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# Enriching Pensions in a Society where Employees can Work Until Age 75

*Improvement of working environment for older people and development of diverse working styles by corporations is desirable*

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## Summary

- While the level of public pension benefits is expected to be curtailed, the idea of increasing the amount of pension benefits is desirable in order to lead a prosperous old age. From this point of view, it is essential for older adults to work as long as possible in order to maintain healthy benefits. The 2020 revision of the pension system has resulted in a system that can enhance the economic foundation of older adults by combining it with long-term employment.
- At present, the environment which allows people to continue working until age 65 is improving. However, the practice of corporations lowering wages when an individual continues to work beyond retirement is a problem that negatively effects the motivation of older adults to work. In addition, in order to realize a society in which people aged 65 or older can work, it is desirable to expand options for more diverse and flexible working styles, such as freelance and other work styles other than traditional employment, such as telework and short-time work.
- First of all, improvement of the working environment for employees up to age of 65 is an urgent issue, while at the same time, it is necessary to steadily aim at realizing a society where employees can work for a longer period of time, up to age 70 and 75. Corporations are required to make efforts to employ older adults, which also provides the opportunity to review the employment environment as a whole, including for young and middle-aged workers. Meanwhile, the government should establish a neutral pension tax system despite the difference in work styles.

## Attention

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