Jan 6, 2023

GS-1 - Society.

1. The various benefits of rising retirement age in the country outweighs the disadvantages. Substantiate.

United nation world population prospects report, highlights world population will reach 8 bn., also the rising old age population. In this wake, rising retirement age to provide social security has many advantages

Trends in Retirement age

current retirement age - 60yrs. remained stagnant for 3 decades. In private sector - (58-62yrs) age band.

other hand life expectancy is rising.

Organisation for Economic cooperation & developments 'pensions at glance' report - shows that - the age of retirement globally ~~for~~ at 22 years is to increase from 64 (in 2020) to 66 (in 2064). , also life expectancy at 65years is to increase from 18 to 22years

Global experience

Contributory + non-contributory + social protection measures are need.

20 out of 38 high income countries is about to increase Retirement age - eg-

Turkey - highest increase - 52 to 65 years

India's scenario.

~~provided this~~ Economic survey 2018-19

shows young population to decline & old age to increase in 3-4 decades. Hence it is pertinent to rise retirement age.

Advantages

currently central government - 5% and State - 10% expenditure goes to pension payout.

If age is increased → Tax collection will increase due to high income and contributory scheme. It is good ~~part~~ in fiscal point of view

Way forward

option for voluntary retirement and. ~~or~~ continuation of work, provide right balance to choose between options. and ensure healthy old age which is about to rise in coming year