# Challenges for Equal Work and Work-Life Balancing in South Korea

Symposium on

"Economic Disparity between Men and Women in Japan and Korea: Exploring Commonalities and Differences" July 3, 2025, RIETI, Tokyo, Japan

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# I. Introduction

#### Introduction

- Korea has been striving to expand women's economic participation with various policy measures, such as WLB, AA, WISET, etc. And women workers participations are increasing and their working conditions are improving over the past several decades.
- However, in terms of the quality of women's work, various gender gap exists within the labor market, especially the gender wage gap persists significantly.
- ✓ This is especially true in terms of the gender gap in earnings, which remains substantial in Korea.
- ✓ Women also tend to be underrepresented in jobs involving greater autonomy and social status, such as management positions, and women in scientific work.
- ✓ They also carry a very unequal burden of childcare and childrearing. The crisis has WLB challenges for Korean women and Low fertility in Korea.

#### Introduction

- This presentation requires some focused policy action along four main policy areas:
- Working towards universal access to WLB for all to reduce the gender gap in working lives both women and men
- 2. Implementing employment policies that not only prevent women's career interruption but also enhance women's economic activity
- 3. Eliminating gender discrimination in employment structure and culture
- 4. Empowerment women scientists

# II. Challenges

# **Employment Rate by Gender**

Women's employment rate 54.1%, Men 71.3% (2023)



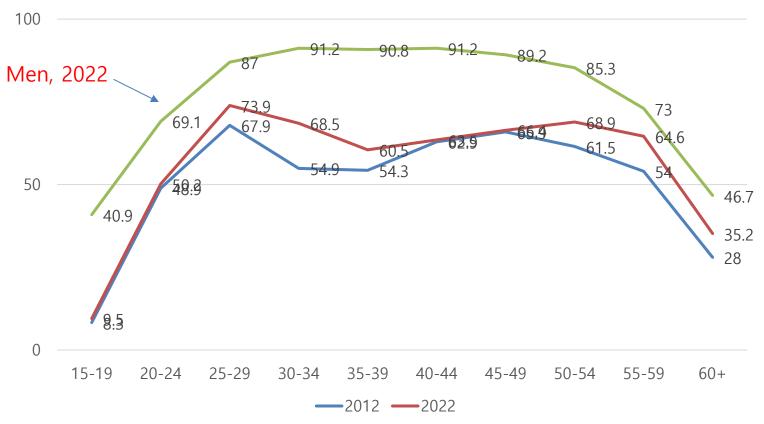
Source: Ministry of Employment and Labor & Ministry of Gender Equality and Family, 2024 White Paper on Women's Economic Activity

#### White Paper on Women's Economic Activity

- The Minister of Gender Equality and Family and the Minister of Employment and Labor shall annually publish and publicize a White Paper on women's economic activities that includes the status of women's wages, occupations, employment conditions, and women with career interruption. (Based on Act on Equal Employment Opportunity for Men and Women and Support for Work-Family Balance)
- It was first published in 2023 and the second white paper was published in 2024.

# **Employment Rate by Age group**

Women's employment rate has steadily increased over the past 40 years. But it still maintains a weak M-curve. This contrasts sharply with the men's employment rate.



Source: Statistics Korea

# **Employment Rate by Age group**

- In particular, the M-curve is showing a trend of easing as the employment rate of women in their 30s has increased significantly to 71.3%.
- However, the problem of career interruption has not been completely solved. According to the survey, women's career breaks due to childbirth and childcare are particularly prominent in 35~39 age group, and they have an employment rate that is about 26%p lower than that of men in the same age. The main reasons are childcare(42%), marriage (26.2%), pregnancy and childbirth (23%).

