National policies should be carefully introduced to delay retirement policy

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Abstract: With the deepening of the aging population, the topic of retirement age in recent years streamed appear in major newspapers, while causing heated discussions on the network, raising the retirement age seems to have been inevitable. Delay retirement policy does have advantages and disadvantages for different groups and different angles. However, from the basic national conditions of China's current departure, delay retirement policy should be long term and carefully introduced. From the retirement age and the pension insurance system, the old labor resource utilization, labor employment relations in three areas, we discuss the extension of the retirement age should pay attention to several issues, and put forward some suggestions.

Keywords: delay retirement; pension system; elderly labor resource utilization; labor force

INTRODUCTION

With the continuous development of economic and social, various policies suited to the times also faced with the need to modify and improve. 1950s, China's State Council issued the "People's Republic of China Labor Insurance Regulations", which is the earliest regulation to make clear the retirement age for workers, the regulations determined the statutory retirement age of male workers at 60 years of age, the women workers the statutory retirement age determined to be 50 years of age. In 1955, the State Council issued "state personnel retirement processing Interim Measures," the retirement age for women cadres to make separate provision, which was adjusted to 55 years of age, content to rest on workers retirement age will remain unchanged. In 1978, the Fifth National People's Congress approved the relevant provisions that enterprises male workers retirement age is 60 years old for women is 50 years old and female cadres retirement age is 55 years old. At the same time provides a policy, when there are special circumstances, cadres and workers can retire 10 years earlier. In the insurance costs surge caused by an aging population and the impact of the economic situation, the Third Plenary Session of the 18th Central Committee of the Communist Party made the development of the retirement age in line with the policy of the Social Development resolution. This has great significance for the history of the reform of the national pension system.

With the acceleration of the speed of China's aging society and accelerate the speed of population aging will result in shortage of labor resources, so that the population of working age pension burden further increase [1]. In addition, since the founding of China, the average life expectancy greatly extended, people of all ages and physical fitness levels to continuously improve and enhance, if the implementation of the retirement policy in accordance with the law earlier retirement age would be a huge waste of older power resources. Therefore, government and academia believe that increasing the retirement age of workers can tap pension operating pressure, effectively address the negative impact of population aging on society, and even raising the retirement age will be regarded as an important measure imminent [2]. However, based on the basic national conditions of China's pension system, labor resources, a comprehensive study found that long-term perspective should delay the retirement age policy, careful introduction.

Delay retirement with national pension system

In some developed countries, one important strategy to deal with an aging deeper level brings a series of negative impacts on society is to increase the statutory retirement age. For example, in 1980s the United States decided to postpone the retirement age gradually from 65 years to 67 years of age, since 2001, Japan let the pensionable age from 60 years to 65 years of age progressively delayed. Because from the perspective of fiscal revenue and expenditure in terms of pension, delay the retirement age can increase the cost of personal pension contributions of time thereby expanding pension funding, while also being able to shorten the personal pension time, reduce government
pension spending, to cut public spending in order to achieve the effect of the accumulation of pensions.

At present, Chinese public opinion holds that extend the retirement age helps to reduce pension expenditure, adapt to an aging population and demographic situation in life expectancy. From the perspective of the current pension pay point of view, adjustments and changes in the number of economically active population in all payment standard will impact the amount of the pension amount. In particular, the impact of changes in the number of employed persons increased pension arising should not be underestimated [3]. Extend the retirement age will cause some loss of personal property. Although, with the extension of working hours, personal savings accounts as well as the basic pension funds will increase, the level of monthly pension will increase, but when taken into account with the extension of working hours, will increase the amount of individual contributions, while the case will receive a shortened time, extend the retirement age make retirees get monthly pension increase will be superficial level, which is why many people are reluctant to postpone retirement.

