occupation growth, the occupation opportunities will cut down. This is because, occupation chance remains the same but it was filled by the older and experience workers. The chance of our immature coevals to hold better or qualified occupation will cut down. The employer nowadays wants to engage people at least with two old ages of experience. This is because trains employee to be productive workers will incur a batch of cost.

Lump-of-labor theory makes the impression of the young person and older employee towards the impressions of zero-sum-game. Lump-of-labor theory stated that delayed retirement age of the babe boomers would “ herd out ” younger worker from the labour market, increasing their unemployment rate, cut downing their employment rate and cut downing their working hours ( S. Lasky, 2012 ) . The increasing in retirement age will probably do the lump-of-

labor false belief to go on. However, harmonizing to Dr Ong Kian Ming said this is non true. It is the duty of the authorities to do certain there is favourable status for investors to put in our state in order to open up more occupations chance for the young person ( 17 March, 2012, The Star. )

The slowdown in occupations chance still traveling go on when there is increasing in retirement age. For illustration, what go on in US air power industry where captain have to wait longer for publicity. This is due to the increasing the retirement age of the captain from 60 to 65 old ages old. Harmonizing to The Star dated on March 17th 2012, it will take four old ages for economic system to be stabled in seting the increasing of labor forces. ( Lee, 2012 ) . This is suggests that, if Malaysia wants to increase the retirement age by the twelvemonth of 2013, we could accomplish economic system stableness by the twelvemonth of 2017, which is three old ages before the vision 2020 realized. We could accomplish our dream of vision 2020 if we could stabilise our market integrating and besides our labour forces. Increasing retirement age will deny promotional chances for younger employees. Harmonizing to Organisation for Economic Co-operation and Development, employment of older workers has increased, while unemployment of younger workers has declined from the twelvemonth 2005 until 2012 ( Stephanie Gruner Buckley, 2012 ) .

## **2. 2. 2. Low productiveness of work**

Government want to increase the retirement age because they want to assist our babe boomers due to increasing cost of life ( 2 October 2012, Berita Harian ) . Increasing cost of life will be a load to the authorities if they do non increase the retirement age. This is because they have to pay more <https://assignbuster.com/what-are-the-effects-of-new-retirement-age-sociology/>

pensions in order for our baby boomer to get by with the increasing cost of life. In other words, authorities demand to protect the societal security of our older cohorts. Based on the figure given by Ministry of Women, Family and Community Development, authorities demand to pass every bit much as RM 422 million to assist the older people who do not work. It becomes a load to the authorities, and the big sum of figure might be used for other of important things ( 2 October 2012, Berita Harian ) . However, increasing the retirement age might not necessarily be good because the productivity of the older people is perceived to be declining and they are comparatively expensive compared to younger workers ( 4 August 2010, The Malaysian Insider ) .

Productivity can be defined and step utilizing three different constructs, which are aggregate ( economy-wide ) , household and individual degree. The sum of labour green goods and services at a given sum of capital can be defined as labour productivity ( Hanam S. Phang, 2011 ) . Harmonizing to Bloom, Canning and Sevilla, 2001, as cited by Hanam S. Phang, there will be negative effects on ageing population driven by low birth rate and longer life expectancy. The negative effects that might happen are diminishing labor input due to low population growth and aging, diminishing rates of saving and capital accumulation due to increasing dependence ratios and societal cost of long term attention, immature cohorts human capital investing will be decrease due to increasing societal cost for societal public assistance and invention, redevelopment or kinetics will be at lower degree ( Hanam S. Phang, 2012 ) . Based on these four effects, we can see that labour input will diminish due to unproductive workers and it leads to economic system load to the state for pulling off their public assistance.