Source: Ministry of Gender Equality and Family, 2023 Survey on Women's Career Interruption and Economic Activity

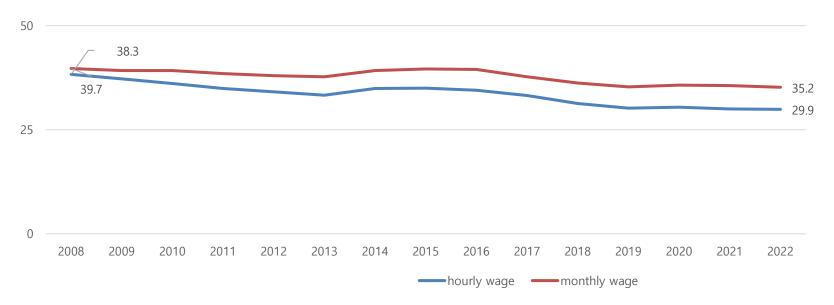
# **Gender Pay Gap**

- The average wage of Korean women is 71% of that of men.
- Mostly, women work in low-wage jobs
- ✓ As of 2023, about 18.8% of employed women are engaged in Health and Social Welfare Services, and 12.7% are in Wholesale and Retail trade, 11.1% are in Accommodation and Food Service Industry.
- ✓ These industries are generally characterized by low wages and low employment stability.
- Also, Career break of women, concentration in low-paying jobs, and employment structure centered on small/medium corporations are important causes. (45.5% of women workers and 29.8% of men workers are working as irregular workers)

Source: Ministry of Employment and Labor & Ministry of Gender Equality and Family, 2024 White Paper on Women's Economic Activity

# Gender Pay Gap (2008~2022)

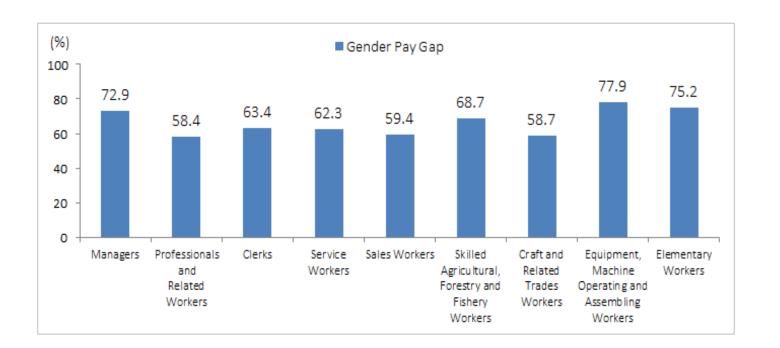
 Gender Pay Gap Index has been continuously decreasing, but is still at about 30% level.



Source: Ministry of Employment and Labor

# **Gender Pay Gaps by Industry**

 Gender pay gaps are the biggest in "Professionals and Related Workers" making up 58.4% and the smallest in "Equipment, Machine Operating and Assembling Workers" recording 77.9%.



# **Employment by Employee Seize**

As of 2023, the proportion of women worker working in workplaces with 1~4 employees in the highest at 35.4%, followed by 18.6% of 10~29 employees, 15.4% of 30~99 employees, and 8.6% of over 300 employees.

	total	1~4	5~9	10~29	30~99	100~ 299	300+
women	12,464	4,416	1,895	2,322	1,918	836	1,078
men	15,952	5,546	2,132	2,730	2,230	1,306	2,010
total	28,416	9,962	4,027	5,052	4,147	2,142	3,087

# Job Segregation by Gender (2013~2023)

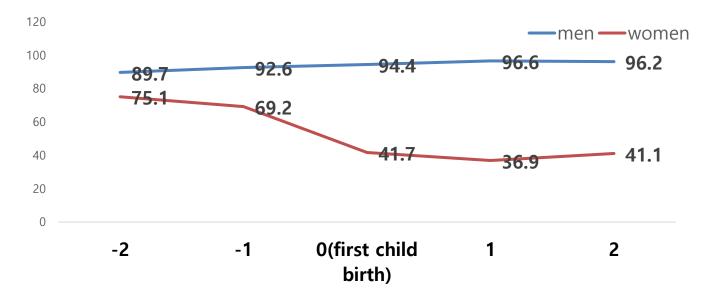
- Women's advancement into traditional male-dominated occupations has expanded, albeit slightly, due to increased levels of women higher education, restructuring of industrial structures, and development of the information and communications industry.
- However, the opposite phenomenon in men was only limited.

