



GOVERNMENT OF BERMUDA  
Ministry of Economy and Labour

# RETAINING BERMUDIAN WORKERS AGED 65+

## POLICY GUIDE FOR EMPLOYERS



Prepared by the Bermuda Government — Ministry of Economy & Labour



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# 1. Introduction

Bermuda is facing significant demographic changes, characterised by an ageing population and a declining birth rate, as highlighted in recent population projections. These trends pose challenges similar to those seen in other countries with ageing populations, including labour shortages, rising healthcare and pension costs, and shifts in workplace dynamics.



The Ministry of Economy and Labour's 2022 position paper, "Addressing the Challenge of an Aging Population," notes that Bermuda's population is expected to decrease as deaths outnumber births, with a further shift towards an older age structure. These changes are likely to result in difficulties for employers in filling job vacancies, increased labour costs, heightened pressure on social security systems, and a need for organisations to adapt to evolving workforce expectations and skill gaps.

Employers that adapt to retain and re-engage workers aged 65 and older will gain strategic advantages, including:

- Access to experienced, reliable staff,
- Preservation of institutional knowledge,
- Stronger inter-generational skills transfer, and
- Enhanced resilience of Bermuda's national economy.

This Policy Guide provides employers with practical tools to implement age-inclusive workforce strategies to help achieve the following key goals

- Retain older workers to address labour shortages,
- Reduce pressure on the Contributory Pension Fund (CPF),
- Gradually reform the retirement framework to extend labour-force participation,
- Improve skills transfer across generations and sectors.

Global evidence suggests that employers who manage age diversity benefit from higher productivity, lower turnover, and stronger knowledge transfer (OECD, 2020; Singapore Ministry of Manpower, 2023).

## 2. The Business Case: What Older Workers Bring

Older employees bring measurable business value:

- Experience & Institutional Knowledge: Faster problem-solving, fewer errors (Deloitte, 2018).
- Commitment & Reliability: Lower turnover, strong attendance, and loyalty (AARP, 2018).
- Mentorship & Succession: Accelerated skills transfer to junior staff (AARP, 2020).
- Client Continuity: Long-standing client relationships improve customer retention (Accenture & Harvard Business School, 2021).
- Team Productivity: Mixed-age teams often outperform homogenous groups (OECD, 2020).
- Returnships and Second-Career Talent: Older workers re-entering the workforce through structured returnship programmes provide immediate value and diversify hiring pipelines.

## 3. Policy & Practice Options: What Works Elsewhere

Below is a practical, evidence-based overview of proven policies and workplace practices from around the world that Bermuda's employers can adapt and adopt. For each option, this document summarises:

- (1) what it is,
- (2) why it works, supported by evidence,
- (3) concrete steps for implementation,
- (4) key success metrics to monitor, and
- (5) common challenges and how to avoid them.

### 3.1 Re-employment & Phased Retirement (late-career continuation)

#### What it is:

Programs and contracts that allow employees to continue working after statutory retirement age on reduced hours, new job designs, returnships, or fixed-term re-employment contracts.

#### Why it works / evidence:

Re-employment laws and formal phased retirement schemes increase labour supply and help employers retain institutional knowledge while offering older workers a sense of purpose and income. Countries with mandatory re-employment or extended re-employment ages exhibit higher participation rates among older workers.

#### Concrete employer steps:

- Offer written phased-retirement options (e.g., reduce hours gradually over 1–3 years).
- Create clear re-hire/consultancy contracts for retirees (scope, hours, pay, IP).
- Hold late-career planning discussions 12–18 months before expected retirement.
- Test pilot schemes with volunteers before scaling.
- Include opportunities for structured returnships to support re-entry after breaks.

#### Metrics:

Take-up rate of phased retirement; retention of employees 60+, number of re-employment or returnship contracts.

#### Challenges & Solutions:

- **Challenge:** Unclear terms create an expectations mismatch.  
**Solution:** Use standardised templates and documented agreements.
- **Challenge:** Workplace resentment over perceived preferential treatment.  
**Solution:** Communicate business rationale, fairness of terms, and open eligibility criteria.