Delay retirement as a policy response to the increasing aging population is not desirable, But it must be based on comprehensive consideration of the special circumstances on the basis of the right time to progressive pilot implementation [4]. At present, China pension system was established a short time and the economic development level is not high, the absolute number of labor force is large, the level of pay and pension coverage is relatively limited. So, after considering economic development, labor employment, the development of pension system and other factors, we should focus on how to improve the level of employment of young workers up. Improve the level of employment will have many positive effects, not only can expand population coverage of pension system, increasing the number of insured persons, valid for the pension income source, because the young labor force have longer payment and take pension delayed, To some extent, it can also be improved in some areas of the current problem that pension income over expenditure [5]. Faced with the current situation of pension income over expenditure, the result is not simply caused by the aggravation of the aging population; economic restructuring is also the main cause of the pension pressure. Currently, Chinese retirees increased rapidly, and many people do not have enough pension accumulation account, in the past planned economy era, people receive low wages, the state has no special pension accumulation, so now should increase financial transfer payments to resolve retiree pensions [6].

The utilization of the elder human resource

China has entered the ranks of population aging society in the last century, and in recent years the extent of the aging population continues to deepen, the rapid increase in the elderly population, then we must give full play to the old labor resources in building a harmonious society and the development of the national economy a huge role, otherwise it will cause a huge waste of human resources.

Firstly, from the perspective of the old labor resources, although in recent years due to improved sanitation and the development of medical technical , Chinese average life expectancy has increased. But the average healthy life expectancy of the population and increase the average level of life expectancy is not proportional, especially the elder in the later stages of life, various types of chronic disease will increase, the degree of disability or loss maybe deepen, physical condition of the elderly cannot be compared with younger period. It is difficult thing to want to work efficiency is equivalent to the young people to participate in physical work. From the current level of economic development, the country's economic structure is still labor-intensive industries, insufficient capital injection technology level. In this context, if delay the retirement age of older persons and let them still work in the old times, It is not conducive to the health status of the elderly, as well as for businesses even entire industries labor productivity will cause adversely affect, over time, China's economic development level and speed will be severely restricted. As we all know, the working life of employees and employee benefit levels substantially positive correlation, in addition to salary, housing allowance, social insurance, paid vacations and other employee benefits are closely related and age of the employee, in addition, the elderly learn new knowledge, new technology, capacity than the younger workers is relatively limited, even though the elderly population mastered the production of new technology, along with the arrival of its retirement age, learning the investment cost is difficult to be completely recovered. Thus, the retirement age will allow businesses to bear the load of the cost pressures, not only affect the pace of development, but also increased business development costs, making it difficult to face fierce competition in the market. In addition, many older workers to participate in community volunteer activities after retirement, or in the family business, family or community has made tremendous contributions. Not only saving household expenses, but also to maintain community stability, which is part of the value, cannot be measured by money.

Secondly, from the point of view of the elder human resource, the elderly population in human

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resources should be fully utilized. However, we need have a clear understanding about human resources in different fields. In the natural sciences or technical sciences areas, the main outstanding contributions in the early stages of life; In the social sciences, the best age to play often in the latter part of life, after some time of experience and a wealth of life experience in the field before being unique, made outstanding contributions. So not all the elderly can be called human resources, and human resources in different fields have made outstanding contributions to the best age there are obviously different, and we cannot ignore that even in the elderly population talents with increasing age and the contribution rate of decline will occur [7]. And indeed our country for eminent personalities with outstanding talent set to delay retirement policy, for the few senior experts, in the case of their physical health to maintain normal operation, if indeed need to work out, in their consent and approval of the organization may be appropriate to extend the retirement age, the purpose is to take advantage of the elderly population in the human resources to enable the economic development and social progress, contribute their strength. However, this approach is not for everyone.

**Delay retirement with employment**

Some scholars believe that aging population will cause a serious shortage of labor resources and increase the pension burden on the working population, by raising the retirement age can make up for labor shortages to ease the pension burden. Whether this is in line with China's national conditions we need to combine our labor supply quantity and structure of the two aspects to be considered. At present China's labor market showed an adequate supply amount of momentum, between at least the next decade will not shortage of labor resources phenomenon. 2010-2050, the number of our workforce will remain at 700-800 million, decreasing trend may occur, but will not reach far the extent of labor shortages [8]. At present, China has been facing severe pressure on employment and unemployment. The registered urban unemployment rate at around 4%, but this is not the actual unemployment rate, taking into account each year 600-700 million new graduates and a large number of agriculture to non-agricultural population, the actual unemployment rate should exceed 10%. We should not ignore the fact that the total amount of China's labor oversupply. With the transformation of the economy and the level of improvement and upgrading of industrial structure, technical composition of capital will inevitably increase the number of enterprises and employment will be reduced.

