Is raising the retirement age a good idea?

"Raise in retirement age will lead to unemployment with the result that the youth will become defunct over a period of time. We could generate enormous opportunity from the youth of our country."

The above are the views of the majority surfers who were responding to our question “Whether raising the retirement age was a good idea?”

Amidst rumours that the Government of India is all set to increase the age of retirement from the present 60 years to 62 years, Whispersinthecorridors.com has asked its surfers, “While many say that it is a good idea, others are of the view that it will not be good for the jobless youth? What do you think? Is raising the retirement age a good idea?”

And the first response was that raising the retirement age will lead to unemployment. “What is the need to raise retirement age. See the unemployment in the country? India is a country where the majority of the population is youth. To make a best utilization of available resources, the retirement should get down to 55”, said a surfer.

Another surfer opined, Youth of our country should get the opportunity to make maximum utilization of the available resources. Where entire world is focusing on India as a youth capital of the world - this is the right time to make one and all functional”, opined another.

Yet another surfer commented that the increased mortality rate does not mean that man does not gets effected by ageing. “Ageing is a process of life and one has to respect the age. After 55 years of age, the stiffness, sternness and muscular power deteriorates. Hence, irrespective of mortality rate the retirement age as fixed earlier i.e., 58 years should be maintained”, he said.

One more surfer said, “There is already so much unemployment in the country that the youth who is full of energy and ambitions is already frustrated for not getting jobs after completion of studies. If the age of retirement of present govt. employees is further extended, deep frustration will set in the youth, many of whom may take to a life of crime to make their two ends meet and to meet the expenses of modern day life.”

Added yet another surfer, “It should be understood by the political masters that when a new entrant takes up a job, his salary and other perks are at the minimum base level and the burden of the govt. on pay and salaries is less, whereas if the age of retirement is extended, the employees will be nearing the top end of the pay scale and already the burden of pay and salaries is very high. With extension of age, the burden of more increments and still higher pay and perks would add to the cost in the state exchequer. Similarly pensions and gratuity amount would also be higher. As such from the financial point of view also it is not desirable”.

On the other hand, “A new entrant will be fresh with practically no responsibility for family and can devote full time to his job. In addition every youth has new ideas and has dreams. He can bring in innovations and new ideas which can benefit the organisation and the society”, he added.

Some of the surfers, however, welcomed raising the retirement age of govt. employees. “It will give lot of benefits to the Govt., the country and to the employees. The Govt. will continue to have the advantage of mature advice and immense experience of long time service of its employees. Retirement age should be raised because of experience and quality of health has improved. They can render better service than freshers and it shall improve management of budget deficit of GoI”, they opined.

Those favouring increase in retirement age further say, “Why should the youth hanker after Govt. jobs only. There are immense opportunities in the private sector too as the economy and business are growing. They can find various jobs and prove their mettle in those jobs as well. The Govt. should not loose the advise and expertise of senior employees having rich and long experience”.

Following is the opinion of other surfers, both for and against, increasing the age of retirement.
Those against raising the retirement age say ---

I am to refer to your debate on the increase of retirement from 60 to 62 years and say that I will be benefitted by the same as I would then be retiring in 2033 instead of 2031. However, I strongly believe that though the mortality rate has increased, it does not mean that man does not get affected by ageing. Ageing is a process of life and one has to respect the age. After 55 years of age, the stiffness, sternness and muscular power deteriorates. Hence, irrespective of mortality rate, the retirement age as fixed earlier i.e., 58 years should be maintained. The government always enjoys the prerogative of appointing the experts on consultant basis so that their expertise can be utilized for the benefit of the government. Increase in the retirement age always increases the burden of the government by paying salaries while to the retirees, it would be paying less than 1/3rd of the salary being paid. Hence, I strongly oppose the increase of retirement age to 62 and put forth my desire that it should instead be reduced to 58 years.

Lakshmi Narayan AV

Raise in retirement age will lead to unemployment.

R C Mangal

What is the need to raise retirement age? See the unemployment in the country?

N P Jain

Persons who are in favour of increasing the retirement age are only those with vested interest. They must be having very nice time in office where they are working with less work. Indirectly, they also must know that someone will be overworked because of them. Also many of them are enjoying with their personal business by using the office as a launch pad. These persons certainly will be reluctant to retire even if they are asked to do so at the time of attaining superannuation at the age of 60.

Ravi

There is no retirement age in the US. Why it can’t be in India?