## 3.2 Flexible Working & Part-time Roles

### What it is:

Flexible schedules, reduced hours, telework, job-sharing, compressed weeks, and other arrangements that change when, where, or how work is done.

### Why it works / evidence:

Flexibility reduces exit rates and supports health, caregiving responsibilities, phased retirement, and returnships which increase older workers' attachment to the labour market.

### Concrete employer steps:

- Create a formal, flexible work policy and a straightforward application/approval process.
- Pilot common flexible patterns (e.g., 4×9, 3 days on site + 2 remote).
- Train managers to evaluate performance by outcomes, not face time.
- Redesign roles so critical tasks can be done part-time or job shared.
- Build flexible work pathways linked to phased retirement and returnships.

### Metrics:

Flexible-work uptake by age cohort; retention of staff requesting flexibility; absenteeism and presenteeism rates; productivity per hour.

### Challenges & Solutions:

- **Challenge:** Managers default to “no” because of perceived operational risk.  
**Solution:** Manager training and pre-approved flexible role templates.
- **Challenge:** Uneven access across departments.  
**Solution:** Standardise eligibility criteria and escalate denials for HR review.



### 3.3 Anti-age Bias in Recruitment & Skills-based Hiring

#### What it is:

Removing ageist language, focusing on skills/competencies rather than age, anonymised shortlisting where appropriate, and targeted outreach to older worker pools.

#### Why it works / evidence:

Skills-based hiring reduces the number of experienced candidates who are unnecessarily screened out and widens the talent pool. Research from AARP and the Urban Institute shows that this approach reduces bias and exposes hidden talent.

#### Concrete employer steps:

- Audit job descriptions for age-biased phrasing (“digital native”, “recent graduate”) and replace with skills/competency requirements.
- Use structured interviews and work sample tasks.
- Offer return ships and targeted campaigns for 50+/65+ candidates.
- Publicly sign or align with pledges/charters that demonstrate commitment (e.g., AARP Employer Pledge).
- International examples/resources:
- AARP Employer Resource Center, employer pledge and toolkit.

#### Metrics:

Proportion of hires 50+/60+/65+; time-to-hire for older candidates; diversity of applicant pool.

#### Challenges & Solutions:

- **Challenge:** Tokenistic hires without role redesign.  
**Solution:** Link recruitment to retention programs (training, flexible work, phased roles).
- **Challenge:** Legal confusion on age discrimination rules.  
**Solution:** Consult local employment counsel and train HR on compliance.



## 3.4 Continuous Training & Mid-career Reskilling

### What it is:

Subsidised training, digital bootcamps, modular upskilling and “mid-career” programmes targeted at workers 40+ and 50+ to keep their skills current.

### Why it works / evidence:

Investing in later-career training increases employability, facilitates job redesign, returnships and supports technology adoption among older workers. Singapore’s Skills Future and mid-career subsidies are examples of high uptake and strong government support.

### Concrete employer steps:

- Provide modular, bite-sized learning aligned to job tasks (micro-credentials).
- Offer training stipends and paid learning time.
- Utilise blended delivery (a combination of in-person + online) and peer-mentoring.
- Partner with local training providers and request government subsidy support where available.

### International examples / legal/policy context:

- Skills Future (Singapore) offers enhanced subsidies for citizens aged 40 and above, and recent expansions continue to prioritise mid-career learners.

### Metrics:

Training hours per worker 50+; post-training retention and promotion rates; reskill completion rates.

### Challenges & Solutions:

- **Challenge:** One-size-fits-all courses are ineffective.  
**Solution:** Assess needs by role and deliver contextualised training.
- **Challenge:** Older workers perceive tech training as irrelevant.  
**Solution:** Emphasise practical on-the-job application and mentorship.

## 3.5 Structured Mentorship & Knowledge Transfer

### What it is:

Formal programmes that pair later-career employees with junior staff for skill transfer, reverse mentoring (digital skills from younger to older), and documentation of tacit knowledge.

