



# Older Adults' Reemployment: A Call for Flexible Retirement System in China

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**Abstract.** This paper aims to provide an effective solution to address China's escalating population and labor force aging. Following an analysis of the background of the employment rate among older adults in China, this paper employs a qualitative research method using semi-structured interviews to understand the reemployment intentions of 30 older adults who have chosen reemployment. The findings indicate that most older adults seeking reemployment are delighted with their post-retirement lives. This paper demonstrates that older workers can contribute to societal productivity as a valuable human resource. Promoting reemployment among older adults plays a positive role in achieving active aging, alleviating the social burden of older people's care, ensuring a sustainable labor supply, and promoting sustainable development. This paper underscores the significant importance of gradually implementing a flexible retirement system in China.

**Keywords:** Flexible Retirement System; Older Adults; Population Aging; Reemployment.

## 1 Introduction

As a developing country with the largest population and the largest older population globally, China faces increasingly severe population and workforce aging problems [4][7]. According to the National Bureau of Statistics (NBS) in China, the proportion of people aged 60 and above was 18.70 percent, while those aged 65 and above accounted for 13.5 percent in 2020 [14], which directly indicate the severity of the aging situation. China's substantial population size and improved demographic quality significantly elevate its international status. However, the deepening development of population aging may negatively weaken the country's demographic competitiveness. Effectively leveraging this demographic characteristic could generate new opportunities for active aging in China [4].

The decline in fertility rate, the improvement of medical and health conditions, the development of health culture, the enhancement of living conditions, and the extension of older adults' life span lead to aging China's population [1][18]. According to the Statistical Bulletin on the Development of China's Health Care, the average life expectancy reached 77.3 years in 2019. With healthy bodies and a willingness to con-

tinue working, older adults do not fall under the negative stereotypes prevalent in the past [6]. International experience shows that policies to increase the economic participation of older workers play an essential role in achieving active aging [9]. The employment situation of people over 65 years old in developed countries, for example, Japan, South Korea, Germany, the United Kingdom, and the United States, with more severe aging, hold an encouraging and supportive attitude toward the employment of older adults [6], which sets good examples for China.

This paper is innovative in terms of research methods and policy recommendations. This paper adopts the qualitative research method of semi-structured interviews. It provides valuable inspiration for China to deal with the problems of population and labor force aging by profoundly exploring the reemployment of older adults. Through these practical cases, the paper proposes that encouraging older adults' reemployment affects older people, employers, and society, thereby providing practical experience and policy suggestions for implementing a flexible retirement system in China, which has significant theoretical and practical value.

## **2 Mandatory Retirement and Reemployment in China**

### **2.1 China's Mandatory Retirement**

China's 1978 mandatory retirement age system is still in effect nowadays. For employees, men must be 60 years old to retire from their primary career, whereas women must be 55 in white-collar positions and 50 in blue-collar ones. Simultaneously, the mandatory retirement age is 55 years old for men and 45 for women if they retire from high-risk industries in China [16]. Older workers in this study refer to older adults who return to the labor market after formal retirement.

There are pro- and anti-retirement factions on increasing the retirement age [1][8]. Recently, there has been a growing call for delaying the retirement age in China [1][4][5]. Mandatory retirement policies limit the employment of older adults in China. Furthermore, it can harm the physical and mental health of older adults by limiting their role in retirement [4]. However, there have been many obstacles that delayed retirement has not been established, for example, long-lasting mandatory retirement policy, gender inequalities in reemployment engagement, and lack of valuable skills [1][7]. Many developed countries have tried various countermeasures for the aging severe crisis. For example, Japan, a typically aged society with fewer children, has worked to address aging issues for many years. Fast population aging, decreasing economic development, and mounting public pension costs have prompted Japan to raise the retirement age progressively for over two decades [10]. Therefore, China can draw lessons from developed countries, adjust retirement ages, tap into the human resources of older adults, and achieve active aging. Voluntary and flexible retirement policies can mitigate the impact of post-retirement disengagement and encourage the potential of older adults.