One of the factors that affect the productiveness of worker is bad wellness status. Unfavorable wellness status will probably to give effects towards the productiveness of the worker. Harmonizing to Grossman as cited by Emile Tompa, healthy capital provides a flow of healthy that is unvarying in quality ( Tompa. E, 2011 ) . This is show that quality of work will be unvarying in the happening of favourable wellness status. Harmonizing to Stringer. J, it is estimated that American grownups at the age of 19 to 64 bashes non working due to wellness jobs was amounted to 18 to 20 million. It is reported in 2011, 69 million workers do non come to work due to illness. Harmonizing to the “ Journal of occupational and Environment Medicine ” as cited by Stringer. J about 40 per centum of US workers experience weariness. It is happen due to broad scope of physical and mental jobs. This wellness jobs leads to absenteeism and besides executing work less at full capacity due to wellness ground. It is estimated that \$ 136 billion per twelvemonth are the cost incur per twelvemonth in health-related lost productiveness and it is \$ 101 more than workers without weariness. Reduces public presentation while at work shows 84 % of the cost incurred instead than absenteeism ( Stringer. J, 2012 ) . This information shows that there are a batch of costs incurred in the event of wellness bad status happen.

Harmonizing to Skirbekk. V, the factors of low productiveness of older worker is because older worker exhibit the lower productive degree than the worker than the in-between degree. This is due to several physical and mental abilities such as musculus mass, staying power, centripetal abilities and wellness acquisition ability and velocity will diminish harmonizing to increasing in the age. There are ways to cut down the uneffective

productiveness among the older worker. Among the ways are hormones-cures, mental preparation plan, anti-ageing intervention and increasing instruction shows merely moderate consequences as the biological science procedure of homo is still continue ( Skirbekk. V, 2005 ) .

Harmonizing to a research cited by Skirbekk. V, unless the workers are professional, the productiveness will non be affected, others will diminish their productiveness by age additions. This was proven in empirical surveies based on supervisor evaluations. In the work where engineering alteration and larning requiring is high, age will be negatively related with the occupation public presentation. However, in the occupation that needs experience and communicating accomplishments, the older workers able to execute every bit good as the in-between age worker ( Skirbekk. V, 2005 ) .

Overall, we can state that, even though our population life anticipation is higher, but the job ripening is still at that place. Peoples will age in mundane life whether we are realized it or non. In the biological procedure of aging, it will probably to impact our wellness ( Skirbekk. V, 2005 ) . Therefore, the job of lower productiveness will still traveling to go on.

## **2. 3 Effectss of unemployment to the young person**

The extension of new retirement age will probably to give impact towards our young person unemployment. This is because maintaining older workers might cut down the handiness of plants for the fresh blood. The fresh blood here refers to the young person who started to happen employment. Youth unemployment might convey negative effects to our younger coevals and besides to the society. The unemployment may take to many jobs. The

effects that could go on from youth unemployment are cut down the quality of life among the young person and increasing the offense rates.

### **2. 3. 3 Affecting quality of life**

Quality of life is defined as a extremely subjective step of felicity that is an of import constituent of many fiscal determinations. Fiscal determinations normally involve a trade-off where quality of life is decreased in order to salvage money or, conversely, quality of life is increased by passing more money ( [www.investopedia.com](http://www.investopedia.com) ) . Harmonizing to [thefreedictionary.com](http://thefreedictionary.com), quality of life is your personal satisfaction ( or dissatisfaction ) with the cultural or rational conditions under which you live as distinguishable from stuff comfort ( [hypertext transfer protocol: //www.thefreedictionary.com](http://www.thefreedictionary.com) ) . Factors that play a function in quality of life vary harmonizing to personal penchants, but they frequently include fiscal security, occupation satisfaction, household life, wellness and safety.

In term of fiscal security, unemployment is said to be able to cut down the quality of life a individual may hold. Unemployment put a immense fiscal load a individual might hold therefore reduces the power towards better life. For illustration, unemployed individual does non hold the money to buy better goods for themselves. They can non supply better nutrient, better instruction and even better wellness as the limited sum of money they have. Everything cost really expensive today including nutrient, services and medical fees. Therefore, people with no occupation can non be in the same line with the economic today. Whatever sum of money people proposed defines what sort of quality people get.

Quality of life dictated by normative ideals based on spiritual, philosophical, or other systems. For illustration, we might believe that the good life must include assisting others because this is dictated by our spiritual rules.

Another illustration of this attack is that Kant believed that judgements about the rightness of behaviour, and hence the good life, come from rational idea.

