## CHINA PLANS TO RAISE RETIREMENT AGE (II): ROAD MAP AND PRACTICAL ISSUES FOR REALISATION

**ZHANG Min** 

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## **Executive Summary**

- 1. Amidst China's ongoing socio-demographic transformation since 2008, the Chinese government, in particular, the Ministry of Human Resources and Social Security, has actively engaged in policy discussions on the raising of the retirement age.
- 2. In 2013, "progressively raise retirement age" was formally announced as a future policy direction during the third plenary session of the 18th Central Committee of the Communist Party of China.
- 3. In 2015, a timeline with these principles was announced: 1) slowly take small steps and progressively reach the goal; 2) differentiate population groups and implement the plan at different stages; 3) announce the detailed plan of raising retirement age in advance and making public notification.
- 4. Government officials regularly communicated with the public on their agenda of raising the retirement age. Nonetheless, the proposed agenda frequently met with public dissent, particularly among blue-collar workers and those born in the 70s and 80s who are most impacted by such a policy.
- 5. Despite the public outcry regarding the proposed agenda, government officials, especially those from the Ministry of Human Resources and Social Security, continuously reiterated government's intention of raising retirement age.
- 6. As of 2018, the Ministry of Human Resources and Social Security reaffirmed the government's commitment to raising retirement age under the new administration.
- 7. As the plan would have significant impact on society at all levels, the Chinese government has taken a very cautious approach in the policymaking process. Although a formal increase in retirement policy seems inevitable in the next few years, the detailed road map of its implementation seems less certain to this date.

- 8. A smooth enactment and implementation of the retirement policy in China depends upon the healthy development of the labour market for the young generation, the effective reduction of social inequality and the establishment of a comprehensive pension insurance system.
- 9. Looking to the future, China's policymakers are expected to address key social and economical issues to prepare for a smooth implementation of the new policy. As such a policy remains unpopular with the public, communication between the government and public should be given sufficient attention as well.