How is flexible retirement viewed in China?

The notion of retirement in China has traditionally meant stopping work altogether, with a retirement age that is low by global standards: 50 years for women, 60 years for men. In fact, the Aegon Retirement Readiness Survey 2015 showed that Chinese people expect, on average, to retire at the age of 55. However, the Chinese population is aging, in part accelerated by the now-abolished one-child policy. In 2012, China’s working-age population shrank for the first time, and with nearly 120 million people already over the age of 65, China has been forced to announce plans to gradually delay retirement age to 65 years. These developments have sparked a debate among employees who fear that there might be fewer job opportunities for younger people in the future. Aegon’s research revealed that support for increasing retirement age as a way to offset the cost of people living longer is not shared by everyone, with 39 percent of Chinese respondents saying that retirement age should remain unchanged. The recent changes in China open up opportunities for employers and the government to provide incentives to people who aspire to work longer and phase into retirement.

How do workers envision their retirement?

- Retire before 65
  - China: 89%
  - Global: 26%
  - Of those age 55+ expect to retire before 65

- Flexible transition
  - China: 53%
  - Global: 55%
  - Of those age 55+ envision a flexible transition to retirement

- Keep active / keep brain alert
  - China: 50%
  - Global: 70%
  - Of those age 55+ who envision a flexible transition to retirement do so because they want to keep active

Are employers supporting a flexible retirement?

- Retraining or reskilling
  - China: 28%
  - Global: 9%
  - Of those age 55+ are offered retraining or reskilling opportunities

- Move from full-time to part-time
  - China: 26%
  - Global: 27%
  - Of those age 55+ say their employer offers the opportunity to move from full-time to part-time employment

- Belonging to their employer
  - China: 78%
  - Global: 48%
  - Of those age 55+ say they feel a strong sense of belonging to their employer

Key country indicators

- Life expectancy at age 60: 19
- Health life expectancy at age 60: 17
- % of population age 65+: 9
- Official retirement age (when full entitlements are payable): 55
- Effective retirement age (actual age of labor market exit): 64
- Labor market engagement of older people (employment rate): 60
This country profile is part of the report “The New Flexible Retirement” and contains research findings from the fourth annual Aegon Retirement Readiness Survey.

Sources of the key country indicators included in this country profile:
- Life expectancy at age 60: World Health Organization, Global Health Observatory Data Repository
- Health life expectancy at age 60: The Institute for Health Metrics and Evaluation, Global Burden of Disease Study, 2010
- Percentage of population age 65 plus: World Bank
- Official retirement age (when full entitlements are payable): OECD Pensions at a Glance 2015*
- Effective retirement age (actual age of labor market exit): OECD Society at a Glance 2014*
- Labor market engagement of older people (employment rate): International Labour Organisation, Employment-to-population ratio by sex and age

* where the official and effective retirement age is different for men and women, we have calculated an average

About:

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The Aegon Center for Longevity and Retirement (ACLR) is a collaboration of experts assembled by Aegon with representation from Europe, the Americas, and Asia. The Center’s mission is to conduct research, educate the public, and inform a global dialogue on trends, issues, and opportunities surrounding longevity, population aging, and retirement security. www.aegon.com/thecenter

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