

19 April 2021 (No. of pages:1)

Japanese report: 15 Apr 2021

Securing Employment Up to Age 70, and Future Challenges

Establishing a healthy environment and improving motivation for employment are important

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Summary

- With the enforcement of the Revised Law concerning Stabilization of Employment of Elderly Persons on April 1, 2021, employers have become obliged to make an effort to take measures to secure employment for employees up to the age of 70. The introduction and promotion of this measure is an extension of the process through which the government has promoted the introduction of measures to secure employment through age of 60 or older. However, there are some discrepancies in that there has not been an increase in the age at which pension payments commence, and measures to secure work not dependent on an employment contract have been approved.
- In light of the experience after measures to secure employment until age 65 had spread, it is highly likely that the employment rate for ages 65-69 will rise, and the unemployment rate will decline in the process of introducing measures to secure employment until age 70. The number of non-regular employees in the workforce will also likely increase. However, considering the fact that these measures are merely an obligation to make an effort, and that the number of persons subject to the measures may be limited, these changes are likely to come at a moderate pace for the time being.
- There are many challenges in extending employment into the latter half of a person's 60s. Sensory function and ability, as well as physical fitness tend to decline in the elderly compared with the active generation, and there are also great differences between individuals. It is important to establish a work environment and a flexible work style that matches each individual's health condition. In addition, worsening treatment under continuous employment has lowered the motivation of older workers to continue working, and it is likely that measures such as thorough implementation of equal wages for the same work, and revision of wage levels in accordance with results will be necessary.

Attention

This report is a summary translation. The official document is only in Japanese.