

Highlights Korea

Babies and Bosses – Policies towards reconciling work and family life

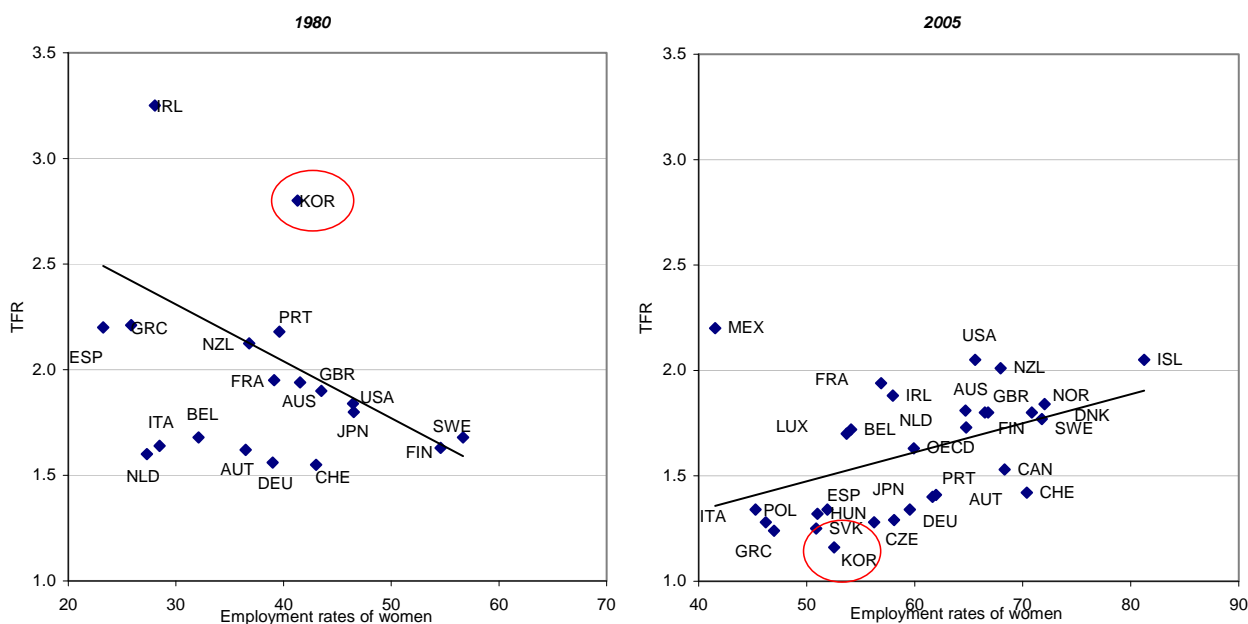
www.oecd.org/els/social/family

- *Across the OECD countries with high female employment rates also have the highest fertility rates. By contract, despite significant increases in educational attainment levels, only just over half of Korean women with a university level of education are in the workforce.*
- *Korean workplaces have to stop wasting investment in human capital and need to become more family-friendly. Rather than expecting women to leave regular employment around childbirth, workplaces need to give mothers more opportunities to stay in or return to regular employment.*
- *Pay should be based on performance not length of service in a company. Mothers are in effect punished for taking time-off from work by missing out on pay increases when wages are based on seniority. Regular employees should also have access to flexible working hours and part-time employment opportunities.*

Fertility rates

Fertility rates in 2005 were the lowest of all OECD countries; on average women aged between 15 and 49 had just 1.1 babies. The fertility rate in Korea has decreased dramatically since 1960 when 6 children were born per woman. The female employment rate is also relatively low at 52.5% compared to an OECD average of 56.1%. Figure 1 shows that over the last 25 years the relationship between employment and fertility has changed: the countries with the highest female employment rates are now also among the countries with the highest fertility rates.