### Why it works / evidence:

Mentorship preserves institutional continuity, accelerates skill transfer, and increases engagement for both mentors and mentees. Deloitte, AARP, and other studies show structured programs increase retention and organisational memory.

### Concrete employer steps:

- Design a formal mentorship programme with clear objectives, expected hours, and success metrics.
- Compensate or recognise mentors (time credits, reduced KPIs, small stipends).
- Use “knowledge capture” projects to document processes, decisions, and client histories.
- Consider phased consultant roles for retirees to mentor across departments.
- Used phased roles for retirees and returnship participants.

### Metrics:

Mentorship hours logged; mentee skills improvement; retention of mentors; number of procedures/documentations completed.

### Challenges & Solutions:

- **Challenge:** Mentorship is informal and unmeasured.  
**Solution:** Include contractual provisions within development plans.
- **Challenge:** Mentors overloaded.  
**Solution:** Limit mentorship time commitment and recognise it in workload planning.

## 3.6 Job Redesign & Ergonomics

### What it is:

Redesigning physical and workflow elements of roles to reduce physical strain and cognitive load, including the use of ergonomic equipment, shift redesign, and task reallocation.

### Why it works / evidence:

Ergonomic interventions reduce injuries, absenteeism and can extend productive working years for physically demanding roles. Job redesign enables part-time continuity in roles previously full-time.

### Concrete employer steps:

- Conduct ergonomic assessments for roles with older incumbents.
- Invest in adjustable workstations, assistive equipment, and scheduling changes.
- Reassign high-intensity tasks and retain cognitive/mentorship tasks for older workers.
- Include occupational health in late-career planning.

### Metrics:

Workplace injury rates for 50+/60+; accommodation requests fulfilled; absenteeism.

### Challenges & Solutions:

- **Challenge:** Costs seen as prohibitive.  
**Solution:** Start with low-cost fixes (chair adjustments, screen magnifiers) and prioritise high-impact roles.



## 3.7 Recognition, Incentives & Employer Branding

### What it is:

Public recognition (certifications, badges), financial incentives, and branding that signals an employer's commitment to an age-inclusive workplace.

### Why it works / evidence:

Recognition programs attract older talent, improve reputation, and strengthen retention. Programs like AARP's pledge and Age-Friendly Employer certifications provide visible signals to the labour market.

### Concrete employer steps:

- Apply for age-friendly employer accreditation or public pledge schemes.
- Create internal awards for mentoring or longevity.
- Publish success stories and testimonials from late-career employees.

### Metrics:

Employer Net Promoter Score (ENPS) among 50+ employees; recruitment flow from older candidate channels.

### Challenges & Solutions:

- **Challenge:** "Badge without action" — PR only.  
**Solution:** Tie recognition to measurable policies and annual audits.

## 3.8 Encore & Second-Act Models / Consultancy Pools

### What it is:

Options that support retirees seeking part-time, purposeful work including structured returnships, consulting, project work, and social impact roles often with flexible engagements.

### Why it works / evidence:

Encore and similar networks have shown many retirees want meaningful, flexible work that leverages experience — these models expand available talent and create knowledge continuity.

### Concrete employer steps:

- Create a retiree talent pool and short-term project list.
- Offer retainer or consultancy arrangements with clear scope and confidentiality clauses.
- Use alumni networks to advertise micro-engagements.

### Metrics:

Number of retiree engagements, cost saved vs hiring contractors, and project success rates.

### Challenges & Solutions:

- **Challenge:** IP/HR complexities with rehiring retirees.  
**Solution:** Use clear, limited-term contracts and align with pension/benefit rules.

### 3.9 Cross-cutting: Policy Integration, Measurement & Legal Compliance

**Policy integration:** Successful programmes combine multiple elements (training, phased retirement, mentorship, and flexible work) within talent management and succession planning frameworks. OECD and AARP recommend a systemic approach rather than isolated initiatives.

**Measurement:** Track a small balanced scorecard (retention of 60+/65+, flexible work uptake, training hours, mentorship hours, productivity per FTE) and report annually.

