CHAPTER 3
STATISTICS OF RETIREMENT AGE AROUND THE WORLD

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1.0 INTRODUCTION

Retirement can possibly be a distressing life progress in late adulthood, frequently setting off a wide scope of huge changes, for example, lost stable salary, detachment from partners at work and an expansion in unstructured time. Most people spend their adult years in the workhour so retirement represents freedom and rest. Retirement ages, or the age when some sort of government pension can be received, differs around the world. The Organisation for Economic Co-operation and Development (OECD) average for a normal pension age is currently 64.3 years for men and 63.7 years for women (Baker, 2018).

Meanwhile, a retirement industry think-tank expects a developing number of plan patrons and industry partners to assess retirement pay arrangements and de-collection procedures for DC plans. The desire is that, with the developing effect on the workforce of a maturing populace, expanded accentuation will be set on the appropriation of plan resources.

There have been substantial gains in future after some time, with future during childbirth by and large ten years higher today than it was in 1970. Various nations announced slight falls in future somewhere in the range of 2014 and
2015, however primer information for 2016 propose these decreases were brief (OECD, 2017). While life expectancy has climbed in numerous nations and governments adapt to maturing populaces, any endeavors to make individuals hold up longer to accumulate benefits are regularly met with furious restriction. Nevertheless, retirement has a massive significance via economic, psychological, and social transitions in most people’s lives.

1.1 Retirement

Retirement can be understood and conceptualised in various ways. Basically, retirement can be defined as withdrawal (or greatly reducing) from work due to old age and/or disability (Rogne, A. F., 2016). In most cases, retirement is regulated and associated with public advantages, yet people may also retire on their own savings. Being disabled or unemployed and receiving disability or unemployment benefits is not the same as being retired. Nevertheless, the contrast is not always sharp and the planning of retirement is sometimes hard to pinpoint. In one sense, then, being retired is a subjective matter.

1.2 Bridge Employment

There is a term called “bridge employment” which people may retire for a time, then go back to work, and people may move straight from unemployment to retirement. The most common definition of bridge employment refers to jobs that follow career of full-time employment and precede complete labour-force withdrawal or retirement from work (Alcover et al., 2014). Bridge employment may subsequently be viewed as types of retirement that delay working life, permitting the term full retirement to be utilized to allude to definite withdrawal from the workhour. In short, bridge employment can be conceptualised into a form of self-employment that appears to be the most common alternative, as people grow older, because it allows greater freedom to satisfy needs like flexible working hours and personal autonomy, whereas salaried jobs tend to be more restrictive.
1.3 Life Expectancy

Life expectancy at birth estimates to what extent, by and large, individuals would live dependent on a given arrangement of age explicit demise rates. In any case, the genuine age-explicit passing rates of a specific birth associate can't be known ahead of time. On the off chance that age-explicit passing rates are falling (as has been the situation over the previous decades), actual life spans will be higher than life expectancy with current death rates (OECD, 2017).

2.0 DISCUSSIONS

The rising number of the older in numerous nations of the world stances new difficulties to these administrations. Quick statistic changes in populace because of a decrease in birth rate and an expansion in future in numerous nations have huge affected national advancement monetarily and socially, even more intense and unmistakable amid a monetary emergency (Boveda I. and Metz A. J., 2016). Cheng, T. L. (2014) stated that for all intents and purposes all nations, Western and Eastern, alike are looking to align retirement ages more with the increments in future. Looking toward the future and worldwide financial defeat, arrangements underscoring "on schedule" or early retirement will before long turned out to be outdated. Human asset strategies in numerous nations (associations, alike) used to empower "on schedule" or early retirement out of social and financial need.
2.1 Statistics of Retirement Age

![Retirement Age Across the Globe]

