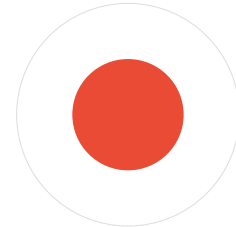


JAPAN

Overall Index Score 48.2

Overall Index Grade D



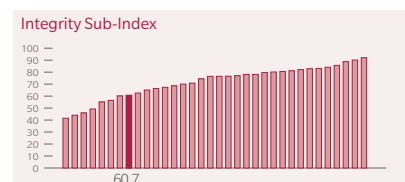
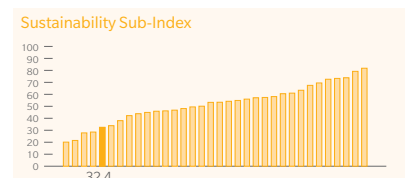
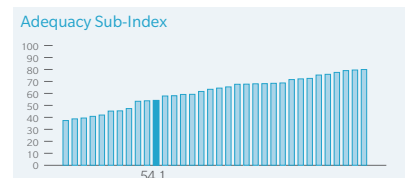
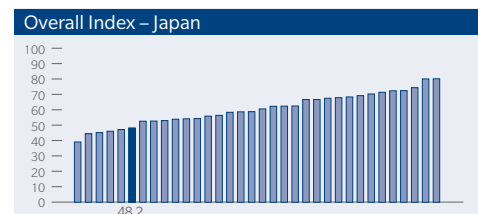
Japan's retirement income system comprises a flat-rate basic pension; an earnings-related pension; and voluntary supplementary pension plans.

The overall index value for the Japanese system could be increased by:

- raising the level of household saving
- continuing to increase the level of pension coverage and hence the level of contributions and assets
- introducing a requirement that part of the retirement benefit must be taken as an income stream
- announcing a further increase in the state pension age as life expectancy continues to increase
- reducing government debt as a percentage of GDP

The Japanese index value increased from 43.5 in 2017 to 48.2 in 2018 due to higher pension plan coverage as recorded by the OECD, the inclusion of household debt in the adequacy sub-index and the change from using the median income earner to the average income earner to calculate the net replacement rate.

Comparison to other systems



OVERALL INDEX HISTORICAL PERFORMANCE

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
41.5	42.9	43.9	44.4	44.4	44.4	44.1	43.2	43.5	48.2

(since country has been included in the MMGPI)

Download the full 2018 Melbourne Mercer Global Pension Index (MMGPI) Report at www.mercer.com.au/globalpensionindex