	Women					total
	>20%	20~40%	41~59%	60~80%	<80%	
2013	24	9	10	6	2	51
2020	23	9	10	8	1	51
2023	21	11	10	8	1	51

Source: Statistics Korea

# Working life and wage gap

- How do men and women's working patterns change after childbirth?
- First, for men, the employment rate two years before the birth of their first child is 89.7%, and after the birth it is 96.2%. Secondly, for women, the employment rate for each is 75.1%, and 41.4%.
- It can be confirmed that childbirth has a direct effect on women's employment.



Source: Korea Employment Information Service, Ma, et.al, (2023)

# **Career Interruption**

- Ministry of Gender Equality and Family (2022). Survey on the Women's Career Interruption and Women's Economic Activity
- Among married employed women(25~54), the wage of women who experienced a career break was 2.287 million won, 25.1% lower than that of women who did not experience a career break.
- It takes an average of 8.9 years for Korean women to enter the labor market after a career break in their 30s.
- When women re-enter the labor market, they are concentrated in social undervalued care jobs, and gender segregation of jobs and the gender wage gap are further deepened.

# **Career Interruption**

#### Claudia Goldin (Nobel Prize winner in economics, 2023)

- She conducted research on women's economic activities based on 200 years of data.
- She explains the stagnation of gender wage gap despite increase in women's economic activity and higher education level as "motherhood effect".
- Women's income drops sharply after childbirth, their wage growth rate is low, and it becomes difficult to maintain or develop a career, especially since childcare falls more on women.

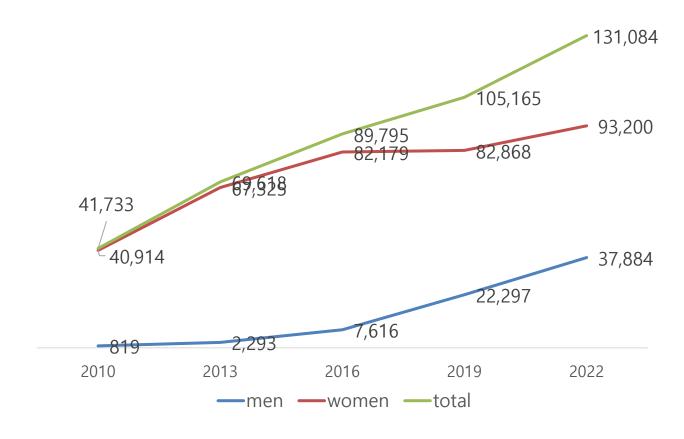
# III. Policy Measures

## 1) WLB\_Work-Life Balance

- Korean government has been implemented WLB policy that is making easier for women to reconcile work and family with special emphasis to support women's participation in economic activities
- There have been various related institutional improvements over the past 20 years, such as expansion of Parental Leave, Paternity Leave, Reduced Working Hours for period of childcare, Care Leave, etc..
- Changes of Number of Parental Leave users
   (2005) 10,700 persons, (2015) 87,339 persons, (2023) 126,008 persons
   (men, 28.0%)

#### **WLB**

#### Changes of Parental leave users



Source: Ministry of Employment and Labor, Employment DB

#### **WLB**

- The number of people using the system has increased significantly through active institutional improvements.
- However, the users of the system are mainly women, workers in large corporations, and the public sector.
- ✓ Unequal use by men and women
- ✓ Low replacement rate(upper limit 150,0000 KRW),
- ✓ Utilization gap by business size
- Survey on the Work-Life Balance, 2023
- ✓ "everyone can use parental leave whenever one needs" 52.5% (`22)
- ✓ The proportion of employees in small and medium-sized enterprises among all workers is 81.3% ('22)

#### **WLB**

#### Perception of Usages of Parental leave (2022)

	Business	(n, %)	Responses (%)		
			All can use	Some people	Never can use
total	547,825	100.0	52.5	27.1	20.4
5~9	286,604	52.3	47.8	29.2	23.0
10~29	189,038	34.5	50.8	30.0	19.2
30~99	56,121	10.2	71.9	13.6	14.5
100~299	12,370	2.3	88.4	0.9	10.6
300+	3,693	0.7	95.1	3.0	1.9