**Figure 1.1:** Retirement Age across the Globe. (Source: Aperion Care, 2017)

The past figure demonstrates an accumulation of both the official retirement ages as upheld by government programs just as the real normal retirement age (greater than 50% of the age cohort is retired) in various nations. While most countries drift around the 62-65 age range, there are a bunch of countries that arrangement for specialists to leave the workforce significantly prior. The United Arab Emirates (UAE) flaunts the least official retirement age at 49 years of age, however the age is 60 for expats (non-UAE nationals). The retirement age has expanded relentlessly in the previous decade from age 40 out of 2007 and is relied upon to move to 50 this year for UAE nationals. While there is little information on UAE nationals who are resigned, there is proof that UAE expats attempt to remain in the UAE after retirement, despite the fact that specific approaches disallow it. Numerous expat retirees discover escape clauses to abstain from leaving (Levine, H., 2017).
As indicated by essential measurements from Malaysia's Department of Statistics (2018), the normal future in Malaysia has ascended to 72.7 years for guys and 77.6 for females (Department of Statistics Malaysia, 2018). Current propelled medicinal services advancement and proceeding with upgrades in future, implies that individuals will live longer by and large than any past age. Increments in future have in a roundabout way brought about a substantial increment in the normal years an individual will spend in retirement. As indicated by Minimum Retirement Age Act 2012, the base retirement age of a representative will be 60 years. Accordingly, beginning 2013, government has moved the time of retirement from 55 to 60 years. Retirement Age Men in Malaysia stayed unaltered at 60 out of 2018 from 60 of every 2017. Retirement Age Men in Malaysia found the middle value of 58 from 2009 until 2018, achieving an unsurpassed high of 60 out of 2013 and a record low of 55 out of 2010 (Trading Economics, 2018).

China has the second most minimal age for retirement, with the normal age of 56.25. Since 15% of the all-out populace is of retirement age or above, there are rumours about changing the age to help battle the impacts of an unequal work populace.
The African mainland has a few countries that have low retirement ages. Senegal, Mozambique, and Madagascar are the least at 57.5, while most hover around 58-60 years old, for example, Egypt, Tunisia, and Morocco. There isn't much data about social administrations, government projects, or workforce details yet considering such an extensive amount workforce is associated with agribusiness and work, after some time, an individual's capacity to work is influenced by the physical toll it takes on their body, and prior retirement may be fundamental.

**OECD**

Organisation for Economic Co-activity and Development (OECD) is a discussion of countries depicting themselves as focused on majority rule government and the market economy, giving a stage to analyse strategy encounters, looking for answers to regular issues, distinguish great practices and facilitate household and worldwide arrangements of its individuals. Most OECD individuals are high-pay economies with an exceptionally high Human Development Index (HDI) and are viewed as created nations. The rules for eligibility to retire and withdraw a pension benefit are complex and often reflect conflicting objectives (OECD, 2016).

![Figure 1.3: Statistics on Average Effective Age of Retirement 2016. (Source: OECD 2016)](image-url)
A few countries hope to work later into their years. In Norway, 67 has been the official retirement age since the 1970s and there presently are no genuine recommendations to raise the retirement age. In 2011, Norway set up "adaptable retirement" for income related annuities, implying that Norwegians can draw benefits as ahead of schedule as age 62. Some sociology information recommends that Norwegians liked to resign at 61, and afterward the age rose to 64 of every 2013.

Other countries, similar to Russia, Japan, and India, have retirement ages more like 60, and with expansive populaces of more established or resigned individuals. Family commitments, constrained chance, and uncontrolled neediness shield these expansive more established populaces from voyaging without end and keep them in the workforce longer to be able to make a living.

Numerous retirees spend their brilliant years living abroad, if conceivable, with the US, Spain, and hotter atmospheres as well-known goals. With among the higher authority retirement ages, Italy, Ireland, and Portugal are most likely not top goals for resigned expats, since they may need to leave retirement to live there. In 2016, the OECD normal retirement age was equivalent to 65 years for men and 63.7 years for ladies over all plans for an individual resigning in 2016.

2.2 Significance of Retirement

Retirement is one of those inescapable periods of life, which denotes the finish of professions that have been worked throughout the years by gaining abilities and steady diligent work. Assignments, deadlines, gatherings before long get supplanted by occasions, seeking after new pastimes, and spending more time with family. Below are the significance in post-retirement:

2.2.1 Improve health

With regards to retirement, retiree wellbeing will either improve significantly or break down, contingent upon how they feel about resigning. A few seniors find that their wellbeing break down rapidly,
coming about because of their psychological anguish over retirement; others find that with more opportunity to focus on their physical individual, they have sufficient energy to deal with themselves and are kicking butt and taking names. Past research had demonstrated that people are bound to stop smoking and exercise all the more every now and again. Since retirees have more opportunity to put resources into their wellbeing, it might be simpler for them to stop smoking or to be all the more physically dynamic when not troubled by the work-week grind (Insler, 2014).

2.2.2 Best time to check off bucket list

Retirement is the perfect opportunity to go after those places and experiences. Retiree can now collect these experiences and engage in the events they were not able to do during their career. This comfortable retirement allows them to stay totally in the moment without having to worry about getting back to work. Retiree can be carefree with their time. Retirement is most often the time to fulfil them, but it is only possible if retiree carefully planned during their career.

