

**Retirement Age Act  
(CHAPTER 274A)**

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# RETIREMENT AGE ACT

## (CHAPTER 274A)

(Original Enactment: Act 14 of 1993)

REVISED EDITION 2000

(1st July 2000)

An Act to provide for a minimum retirement age for employees and for matters connected therewith.

[1st July 1993]

### Short title

1. This Act may be cited as the Retirement Age Act.

### Interpretation

- 2.—(1) In this Act, unless the context otherwise requires —

“collective agreement” has the same meaning as in the Industrial Relations Act (Cap. 136);

“contract of service” means any agreement, whether in writing or oral, express or implied, whereby one person agrees to employ another as an employee and that other agrees to serve his employer as an employee;

“employee” means a person who has entered into or works under a contract of service with an employer;

“employer” means any person who employs another person under a contract of service and includes —

- (a) the Government;
- (b) any statutory authority;
- (c) any duly authorised agent or manager of any employer; and
- (d) any person who owns or is carrying on, or for the time being responsible for the management or control of a profession, business, trade or work in which any employee is engaged;

“investigating officer” means any person appointed as an investigating officer under section 3;

“prescribed retirement age” means such other retirement age as may be prescribed by the Minister under section 4(1).

(2) For the purposes of this Act, an employee shall be treated as dismissed by his employer if —

- (a) the contract under which he is employed by the employer is terminated by the employer, whether it is so terminated by notice or without notice; or
- (b) the employer retires the employee, or requires or causes that employee to retire or resign on the ground of age.

### **Appointment of investigating officers**

3. The Minister may appoint such number of investigating officers as he considers necessary for the purposes of this Act.

### **Minimum retirement age**

4.—(1) Notwithstanding anything in any other written law, contract of service or collective agreement, the retirement age of an employee shall be not less than 60 years or such other age, up to 67 years, as may be prescribed\*\* by the Minister.

\* The minimum retirement age for employees is prescribed to be 62 years of age. See Retirement Age (Prescribed Retirement Age) Regulations 1998 (S 591/98 — w.e.f. 1.1.99).

(2) No employer shall dismiss on the ground of age any employee who is below 60 years of age or the prescribed retirement age.

(3) Any employer who contravenes subsection (2) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding 6 months or to both.

### **Raising of minimum retirement age and wage reductions**

5.—(1) This section shall only apply to employees who attain 60 years of age on or after 1st January 1999, and any reference in this section to an older employee shall be a reference to any such employee.

[49/98]

(2) Where a retirement age higher than 60 years is prescribed under section 4(1), an employer may, from time to time and in accordance with this section, reduce the wages of any of his older employees on or at any time after the employee attains 60 years of age.

[49/98]

(3) An employer who intends to reduce the wages of any of his older employees

under this section shall, before the older employee concerned attains 60 years of age or other higher age, as the case may be, give reasonable prior notice in writing to the older employee of his intention to reduce his wages, stating the amount of such reduction and the effective date of such reduction, and giving him a reasonable opportunity of being heard.

[49/98]

(4) If an older employee does not agree with any proposed reduction in his wages, he may either retire or be retired by his employer on or after attaining 60 years of age notwithstanding any of the provisions of this Act.

[49/98]

(5) An employer may reduce under this section the wages of different older employees differently except that —

- (a) the reduction shall be based on reasonable factors other than age (including but not limited to the employee's productivity, performance, duties and responsibilities, and the wage system such as the seniority system applicable to the employee) unless age is a bona fide occupational qualification reasonably necessary to the ordinary performance of the older employee's job; and
- (b) no employer may reduce the wages of any of his older employees by an aggregate amount which exceeds 10% of the wages paid or payable to the employee when that employee attains or attained 60 years of age.

[49/98]

(6) Notwithstanding any law to the contrary, the service of a written notice under subsection (3) by an employer on any of his older employees shall not be regarded as a termination or repudiation of the contract of employment between the employer and the older employee, or as requiring or causing the older employee to retire or resign on the ground of age.

[49/98]

(7) For the purpose of this section —

- (a) "wages" includes salaries; and
- (b) a person shall be regarded as attaining the age of 60 or more years on the sixtieth or other anniversary, as the case may be, of the date of his birth.

[4A

[49/98]

### **Invalidity of term of contract of service**

6. Any term of a contract of service or collective agreement made before, on or after 1st July 1993 which provides for a retirement age which is less than 60 years or the