Source: Ministry of Employment and Labor, 2023 Survey on the WLB

## WLB\_recent revisions

- 2022, "3+3 Parental Leave"
- If couple uses parental leave together, the benefits of the first three months will be increased(replacement rate would be 100% of normal wage, of upper limit 3,000,000 KRW)
- 2024, "6+6 Parental Leave"
- If couple uses parental leave together, the benefits of the first six months will be increased(replacement rate would be 100% of normal wage, of upper limit 4,500,000 KRW)

## 2) Women's work interruption

- 2008 Law to prevent career interruption for women
- 2022 Law to promote women's economic activities and prevent career interruptions
  - : Expanding the target group not only career interrupted women but also working women, to prevention of career interruption for working women as well as strengthen women's career who are currently working.
- Korea spent 94.5 billion KRW on employment support services for mothers, who have suspended economic activities due to childbirth or childcare, or have never been in employment, and look for a job ('22).

# Women's work interruption

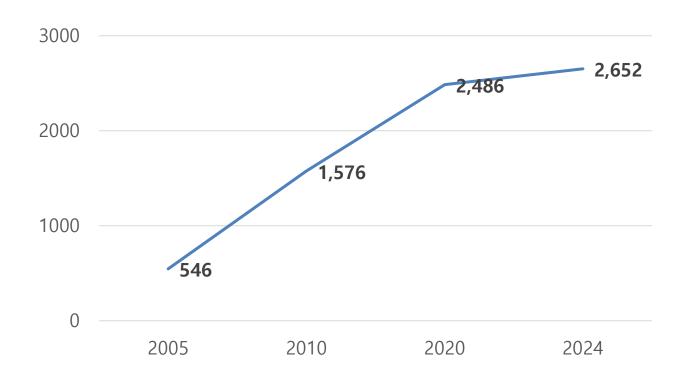
# Ministry of Gender Equality and Family, 2022 Survey on Women Economic Activity

- Prevention of women's career break, factor analysis of career break, development of women's job demands, support for job transition for reemployed women, finding job needs and supporting jobs for unemployed women, etc..
- How many women quit jobs? : 1,397,000 persons ('21)
   (30~39 age group, 600 thousand persons, 40~49 age group 588 thousand persons, 50~54 age group 152 thousand persons)
- How long did it take to re-enter the labor market? : average 7.8 years('19)
- How much is the gap? average wage is 2.06 million won, wages of women who continued to work without a career break is 2.42 million won.

- Korea Government implemented AA to eliminate gender discrimination in employment since 2006 ( Act on Equal Employment Opportunity for Men and Women and Support for Work-Family Balance )
- The two main goals of this policy are to increase women employment and to eliminate gender disparity.
- For companies that employ significantly fewer women than other companies of similar size or in the same industry, or have a low percentage of women managers, AA supports companies to review their own HR management systems and devise and implement improvement measures.
- Provide guidelines to ensure that the ratio of women workers and women managers reaches 70% of the average in the same industry for the public institutions and private enterprises with 500 or more regular employees.

- Target Business: public enterprises and Local government private enterprises with 500 or more regular employees
- Starting in 2006, the garget organizations and companies have gradually expanded.
- Public Organization, private enterprises with 1,000 or more regular employees ('06) -> private enterprises with 1,000 or more regular employees ('08)-> all public organizations('13)-> Local governments with 300 or more employees('18)-> Local governments with less 300 employees('19)
- Process
- 1. Submission and evaluation of men and women worker status
- 2. Submission and evaluation of AA Report
- 3. Submission and evaluation of Performance Report

Expansion of the target business



Source: 2024 AA Report

Target Business 2024 : total 2,652 companies

Public organization	Over 1,000 persons	89 companies
organización	Less than1,000	242
	total	331
Local governments	Over 1,000	11
governments	Less than 1,000	149
	total	160
Private	Over 1,000	906
enterprises	Less than 1,000	1,225
	total	2,161
total		2,652

