

## Section 2. Creation of a Society Where People can Work regardless of Age

### 1. Securing Employment Opportunities until 65 Years Old

A society with a full-scale decreasing population due to a rapid progression of a birth rate decline and aging has arrived in Japan and the labour force is also expected to decrease in the future. In addition, the people of so-called baby-boom generation will be reaching 60 years old in 2007 through to 2009.

Meanwhile, the pensionable age of Old-age Employees' Pension for men was started from April 2001, and implemented gradually. The pensionable age will be raised to 65 by FY 2013 for the fixed-amount portion, and FY 2025 for the remuneration-based portion.

In order to secure stable employment until 65 years old, business operators will be obligated to implement either a gradual extension of the retirement age until 65 years old, the introduction of a continued employment system, or abolishment of the age retirement system in accordance with the revision of the Law Concerning Stabilization of Employment of Older Persons made in June 2004.

On-site instruction/advice by Hello Work staffs is given to business operators that have not introduced these job security measures for elderly. In addition, specialized/technical support by elderly employment advisors of the Japan Organization for Employment of the Elderly and Persons with Disabilities is being provided to business operators that need to review their system of wages and treatment, improve their workplaces, or development job areas for introducing these measures.

Through these efforts, approximately 93% of enterprises with 51 workers or more have already implemented these measures as of June 1, 2007. Further efforts will be made for steady implementation and improvement of measures to secure elderly employment in the future.

### 2. Promotion of initiatives “Companies where People can Work until age 70”

As the rapid birth rate decline and aging is progressing it is important to create a society in which everyone can work regardless of age as long as they have the motivation and ability to do so in making the lives of the elderly more active while maintaining the vitality of society and the economy.

In addition to improving measures to secure elderly employment, efforts are being made to realize “companies where people can work until age 70” in establishing environments where everyone can work regardless of age as long as they have the motivation and ability to work.

More concretely, the Japan Organization for Employment of the Elderly and Persons with Disabilities established an “companies where people can work until age 70” promotion project committee and suggestions for the realization of “companies where people can work until age 70” were formulated in September 2007. In addition to dissemination and enlightenment activities,

individual consultations and seminars are being entrusted to business operators' organizations in respective regions to support measures to facilitate employment after 65 years old and efforts made to establish environments for expanding employment opportunities so that people can work regardless of age as long as they have the motivation and ability to work.

Furthermore, a "Subsidy for Extension of Retirement Age (Subsidy for Enterprise in which People can Work until 70 Years Old)" was created in September 2007 to promote extending the retirement age to 65 years old or older. Subsidies are given to small- and medium-sized enterprises that have extended the retirement age to 65 years old or older or abolished the age retirement. If retirement age has been extended to 70 years old or older, further support will be made.

### **3. Support for Reemployment of Retired Employees including those of the Baby-Boom Generation**

The employment situation of the middle-aged and older people is improving, but reemployment is still difficult once they have left a job.

Therefore, establishment of a system to provide employment consultations and placement services for middle-aged and older people and active exploration of job offers are mainly being carried out at Hello Works. In addition, efforts are being made to expand opportunities to apply for work that include guidance on setting employment age limits for application, which is generally forbidden in accordance with the revised Employment Measures Law enforced on October 1, 2007. If business operators set employment age limits less than 65 years old due to inevitable reasons, they are required to indicate the reason. Guidance is also given on this requirement.

In addition, assistance to prepare support plans for job seeking activities is being provided as well as providing consultations and support for business operators who are implementing measures to facilitate reemployment in cooperation with reemployment support consultants at the Prefectural Associations of Employment Development for Senior Citizens.

To facilitate the smooth reemployment of the middle-aged and older people, subsidies for trial employment that aims at future transfer to regular employment (Subsidy for Trial Employment of Middle-aged and Older People) are being paid to middle-aged and older householders who are in need of urgent reemployment.

Furthermore, mainly at Hello Works, efforts are being made to enlighten business operators of the advantage of employing middle-aged and older people and reemployment programs for retired employees are being implemented to explore job offers and provide interviews/seminars according to the diverse needs of middle-aged and older people so that people can work past 65 years old.

#### 4. Promotion of Silver Human Resource Centers

As there are great differences in work motivation and physical strength among older people, diverse forms of employment and work opportunities should be provided so that they can find suitable jobs.

In consideration of this, Silver Human Resource Centers offer community-based temporary, short-term, or light work as well as voluntary activities to retired employees who are looking for opportunities to participate in society (as of end of March 2007, there were 1,344 centers with 0.76 million members).

In addition, when a group of 3 or more people aged 45 or older start their own business and employ middle-aged and older people in providing opportunities for continuous employment/work, a Grant for Creation of Collective Employment Opportunities for Older Persons is being provided to partially subsidize the expenses associated with the new business and encourage older people's entrepreneurship through utilizing their business experience.