Figure 1: Many OECD countries with high female employment rates now also enjoy relatively high fertility rates, 1980 and 2005

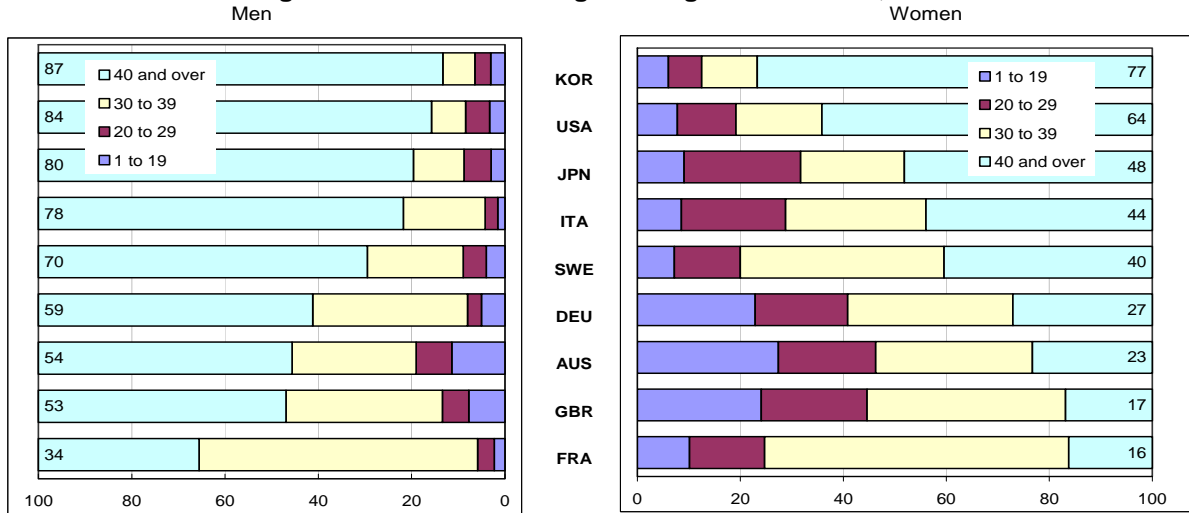


Source: OECD (2007), *OECD Family database*

Usual working hours per week by gender

In Korea, usual weekly working hours tend to be very long with almost 90% of the male workforce spending over 40 hours a week at work as compared with the 76% OECD average. Although a smaller percentage of Korean women work over 40 hours a week (77%), this is significantly higher than the OECD average of 49% of women who work over 40 hours per week.

Figure 2: Korea has a long working-hours culture, 2005



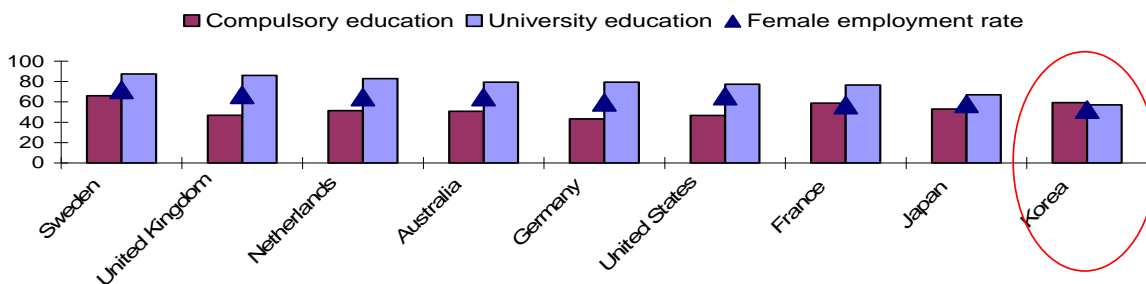
Source: OECD Family database (2007)

Female employment rates by educational attainment and employment outcomes

In all OECD countries except Korea, women with a university level of educational attainment achieve higher rates of participation in the labour force than those with lower levels. In 2004, 57% of women with a university level of education participated in the labour force compared with 59% of women who had only attained a compulsory education (Figure 3).

A significant gender wage gap (at median earnings) could also be a disincentive for women to enter the workforce, at 40 percentage points at median male average earnings. This gap is more than double the OECD average. Other unfavourable labour market outcomes for women include a large (one third) proportion of women holding temporary work contracts and the fact that very few women have supervisory responsibilities (8%). First and foremost workplace practices have to improve “regular employment outcomes” for women. There is a clear labour market need for a more greater female labour force participation, as without this, the Korean labour force is projected to decline in future.

Figure 3: Female employment rates and by educational attainment and gender, 2004



Source: OECD Education database