2.3 Pros and Cons in Retirement

2.3.1 Pros

2.3.1.1 The opportunity to invest in family and personal relationship

Resigning in mid-fifties may enable a retiree to invest more energy with family and better parent youngsters all through their adolescence and early adulthood. A retiree can reconnect with a life partner who ran the family while pulled extended periods at the workplace. Putting additional time in friends and family pays profits for the whole family unit.

2.3.1.2 The opportunity to travel actively

An early retirement frequently accompanies great wellbeing,
dexterity, and stamina. Experience-based excursions and container list encounters, for example, shake climbing, broadened climbing, wilderness boating and more are agreeable and possibly more secure at a prior age. Therefore, retirement is a regular time to satisfy these chances.

2.3.2 Cons

2.3.2.1 The cost of healthcare

Medicare coverage does not kick in until age 65. When approaching retirement age in good health, it is fortunate. However, health insurance coverage cannot be tossed aside without assuming serious risk to the nest egg. While some programmes do provide assistance for employers who cover retirees aged 55-64, the cost-prohibitive nature of offering benefits limits their availability. Continued coverage is not guaranteed even if retirement coverage have been promised.

2.3.2.2 The cost of accessing retiree own money

Utilizing charge protected records to put something aside for retirement is a shrewd move, however taking advantage of those assets early can cost more. A 401(k) regularly conveys a 10% punishment for early withdrawals before the age of 59 ½. Be that as it may if representative leave organisation at age 55 or more established, the IRS will enable a retiree to make withdrawals punishment free. Those with customary IRAs face a 10% withdrawal charge on circulations taken before the age of 59 ½ except if they consent to balanced intermittent instalments dependent on future. Comparative 10% early withdrawal punishments might be connected to reserves changed over into a Roth IRA relying upon the arrangement of the record.
2.4 Issues Related in Retirement

2.4.1 The case for extending Malaysia's retirement past age 60

Extension retirement age has been circling around the top leaders as former Chief Justice once suggested that retirement age should be risen to 65-70 years for the sake of loyal to a company and had more experience even as he acknowledged that age does not necessarily equal productivity or adaptability (Malay Mail Online, 2017). In contrary to the citizens, who did not favour in increasing the retirement age from the existing 60. A recent poll conducted by The Star Online found that 66% of the 3,780 participants voted "no" to increasing the retirement age. It was found that the general sentiment of those who voted against increasing the retirement age was to give the younger generation an opportunity to take over the workforce (The Star Online, 2017).

2.4.2 Women's retirement age rising faster than men's in UK

Women in UK are by and large working until the age of 64, in an emotional inversion of the pattern towards early retirement that denoted the 1990s. The two people are staying at work for any longer than previously, yet for ladies the change has been progressively fast. The female business rate for 55-59-year-olds has expanded by 18.2% from 52.5% in 1998 to 70.7% in 2018. Men are bound to work all day until their mid-60s, when they will either resign or work low maintenance Women, then again, are bound to take a lifelong break in their 30s, coming back to work in their 50s (The Guardian, 2018).

2.5 Benefits of Retirement

Different retirement and benefits frameworks have been built up in nations around the globe. Benefits framework models can be utilized in the change of existing annuity frameworks and the structure of new ones. For example, The Employee Provident Fund (EPF) is a pension scheme for Malaysians. Every company is required to contribute EPF for its staff/workers and to remit the
contribution sum to KWSP before the 15th day of the following month. Failing to submit within the stipulated period will result in late penalty charged by KWSP. The mandatory contributions based on the employee’s pay are as follows:

2.5.1 Employer (company)
- 13% for any wages less than RM 5,000
- 12% for any wages more than RM 5,000

2.5.2 Employee (staff / workers) – 11%

Voluntarily to contribute more than the statutory requirement (12%-13%) by the company for its employees are encouraged by the Government where a tax deduction will be given for such extra contribution by the company (KWSP, 2018).

3.0 CONCLUSION

Retirement arranging is a progressing, deep rooted procedure that takes many years of duty so as to get the last result. Accumulating a huge number of dollars in a retirement savings absolutely can appear to be scaring. Because of an inexorably maturing populace, governments might be compelled to lessen or even suspend Social Security benefits later on. The retirement approaches in the 21st century must withstand the consistently evolving socio-statistic developments. The time has come to reconsider those approaches so as to fit the substances of the new statistic time of individuals living longer. Governments may encourage some new systems and arrangements, yet, aggregate endeavors must originate from every single included gathering: government, businesses, labourers, and others to make a dynamic and dynamic "silver" society and economy where intelligence and experience are esteemed.
REFERENCES


