



11th OEWG, KARP Call for Inputs submission

Access to Justice

In recent years, the inequality of working environment for older people is a term used the most often, but its meaning is very ambiguous. The Ministry of Employment and Labor of Korea analyzed empirically the changes of our labor market structure and the inequality by using the data from the National Statistical Office, and it is summed up in four elements as follows:

Firstly, the wage gaps in the groups from unequal labor market in Korea have diverse causes. Those among the groups in our developing period resulted from ages, accomplishment and educational background, but since 1990s, the wage gaps have expanded remarkably due to the sizes of companies. And after the financial crisis, the gaps got bigger, resulting from employment status, and the gaps among groups have the characteristics that cross pluralistically. Therefore, when the older people work in the unfavorable situations from every aspect, they often receive much lower wages.

Secondly, the element that greatly contributes to wage gaps is found to be the working hours. In other words, it is seen that the wage gaps play a role of an intervening variable. The changing elements in the labor market have had an impact on working hours, and these working hours show causal processes that influence the wages and wage gaps.

Thirdly, the forms of employment are found to have been the biggest influential element in unequal working hours that acts as the intervening variable in determining the wages. It means the causal ring in which the changes in forms of employment caused the unequal working hours and it in turn led to wage gaps.

Fourthly, it doesn't mean that the unequal labor market leads to unequal society.

The medium of a family and a house can intensify or weaken the unequal labor market. When an economic status of an individual is not consistent with that of a house, the unequal labor market and unequal society make a huge difference.

It was found that as an element of labor market, the status of non-participant in labor market was the crucial factor. However, as the aging population speeds up and the number of economically inactive older people is expected to increase, it is likely that the family income inequality will be more aggravated.

When it comes to the industries and forms of employment in the changing labor market, the industrial structure has changed drastically after the financial crises.

The older generation had to face early retirement under the name of voluntary resignation.

And Korean labor market has been known for very low sustainable employment.

The sustainability of employment relationship is the indicator to job security for workers who want to keep working, but in terms of employers, it can be considered to be job rigidity. What matters is that Korean has very low sustainable employment.

To understand the conditions of employment, the Ministry of Employment and Labor conducts a comprehensive survey of Actual Conditions of Employment on forms of employment, working hours, wages, social insurance and union membership status, etc. This survey found that the conditions of employment have got better and better.

Temporary workers and economic activities by women are closely related with ages. More temporary workers can be seen from ages of adolescence and senescence. The ratio of temporary employment in the twenties is 40.45%, two times higher than that in the thirties-forties. And those in the sixties are 105 times higher than that in the age of adolescence. Though it is announced that with job opportunities for the elderly created by government, the employment after sixties has kept increasing, most of them are just temporary workers with the wages of 200~250 USD.

KARP (Korean Association of Retired Persons)