These attacks to quality of life depend neither on the subjective experience of people nor on the fulfilment of their wants. As we will see, this attack to quality of life is most clearly related to the societal index tradition in the societal scientific disciplines.

The other attack to specifying the good life is based on the satisfaction of preferences. Within the restraints of the resources they possess, the premise is that people will choose those things that will most heighten their quality of life ( Lars Axelsson et al ). Therefore, in this tradition the definition of the quality of life of a society is based on whether the citizens can obtain the things they desire. People select the best quality of life for themselves that is commensurate with their resources and their single desires. This attack to public-service corporation or the good life based on people ' s preferences undergirds much of modern economic thought. Unemployment can cut down the resources people can possess in life. With those constraints, unemployed people can not supply themselves with the right sum of satisfaction over certain things in their lives. Desire is what people want in life. If the desire can be fulfilled, so the individual is said to hold a quality of life. That is possible merely if the individual has the equal sum in terms of financially.

In footings of the experience of persons, if a individual experiences her life as good and desirable, it is assumed to be so. In this attack, factors such as <https://assignbuster.com/what-are-the-effects-of-new-retirement-age-sociology/>

feelings of joy, pleasure, contentment, and life satisfaction are paramount. Obviously, this attack to specifying the quality of life is most associated with the subjective well-being tradition in the behavioural scientific disciplines ( Lars Axelsso et al ). Harmonizing to a survey, unemployed patients scored higher with regard to entire abnormal psychology, negative symptoms, eccentric behaviour, and blunted affect, perchance because more disturbed patients are less likely to obtain work, because work helps patients achieve greater diagnostic stability, or both. Unemployed patients were less likely to stress the importance of work. This may be a consequence of cognitive disagreement. If unemployed, the topic down plays the importance of work to avoid damaging his or her self-esteem. Alternatively, those who do not see work of import may be less likely to seek employment.

The employed individual show important advantages with regard to objective and subjective steps of their fiscal state of affairs and their personal safety, to subjective steps of planetary wellbeing and to fulfill with the work, leisure, and funds. Several of these advantages hold true after commanding for abnormal psychology. There are no important advantages related to adjustments. A important association between employment and leisure satisfaction was found for merely one of the two steps of leisure satisfaction and was no longer present when abnormal psychology was controlled ( Priebe et al ). However, the association suggests that the hypothesized spillover consequence of work satisfaction into leisure activities ( Kremer and Harpaz 1982 ; Furnham 1991 ) holds true for people with schizophrenic disorder. The grounds for this association are assorted: Work demands may increase the sensed benefits of leisure, work success may increase leisure

activity and engagement, increased income may do expanded or more attractive leisure activities possible, or common psychological variables may heighten both work and leisure activity or satisfaction with them.

The association between employment and planetary wellbeing is non accounted for by the lower degrees of abnormal psychology in those who are employed ( S. Priebe et Al ) . Employment position appears to be significantly associated with quality of life for people with schizophrenic disorder in these three states, independent of cultural differences in attitudes toward work and national differences in the cost of life, rate of earning, mechanisms for disablement support, and local unemployment degree. It seems likely that employment improves personal wellbeing by heightening such subjective elements as self-esteem and positive affect, every bit good as nonsubjective factors such as income. However, it remains to be determined which facets of employment ( such as position, societal contacts, money, or structured activities ) history for the more favourable quality of life in employed patients ( S. Priebe et Al ) . Furthermore, it should be taken into history that this survey followed a realistic design: The association between employment and quality of life does non needfully reflect a causal relationship. Both the ability to happen and keep work and higher satisfaction evaluations may be influenced by other cognitive, behavioural, or societal factors that were non assessed in this survey ( S. Priebe et Al ) .