Raj Kishore

Say NO to increase in retirement age from 60 to 62. I fully agree with the comments of Ravi.

Nagasurya

The Govt. is considering to extend the age of retirement from the present 60/62 to 65 years which would not be correct. There is already so much unemployment in the country and the youth who is full of energy and ambitions is already frustrated on not getting jobs. If the age of retirement is further extended, deep frustration will set in the youth, many of whom will look to crime to make their both ends meet. It should be understood by the political masters that when a new entrant takes up a job, his salary and other perks are at the minimum base level and the burden of the govt. on pay and salaries is less, whereas if the age of retirement is extended, the employees will be nearing the top end of the pay scale and already the burden of pay and salaries is very high. With extension of age, the burden of more increments and still higher pay and perks would add to the cost in the state exchequer. Similarly pensions and gratuity amount would also be higher. As such from the financial point of view also it is not desirable. It should also be understood that as the old age approaches, every one falls more ill and the burden on medical bills reimbursement will also be higher. An old employee has more family responsibilities like higher education of his children, finding suitable employment for them and arranging for their marriage etc. His attention gets divided and so also his expenses on these responsibilities. As against this, a new entrant will be fresh with practically no responsibility for family and can devote full time to his job. In addition every youth has new ideas and has dreams. He can bring in innovations and new ideas which can benefit the organisation and the society.

S C Agrawal, DG Police Retired

Retirement age should not be increased rather, it should be decreased to enhance chances for employment for unemployed young generation.

Sundar Lal Gautam

The Government of India should lay emphasis on generating jobs instead of raising age specially for deadwoods. The decision to increase retirement age to 62 years will deprive the jobless youths of services in this burgeoning population.

Sunil Kumar
Those in favour of raising the retirement age say ---

Brandon’s comments on retirement age is unwarranted and cannot be implemented as it will open a Pandora’s box and also uneasiness among Government employees. He is easily saying this because he is a retired man. Why could he not suggested this when he was in service?

Seth

The retirement age should be increased to 62 years. The following points support it.
The life expectancy is increased for men as well as women and will continue to increase. People are fit to work even after 60.
The fertility rate has been declined. India’s population is expected to grow under 0.5 per cent during 2031-41 due to decline in fertility rate as explained in the Economic Survey. In future there may be gap or shortage of staff. To combat the situation, the retirement age cannot be abruptly increased to 70 year. So we have to increase it gradually at least by 2 years right now and review it after 5 year. Due to ageing population and increasing pressure on pension funding, it is inevitable to raise the pensionable retirement age.

At the time of retirements, retirement benefits like Gratuity, PF fund, leave compensation etc. are given to employees. Huge money is given to few people who are retiring. By increasing the age this expenditure can be deferred by the Government. This fund can be utilised in developmental schemes. This will help in cutting Government expenditure.

More number of years in service means less saving to arrive at the same corpus at the time of retirement. It will imply more expenditure by the employees. It will create more demand of consumable items that will lead to boost manufacturing, services sectors. This will affect the job opportunity for younger is a big MYTH only. Because as discussed above it will give boost to services and manufacturing sectors. It will create jobs avenues in these sectors.

Anuradha Sharma

Now a days family is not settled at this age, hence age should be raised to 65.

Mrs Dhoot

Raising the retirement age is not only a good idea but is in fact required, considering the fact that due to the developmental trajectory followed by India requires the plans churned out so far are put into practice. The merit of the sustainable ideas is not slave to the computer age and digitalisation, they are in fact timeless. Since they have ripened now and therefore can be implemented in full force by those very people who formulated them. The level of development and knowledge that one requires to assimilate has also increased and so the careers take off much later than they used to in earlier times. Further the life expectancy has also increased. This requires more money to be saved and retiring the government servants at 60 would be unfair to them on this count too.

Balraj Joshi

Retirement age should be raised. It is needed because of longevity in life.

R K Dube

If retirement age is raised it will affect the employment prospects of the young generation.

R T Goel

Age should be raised but without affecting the job prospects of the new generation.

Dr Bansal

Increasing the retirement age is a global phenomenon because of longevity. Scenario in India is different with big number of young and probably more skilled manpower. It may not be prudent. However, if the Government decides to do so they should do it in a gradual manner. German Model can be adopted where retirement age increases one month at a time.

Chandra

S P Dangwal

Considering the move at UN level, the retirement age should be 65 not 62. This is justified at global level.

Dr. S. Satapathy