In the process of China's dual economic and social transformation, many work units have experienced labor force early retirement phenomenon, considering that these employees are mostly engaged in manual labor, the delay retirement for them very difficult to accept. Therefore, if the retirement from the current younger population began to delay retirement is a great difficulty. It turns out that the actual retirement age of employees emerge a downward trend in recent years, the fundamental reason is that there are irreconcilable contradictions between government and enterprises, enterprises through stringent selection of the age of the labor force to seek to maximize the value of labor, in order to maximize economic profit in a market economy. In recent years, companies according to their economic development, through layoffs, attrition, early retirement and other means to reduce the pressure of their own, to achieve their sustainable development. If the government ignores corporate motivation and willingness to delay retirement in order to enforce the policy, for the fundamental purpose is the pursuit of economic profit-maximizing firm is not truly implemented, or implemented through a variety of means to offset the effect.

**Advises and countermeasures of delay retirement**

In the issue of delay retirement, there is a contradiction between national interests and personal interests; the government and business interests; there are also between retirement and employment. China currently cannot simply apply the experience of developed countries; we should consider the reality of our country from the delayed retirement policy. To do this, we make the following recommendations:

**Adopt progressive policies to delay retirement.**

Raising the retirement age has become an inevitable way of dealing with aging deeper layer, the Western developed countries also take deferred retirement as an effective way to break the pension dilemma. But almost all countries adopt a gradual approach to reform gradually undertaken. China take retirement policies should draw lessons by Western countries, step by step; try to spread the delay caused by the adverse effects of retirement. The Government should give full consideration to the problems raising the retirement age in all aspects of political, economic and other possible cause, and set up preventive measures and solutions in advance. And we should listen more to public opinion, give full consideration to the views of various sectors [9].

**Implement differential and flexibly selective retirement policy**

Flexible retirement policies to ensure that workers have some choices in the retirement age, retirement income and other aspects, which fully take into account the interests of all groups. States should implement a number of promotions and incentives to workers who
voluntary delay retirement to give encouragement. For example, appropriate increase in pension standards for retirees later workers; improve work environment and benefits to create a social atmosphere of respect for older workers [10]. Further, since the extension of the retirement age of workers may have physical burden, and therefore need to further improve the medical insurance system, so that the health of elderly workers has been guaranteed retirement age increase people's enthusiasm.

Gradually narrow the retirement age for men and women as well as unity

China's existing law provides for the retirement age of female workers is 50 years old, female cadres is 55 years old, while male workers retirement age is 60 years old. But female life expectancy is much higher than male, and with the social and economic development, the level of health care has improved, many female workers at 50 or 55 years old are fully capable and energy to continue working. Thus, the implementation of delay retirement, can give priority to increase the retirement age for women, so that women and men have equal rights in working life choice, both to increase revenue female workers, reducing the number of poor older women, but also to enhance women social status.

Strengthen efforts to approve the early retirement and credit-linked with companies

Countries in order to take care of the interests of some workers, enacted early retirement policy, but many employees had lost enthusiasm for the work, pension is not less than the wages, and companies continue to hire elderly workers if, in addition to pay higher social security taxes, cannot be at a lower cost to recruit young and dynamic staff, resulting in a large number of not yet reached retirement age take early retirement of employees for various reasons. The resulting actual retirement age is low, increasing the burden of pension. Therefore, the state should improve the specific provisions of early retirement conditions, Strengthen efforts to approve the early retirement and supervision mechanisms, for the workers who do not meet the conditions for retirement, make all sorts of excuses to take early retirement, strengthen the punishment. And it is better to linked to early retirement and business credit, to solve the problem of low actual retirement age [11].

CONCLUSION

In the long run, an appropriate extension of the statutory retirement age is an inevitable trend of social development, but the introduction of a policy needs to be based on a comprehensive understanding of the state's basic national conditions and comprehensive consideration of the above. Considering China's current pension system, the utilization of the elder human resource and labor employment status, the time of delay retirement is not ripe. But we need to do mentally prepared to delay retirement, in practice, it should be subject to scientific research and demonstration stages, step by step implementation of flexible retirement system, the only way to ensure both the healthy and sustainable development of socio-economic, but also to ensure the vital interests of the majority of workers and retirees, to improve the well-being of the people.

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