## **2. 4 Conceptual Model**

### **CONCEPTUAL FRAMEWORK**

Demographic Factors

- Education Degree
  
- Family Income Distribution
  
- Geographical
  
- Marital Status
  
- Gender
  
- Gender

Percept of pupils towards the new retirement age on the young person  
unemployment

Effectss on extension retirement age to the young person

- Decrease the occupation opportunities among the young person
  
- Decreasing quality of life

## **Chapter 3**

### **RESEARCH METHODOLOGY**

#### **3. 0 Introduction**

Research methodological analysis is a subdivision that outlines the process followed the necessary informations assemblage that are traveling to be used in the research to run into the research objectives. The method issues must be consistent with the aims. This methodological analysis is the design of the survey ( Hazman Shah, 2009 ) .

The subject of this survey is about societal research. This research study the young person perceptual experiences of the towards retirement age on young person unemployment based on their demographic background.

### **3. 1 research design**

Research design will discourse the research methodological analysis used in the survey. The model of the research, unit of analysis, measuring, informations aggregation and information analysis will be set up in research design. Harmonizing to Kerlinger ( 1992 ) , the basic intent of research is to guarantee the internal cogency and external cogency. Internal cogency focuses on the constitution of cause and effects concatenation between the independent variable and dependent variable. External cogency focuses on the generalisability of the findings of the population. ( Hazman Shah, 2009 ) . The nature of the research that we use is quantitative research or in other name is descriptive research. Different types of research design are likely to bring forth really different sorts of informations. There are two types of nature of informations which are primary and secondary informations. Primary information is the information that are originated by research worker for specific intent of turn toing the jobs at manus. Specific methods are involved such as study, interview, observation and questionnaire. In our research, questionnaire is our primary informations aggregation. Secondary information is informations that already have been collected for other intents than the job at manus. This information can be located at assorted beginnings such as diary, study, books and newspaper.



### **3. 2 Sample size**

Sample size trades with the issue of how many units should the research worker include or contact for the survey without earnestly compromising the dependability and cogency of the survey ( Hazman Shah Abdullah, 2009 ) . In this research, we are gauging to administer 200 questionnaires covering pupils from UNISEL, UiTM Shah Alam and Management and Science University ( MSU ) .

### **3. 3 Sampling Technique**

Harmonizing to Hazman Shah Abdullah, sample refers to a section or subdivision of population that is selected for the survey. Generalization can be made about the population from the selected sample. The information will be analyzed based on simple random trying which means every component in the population has a known and equal opportunity of being selected as a topic. We estimate 200 pupils from three higher establishments as our respondents to reply the questionnaire. We use the systematic sampling that involves the process of choosing every n-th unit in a sampling frame ( Hazman Shah Abdullah, 2009 ) . The entropy of the choice depends on the hearing of units in the sampling frame.

There are four types of graduated tables that are by and large observed in scientific research ( Hazman Shah Abdullah, 2009 ) . However, merely 3 types of graduated tables will be used in this research viz. nominal, ordinal and interval graduated tables. Nominal graduated table will give us count of topics in each of the classes. Some variable are nominal such as demographic factors. Ordinal graduated table on the other manus is the possible superior

order of classs from highest to lowest. In illustration, the instruction degree and income, we can set up from lowest to highest.

Interval graduated table is graduated tables there is equal interval between scale points. This may let us to add, deduct, multiply and split the values. The likert graduated table is deemed an interval graduated table. We will inquire the respondents sing the perceptual experiences of the elevation of retirement age towards youth unemployment utilizing the likert graduated table strongly agree, agree, natural, disagree, and strongly differ.

### **3. 4 Unit of Analysis**

Unit of measurement of analysis is refers to the degree that is focal point of the survey. ( Hazman Shah, 2009 ) . It is refers to the flat collection of informations aggregation during the subsequent information analysis phase. The determination of unit of analysis is really important in the research, because research inquiry, informations aggregation method, sample size and variables in the conceptual model will be determined or guided by which informations are aggregated for analysis ( Sekaran, U & A ; Bougie, R, 2009 ) . The unit of analysis can be single, groups, couples, organisation and besides things depends on what sort of elements that we used in our survey. This research is traveling to analyze the perceptual experiences of pupils from assorted demographic backgrounds towards the new retirement age on young person unemployment. Therefore, the suited unit of analysis of this survey would be groups that come from assorted demographic backgrounds.

