REJUVENATING KOREA: POLICIES FOR A CHANGING SOCIETY

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http://oe.cd/rejuvenating-korea

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1. The impact of demographic change in Korea
2. Progress in Korean family policy
3. Remaining policy challenges in Korea
4. Pathways for further policy reform
Korea’s fertility rate is the lowest in the OECD by some distance

Total fertility rates, 1960-2017

Notes: The total fertility rate is defined as the average number of children born per woman over a lifetime given current age-specific fertility rates and assuming no female mortality during reproductive years. 2018 data for Korea are provisional.
The average age of mothers at first birth in Korea is now close to 32

Mean age of mothers at first birth, 1991-2017

Notes: Data for the United Kingdom refer to England & Wales only. Data for Canada refer to 2016.
Couple-with-children households will soon make up only 16% of Korean households

Projected distribution of households by household type, Korea, 2020-2045

Note: “Other” includes couple households with parents, couple households with parents and children, grandparent(s) and grandchild(ren) households, adults living with their adult brothers, adult sisters, or other relatives, other one-, two- or three generation households, and non-relative multi-person households.

The Korean labour force is set to shrink by 2.5 million workers over the next couple of decades.

Projected total labour force size (1000s), 15- to 74-year-olds, Korea, 2016-2040

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Public spending on families in Korea has grown rapidly since the mid-2000s

Notes: Public spending accounted for here concerns public support that is exclusively for families (e.g. child payments and allowances, parental leave benefits and childcare support), only. Spending in other social policy areas such as health and housing support also assists families, but not exclusively, and is not included here. The data in Panel A cover public expenditure on family cash and in-kind benefits only, and do not include spending on tax breaks for families. Data for the Netherlands and New Zealand refer to 2011, and for Poland to 2014. For Lithuania, data on tax breaks towards families are not available.

Paid leave entitlements in Korea are comparatively long, especially for fathers.

Paid maternity leave and paid parental leave available to mothers, and paid paternity leave and paid parental leave reserved for fathers, weeks, 2018

Notes: Data refer to paid leave entitlements in place as of April 2018 and do not reflect entitlements introduced or amended after April 2018. Data reflect statutory entitlements provided at the national or federal level only. They do not include regional variations or additional/alternative entitlements provided by states/provinces or local governments (e.g., Quebec in Canada, or California in the United States), or any employer-provided benefits that are paid beyond the statutory minimum duration. Payment rates during paid leave differ across countries.

Korea’s childcare enrolment rate now far exceeds the OECD average

Percent of 0- to 2-year-olds enrolled in ECEC-services, and percent of 3- to 5-year-olds enrolled in ECEC or primary education, 2016 or latest year available

Notes: For 0- to 2-year-olds: Data generally include children enrolled in early childhood education services (ISCED 2011 level 0) and other registered ECEC services (ECEC services outside the scope of ISCED 0, because they are not in adherence with all ISCED-2011), but exact definitions differ across countries. Data for the United States refer to 2011, for Switzerland and Malta to 2014, and for Japan and Argentina to 2015. For 3- to 5-year-olds: Data include children enrolled in early childhood education and care (ISCED 2011 level 0) and primary education (ISCED 2011 level 1). Data for South Africa refer to 2015. See OECD Family Database (http://www.oecd.org/els/family/database.htm) Indicator PF3.2 for more detail.

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Koreans work some of the longest hours in the OECD

Average annual hours actually worked per worker, total employment, all ages, OECD countries, 2018

Note: Data for Turkey refer to 2015.
Part-time work remains comparatively rare in Korea

Note: Part-time employment is defined as usual weekly working hours of less than 30 hours per week in the main job. Data for Brazil refer to 2015. For the United States, data refer to dependent employees only. For Australia, Finland, Iceland, New Zealand, Norway and Turkey, data refer to usual weekly working hours in all jobs. For Japan and Korea, data refer to actual weekly working hours in all jobs.

Many Korean women still leave paid work upon motherhood

Employment rates by sex and five-year age group, Korea and average across OECD countries, 2018

Note: “OECD countries” refers to the weighted average across all OECD member countries.
Attitudes towards women’s roles in society have changed, but gender roles are not yet viewed as equal.

Distribution of responses to the question "How do you think housework should be shared?", total population, Korea, 2008-2018

Note: Population aged 13 and over.
Korean children spend more time studying than children in other OECD countries

Average time spent studying per week in regular lessons and after school, 15-year-old students, OECD and key partner countries, 2015

Notes: Time spent studying in regular lessons refers to total learning time in all school subjects, based on students’ self-reports. Time spent studying after school refers to time spent learning in addition to the required school schedule, including homework, additional instruction and private study, again based on students’ self-reports. B-S-J-G (China) refers to Beijing-Shanghai-Jiangsu-Guangdong (China).

Household spending on private education has increased

Private education spending as a proportion of household consumption spending, Korea, 1982-2016

Note: Household private education expenditure per month includes private supplementary education for students in secondary education provided in hakwon.
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Pathways for further policy reform: **Family policy**

**Promote flexible work arrangements**
- Expand opportunities for regular employees to work part-time, with pay reduced proportionally
- Enforce existing rights to flexible start and finish times, to opportunities to spread working hours across weeks or months, and to work from home, where possible/appropriate
Pathways for further policy reform: Family policy

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Improve take-up of parental leave
• Increase parental leave benefit payment rates
• Increase flexibility, including through the option to take leave for a shorter period at a higher payment rate
• Sustain efforts to promote a “leave-friendly” workplace culture
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Further improve family cash supports
• Consider extending the new child allowance to all children until adulthood
• And/or increase the generosity of the child care tax credit
Pathways for further policy reform: Other areas

Sustain efforts to tackle the long hours and male-dominated workplace culture
- Monitor the recently introduced maximum working hours legislation
- Strengthen measures to tackle discrimination and promote gender equality at work
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Reduce the costs (in time and money) of child education
• Increase investment in public schooling to reduce the need for private education
• Continue expanding out-of-school-hours services, but ensure these services put children and their well-being at the centre
Pathways for further policy reform: Other areas

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**Provide support towards other costs associated with raising children, such as housing**
- Extend support to help young people and families looking to buy or rent accommodation
Thank you

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