## 2.2 Reemployment in China

The employed population is those aged 16 and above engaged in specific social labor or business activities and receive labor remuneration or business income. The employed population's size, composition, and distribution are closely related to the level and mode of economic development of a country. The employment structure of the population is not only affected by the economic structure and economic growth model but also, in turn, whether it is reasonable or not, directly affects economic development.

By comparing the results of the three Chinese census data in 2000, 2010, and 2020, the total number of employed people in these three years was 66,874,889, 71,547,989, and 65,631,786, respectively [11][12][13]. The decline in employed people in recent years reflects a potential crisis of insufficient labor supply. However, these three rounds of census data demonstrate the proportion of employed older people in the employed population is constantly rising, which is an inevitable trend as the aging of the population intensifies. Therefore, to achieve sustainable economic and social development, the whole society should pay more and more attention to older adults' employment.

## 3 Methods

This study used purposive and snowball sampling to recruit 30 respondents who underwent semi-structured interviews. The sample size met Creswell's [3] suggestion that semi-structured interviews include a medium sample size of between twenty-five and thirty interviews. All participants agreed and signed the informed consent form (Chinese version). This study used manual coding to analyze the qualitative data obtained; "data is classified using open, axial and selective coding and making categories" [15]. Then, the author yielded the keywords participants mentioned the most from the coding process. Recurring themes were highlighted and grouped into key themes according to the research aim of this study.

## 4 Results

### 4.1 A High Willingness of Older Adults to Participate in Reemployment

In China, many retirees are choosing to re-enter the job market. The development of modern aging concepts, improvements in living standards, and the demand for economic security have spurred older adults to become more proactive in managing their careers compared to the past. They constitute a significant "silver-haired workforce" in the Chinese labor market, and in some specialized industries, they may find reemployment more accessible than their younger counterparts [9].

Most participants in this study expressed during interviews that, following their retirement, they found themselves with ample free time, good physical health, and

abundant energy. Being idle at home led to a gradual disconnection from society, motivating them to seek further employment to make their lives more fulfilling. For instance, participant WQL stated, *"I have been retired for ten years, and during these ten years, I have continued working. I can maintain a youthful state, and my life is structured, like physical exercise. It also enhances social participation, keeping my mental state positive and my life fulfilling."* Reemployment gives them a sense of accomplishment and social connection and improves their quality of life through the wages earned. While economic motivations are no longer the primary reason for older adults choosing to continue working, they place greater emphasis on the realization of self-worth and maintaining social connections. As participants LGX and GQF expressed, *"I have a pension, and I continue to work not just to increase income deliberately. My experience and knowledge are useful to others (employers, clients) and society. I want to use my abilities to achieve social value."* However, the additional income from reemployment further enhances the quality of retired life for older adults.

In China, the protection of employment rights for older adults is a complex matter [2], and social support policies for their employment are insufficient, leading to a relatively low older labor force participation rate [4]. However, the rapid economic growth, low unemployment rates, and a shortage of skilled labor have provided opportunities for older skilled workers. Conclusions drawn from in-depth interview data in this study reveal that, despite acknowledging the strict age restrictions on older adults' reemployment in the current job market, some participants explained that, due to their rich experience and skilled technical matching with job requirements, older adults have advantages when seeking jobs. Furthermore, many participants mentioned that they did not actively seek jobs; instead, jobs found them. It indicates that older workers have unique competitive advantages in the job market.

#### **4.2 The High Life Satisfaction of Older Adults after Reemployment**

Active aging has emerged as the leading concept characterizing a fulfilling late-life experience. Guided by this concept, the roles played by older adults in their life trajectories are of paramount importance [6]. Based on coded interview data, this study concludes that older workers express higher satisfaction in four aspects of their current reemployment life: spiritual and cultural fulfillment, social networks, physical and mental well-being, and material foundations. Thus, it indicates the motivations and expectations of their seeking reemployment in these four domains. It provides support for developing more targeted policies in flexible retirement systems.