Stage 1	Submission of men and women workers and wage status (by April 30 every year)	Analysis of target business status Notification of the subject of preparation of the plan for implementation		
Stage 2	Submission plan for implementation (until April 30 of the following year)	Review and evaluation of implementation plan(pass, partial supplement, rewriting) Submission of the business plan		
Stage 3	Submission of performance report(by April 30 of the following year after submission of the implementation plan)	Review and evaluation of performance report(pass, medium, urge for implementation, etc.,) Submission of supplementary plan of the companies that do not achieve their goals		
Excellent Company Award		Publication of the lists of non- performing companies		
Prime Minister, Minister		Official Gazette Publication, Website of Ministry of Employment and Labor		

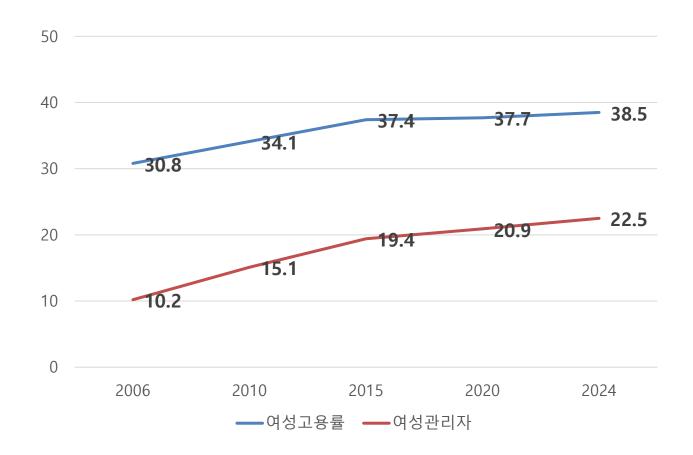
#### Changes by employment

Changes of the ratio of women workers and women managers are the same: public institutions > private companies > local governments women employment
Public institution 46.4%, private companies 37.7%, local governments 32.7%
Women managers
public institution 25.5%, private companies 22.7%, local governments 13.8%

#### Changes by industry

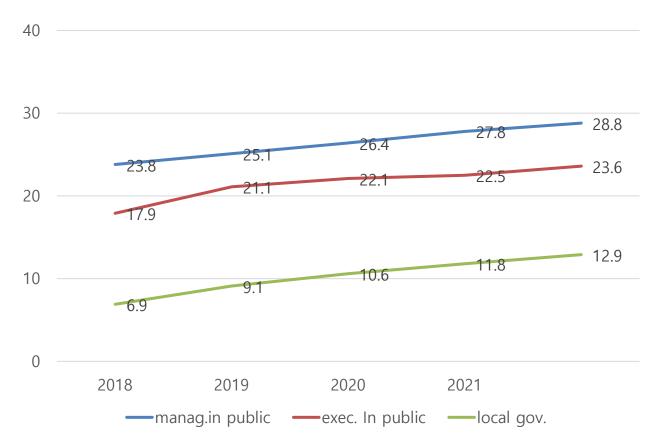
Changes of the ratio of women workers and women managers are the same: Top sector: 'Health and Social welfare services' women employment 72.9%, women managers 55.9% The Lowest: 'Heavy industry 2'(Metal, 5.6% Transportation equipment, 2.2%)

Changes of Women Employment and Women Managers Ratio



source: 2024 AA report

 Changes of Women Employment and Women Managers Ratio: public section



source: Ministry of Gender Equality and Family, 2023 White Paper on Women Economic Activity

#### Women employment rate by job title 직급별 여성고용률

	employees	total	Executive level	Above manager level	Under manager level
Over	total	3,297,362	38,084	912,873	2,346,405
1,000	women	1,276,317	4,299	198,311	1,073,707
employees (1,006 companies)	ratio	40.2	12.7	26.3	45.3
Less	total	908,682	24,104	218,495	666,083
than1,000 (1,646	women	331,828	2,376	46,421	283,031
companies)	ratio	37.4	10.4	24.4	43.3

Source: 2024 AA report

## 4) WISET (Women in Science, Engineering and Technology)

- Measures to improve women's participation in STEM studies and occupations
- Korea Foundation for Women in Science, Engineering and Technology
- Based on Act on the Promotion and Support of Women Scientists (2002).
- Since 2001, various related projects(WISE, WATCH 21, WIST, WIT) have been created to foster and support women scientists.
- The above projects were integrated to establish the Women Scientists
   Support Center under the Korea Science Foundation, in 2011
- It was changed to a public institution under the Ministry of Science and ICT, in 2017
- Renamed to WISET in 2021
- Although there have been gradual achievements in the process of entering the workforce, finding employment, and maintaining their careers for women scientists and engineers, many challenges still remain.