#### **Legal & pension considerations:**

- When you reach the age of 65, you must apply for your pension, but you can still work after you are 65. Once you reach 65, only your employer pays their portion. The employer portion is half rate. Payroll tax does apply to remuneration paid to those over the age of 65.

#### **Core Takeaways**

- Combining legal/contractual options (re-employment, phased retirement) with workplace practice (flexible work, targeted training, mentorship and job redesign) delivers the best outcomes.

## 4. Recommended Actions for Bermudian Employers

### Immediate (0–3 months):

- Publish an Age-Inclusion Statement in the employee handbook.
- Train managers on age bias and flexible work practices.
- Audit the roles held by older workers and identify opportunities for quick redesign.

### Short Term (3–12 months):

- Pilot phased retirement options for employees approaching age 65.
- Offer modular digital upskilling sessions tailored for late-career workers.
- Launch a structured mentorship programme.

### Medium Term (12–24 months):

- Introduce written late-career transition policies.
- Track key metrics (e.g., retention rates, flexible work uptake, mentorship hours).
- Adjust benefits and job grading to ensure fairness for part-time late-career roles.

## 5. Sample Policy Wording

### Age-Inclusive Employment Policy (Template):

"[Company] values the experience of employees at every stage of life. Employees approaching retirement age will be offered discussions about continued employment, including phased retirement, flexible schedules, or mentoring contracts. Decisions will be based on ability and business needs, not age, in compliance with Bermuda law."

## 6. Implementation Tips & Metrics

- **Start small:** Pilot initiatives in one department.
- **Measure impact:** Track retention of employees aged 60+, productivity per FTE, and mentorship hours.
- **Communicate success:** Share internal success stories.
- **Engage stakeholders:** Involve unions and staff representatives early.



## 7. Examples to Learn From

- **Singapore:** Legal re-employment up to 68; generous training subsidies.
- **OECD countries:** Productivity gains and reduced turnover from age-inclusive policies.
- **United States:** AARP Employer Pledge and skills-based hiring initiatives.
- **Deloitte & Mercer studies:** Personas highlighting the contributions of older workers.

## Conclusion

Incorporating age-inclusive strategies is no longer a matter of compliance or goodwill—it is essential for organisational resilience and growth. By leveraging the skills and experience of older employees, businesses can unlock new avenues for mentorship, innovation, and operational efficiency. Proactive measures, such as skills audits and flexible work arrangements, ensure that talent is maximised across all life stages.

As global examples demonstrate, companies that embrace an age-diverse workforce benefit from increased productivity, reduced turnover, and enhanced reputation. The journey begins with small, strategic steps and ongoing stakeholder engagement. By prioritising age as a strategic imperative, organisations position themselves to thrive in an evolving labour market and foster a culture of opportunity for all.



# Annex: Age is Now a Strategic Imperative — An Employers' Guide

## 1. Talent Management

- Conduct workforce age/skills audits.

## 2. Recruitment & Hiring

- Remove ageist language from job ads.
- Use skills-based hiring methods.
- Use skills-based hiring methods including structured returnships for experienced workers re-entering the workforce.

## 3. Retention & Phased Retirement

- Link retention policies to CPF sustainability: gradual increases to the retirement age and structured phased-retirement options would help preserve the Contributory Pension Fund while supporting workers' financial security.
- Offer part-time roles, phased retirement, and mentoring.

## 4. Training & Lifelong Learning

- Offer digital skills boot camps and cross-generational training.
- Use subsidy models for mid-career training.

## 5. Workplace Culture

- Add "age" to DEI policies.
- Celebrate the contributions of senior staff.

## 6. Job Redesign

- Make ergonomic adjustments.
- Provide lighter duties or shift redesign where needed.

## 7. Mentorship & Knowledge Transfer

- Pair senior staff with juniors and integrate mentoring opportunities for returnship participants.
- Retain retirees as consultants or advisors.

## 8. Employer Incentives & Recognition

- Establish recognition schemes and publicise success stories.

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