Most participants indicated that the additional income obtained through reemployment is a welcome addition to their own and their family's lives. While the financial reward is not deemed obligatory, it undeniably enhances the quality of their late-life experiences. For instance, participant HZH described the financial relief in their family, stating, *"My family has no financial burdens, and the income I gain from reemployment is more than sufficient for our living expenses, allowing me to save my retirement pension."* Importantly, older adults aspire to stay engaged in social activities through reemployment and sustaining and establishing social networks to gain a

sense of accomplishment. Many elderly workers, including participants LCL, LSQ, and HZQ, expressed a passion for their chosen occupations, highlighting the emotional and psychological value work continues to bring to their lives, enabling them to lead active and positive lives. Additionally, exchanging experiences and knowledge with younger colleagues makes them feel valued and needed.

However, despite Pilipiec et al. [17] suggest in a systematic review that raising the retirement age increases the older labor force participation, evidence regarding its impact on the health and well-being of older workers needs to be more conclusive. In contrast, the interview data demonstrate that older adults perceive reemployment as a means of physical exercise. Although the irreversible decline in their physical capabilities due to aging is acknowledged, engaging in appropriate work hours and tasks helps them maintain good physical health. Whether recently reemployed individuals like YCA and LFX or those who have continued working for a decade like XGX and WQL, all explicitly stated that continued, moderate work involvement has contributed to maintaining their physical well-being. Other participants similarly expressed the significance of reemployment in promoting health. It fosters healthy aging.

Whether older adults' spiritual and cultural needs are met impacts the overall quality of their lives. Increasing older adults' reemployment alone is not a comprehensive initiative for active aging. It requires complementary measures to combat age discrimination in the workplace, promote age diversity, and provide more flexible employment forms and training opportunities [6]. These complementary measures will contribute to the further high-quality realization of active aging in China.

## 5 Conclusions

Encouraging the reemployment of older adults, especially those in good health, holds significant positive implications, manifested in the following four aspects. Firstly, for older adults, reemployment is crucial for maintaining health and realizing personal value. Secondly, from the employers' perspective, older individuals with rich work experience and professional knowledge contribute to productivity and guide younger individuals, reducing errors and losses in the workplace. Thirdly, for society, the sustained social engagement of older adults facilitates self-sufficient aging, alleviating the burdens of social, community, and familial care. Finally, within the context of a labor market where the supply of labor is continually decreasing, encouraging capable and healthy older individuals to remain active in the workforce can address the issue of supply-demand imbalances and promote sustainable development.

The widespread development of reemployment further underscores the necessity of flexible retirement systems. Society should advocate an "ability-based" approach rather than an "age-based" one, gradually diminishing the importance of age in a person's life. Mandatory retirement age restrictions can limit the societal contributions of older adults. China needs to consider its national context, draw lessons from the experiences of other developed countries with delayed retirement age policies, and progressively formulate specific policies tailored to different industries and sectors.

However, there is an ongoing debate regarding the potential conflict between the reemployment of older adults and the employment prospects of the younger workforce. The labor market faces the dual challenges of labor shortages and a scarcity of job positions. Fostering a supportive organizational culture is essential for mitigating the drawbacks brought about by the aging labor market. It necessitates strategic planning of human capital, managing workplaces with multigenerational coexistence, inheriting explicit and tacit knowledge from older workers, and providing flexibility in work hours and locations, thereby facilitating the recruitment and retention of older talent [9]. Older workers in this study express that their reemployment does not entail occupying positions intended for younger individuals, emphasizing the substantive differences in their roles. Nevertheless, controversy persists regarding whether reemployment may impact employment opportunities for younger individuals, highlighting the need for a more precise delineation of the scope and criteria of reemployment. Therefore, a flexible retirement system tailored to the unique characteristics of China should be promptly prioritized. Attracting and developing the labor force of older adults through diverse forms and content of reemployment can actualize individual value and contribute to societal value, thereby advancing China's goals of active aging and sustainable development.

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