### **3.5 Measurement and Instrumentation**

Measurement and instrumentality will be covering in understanding the construct of conceptual model as it is the bosom of empirical research. All variables in the construct model will be the aims in measuring.

#### **Aims**

#### **Concepts**

#### **Measurement**

#### **Scale**

Section B

#### DEMOGRAPHIC FACTORS

To place the perceptual experience of the people based on the several of demographic factors.

#### SECTION C

#### Effects ON EXTENSION OF RETIREMENT AGE

To place the effects that probably to be happen if the extension of retirement age is done

#### Section D

#### THE EFFECTS ON YOUTH UNEMPLOYMENT

Youth unemployment will probably to be happen if the retirement age addition. Therefore, we are traveling to place the effects on young person unemployment.

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Every people must come from different demographic backgrounds. All this backgrounds will act upon the thought of the people particularly in giving perceptual experiences. The factors that been used in this survey are education degree, household income distribution, geographical, matrimonial position and gender.

Extension of retirement age is the large issues that we can non avoid. It might convey the negative effects to our younger coevals and besides to our economic system. Two effects of extension new retirement age that we are analyzing are diminishing the occupation opportunities among the young person and the low productiveness of senior worker.

Youth unemployment is common phenomena even in the state in the state that have strong economic system like U. S. two effects that probably to go on in the event of unemployment which are cut downing the quality of life among the young person and increasing the offense rate.

I do will hold more involvement if I possessed higher making of instruction.

I do non care of being employed if I already born in rich household.

I do non truly care to hold better occupation if I live in rural country.

I will be more concern about employment if I married and household that seek for my duty

I am more concern in employment if I was born as a adult male.

Do you believe that extension of retirement age will diminish the occupation opportunities for the young person?

Do you believe that the productiveness of senior worker will go lower if we increase the retirement age?

Do you believe that young person unemployment will cut down the young person ' s quality of life?

Do you believe the offense rate of a state will increase if unemployment is increase?

Likert Scale

1. Strongly Disagree

2. Disagree

3. Impersonal

4. Agree

5. Strongly Agree

Nominal Scale

1. Yes

2. No

Likert Scale

1. Strongly Disagree
2. Disagree
3. Impersonal
4. Agree
5. Strongly Agree

### **3. 6 Data Collection**

Data aggregation trades with the inquiry of how people will reach and garner required the information from the units of survey ( Hazman Shah, 2009 ) .

The intent of this survey is the get different perceptual experience of pupils towards extension of retirement age on young person unemployment. In order to carry through the intent of this survey, the informations will be collected through questionnaire. The questionnaire will plan harmonizing to the aim that we are traveling to be achieve in this survey. The questionnaire will be distributed to 200 university pupils and this will be the information for the research. The aggregation of informations from questionnaire will go our primary informations as we design, distribute and roll up informations by ourselves. The mentions from the book, diary and newspaper regarded as the secondary information for this survey.

### **3. 7 Data Analysis**

Data analysis is aiming to detect the truth about the jobs or phenomena under probe ( Hazman Shah Abdullah, 2009 ) . The first measure in information analysis is categorized and compared the information in order to

acquire importance feature. The analysis of informations will be plan harmonizing to certain characteristic. Since in this survey we are concentrating on the demographic background perceptual experience, the informations will categorise based on the demographic factors. Statistical analysis to be carried out in quantitative analysis will be listed to supply information on how research aim will be accomplishing ( Hazman Shah Abdullah, 2009 ) .

The 2nd measure in analysing the information is analyzing the cogency of the information. This can be established by looking the form of correlativity between and among the points mensurating the different construct in the survey ( Hazman Shah Abdullah, 2009 ) . In this survey, we are traveling to see the correlativities between the demographics factors and perceptual experience of pupils towards the increasing the retirement age on young person unemployment.

The 3rd measure of this analysis is utilizing specific technique in order to prove the hypotheses and why. Independent sample T-test can be used to analyze if there is statically different between two groups. SPSS Version 18. 0 package is traveling to be used in this survey. It is the best method to analyse the dependability and cogency of informations. This package besides helps us to happen other measuring that necessary in this survey.