Basic Plan for the Development and Support of Women Scientists every 5 years, since 2004.
 1<sup>st</sup> Plan (2004~2008), 2<sup>nd</sup> Plan (2009~2013), 3<sup>rd</sup> (2014~2018), 4<sup>th</sup> (2019~2023), 5<sup>th</sup> (2024~2028)

- 5<sup>th</sup> Basic Plan for the Development and Support of Women Scientists (2024~2028)
- Based on the four development tasks of inflow, growth, progress, and expansion.

#### (1) Inflow: Training and attracting new personnel

- The number of female graduates in science and engineering fields with an associate's degree or higher continues to increase.(전문학사이상)
  ('19) 59,263 persons (28.6%), ('22) 67,070persons (31.0%)
- Reduce the gap between man and woman employment rates after graduation (`18) 7.9%p, (`21) 6.5%p
- Develop STEM Girl's Power Program for elementary and middle school girls After School program, Summer Camp, Parents Academy etc.

Source: 5<sup>th</sup> Basic Plan for the Development and Support of Women Scientists (2024~2028)

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# (2) Improving the capacity and expanding participation of women scientists

- The participation of women scientists and engineers in R&D is increasing. (`19) 50,191 persons (20.7%) (`22) 59,760 persons (22.7%)
- Training of 12,000 women talent in new industry and new technology field ('19~'23 cumulative)
- Women entrepreneurship based on science and technology is also increasing

Source: 5<sup>th</sup> Basic Plan for the Development and Support of Women Scientists (2024~2028)

# (3) Expanding the career development of women scientists and engineers

Women full-time employees in science and technology continues to increase

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women full-time employees: ('19) 17.1% ('22) 19.3%
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 Gap in economic activity participation rates between men and women in the natural sciences and engineering fields

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women ('19) 65.2% ('21) 70.4% men ('19) 88.9% ('21) 91.8%
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- Women's underrepresentation : W/ above manager level (19) 8.4% (22)
   9.9%
- Issues of women's career break weak accessibility of WLB and immature utilization environment

# (3) Expanding the career development of women scientists and engineers

- Extend of Working Hour Reduction to prevent career break for the researcher in the parenting period (1year -> 3 years)
- Urgent Care Voucher ( 240 hours of care service per year)
- Expanding the use of replacement personnel for parental leave takers
- Career Reentry Program for women scientists
- W-Bridge Fund (extension research period of the parental leave takers, Assistant Researcher Support, working hours reduction, etc.)
- Working from home, flexible jobs finding

#### (4) Gender Innovation in the Science and Technology Fields

- Gendered Innovation throughout the entire R&D process
- Publish Diversity Report
- Establishment of gender equality plan by research institute
- Introduction of pilot project of Gender Innovation
- Spreading Social awareness and gender equality working culture

Source: 5<sup>th</sup> Basic Plan for the Development and Support of Women Scientists (2024~2028)

# IV. Concluding remarks

# **Concluding Remarks**

- Korea has been striving to expand women economic participation and reduce gender gaps in labor market with various policy measures.
- Despite institutional development and policy implementation, gender gaps still exist in the labor market.
- Therefore, policies should pay renewed attention to reducing gender gaps in the labor market
- Parental leave and childcare policies are key to achieve greater gender equality at work. One way to close this solution is to focus on men.
- Policies should pay special attention to specific groups of women that risk being left such as women workers with young children.

# **Concluding Remarks**

- Gender equality in the labor market requires continuous efforts to diagnose and resolve social and structural problems beyond simply increasing women's labor market participation.
- In particular, various efforts are needed to improve the quality of women's employment.
- It is also important to expand opportunities for advancement into high value-added occupations through specialized education and technical support to increase women's participation in future industries.
- Meanwhile, companies are required to spread an organizational culture that promotes diversity and inclusion. Along with government's institutional intervention, changes in corporate culture and social awareness are necessary.

# Thank you