Improvement of Pension Scheme for Women

Korea’s aging population is growing faster than expected, and there are concerns about the surge in elderly women and the poverty of the elderly.

In this context, we studied cases of women’s pension reform in developed countries and searched for ways to secure old-age income for women.

The pension policy of Korean women is insufficient to supplement the labor market and is not reflected in the social value of domestic labor and is vulnerable to the protection of the vulnerable.

On the other hand, women’s pension policies in developed countries vary not only in public pensions but also in private pensions. In other words, there is spouse pension and split pension in private pension system, and private pension system is implemented for Old-age income reinforcement.

In this study, the economic effect analysis was carried out assuming that the related system will be introduced in Korea considering the case of developed countries. The analysis of economic effect is divided into income guarantee effect and fiscal spending effect.

According to this results, the effect of pension income improvement (tax deduction / payment) and expenditure effect of spouses were estimated to be 12.6% and 391 billion won, respectively.

The study argues that labor market conditions should be improved to improve women’s income, arguing that public pensions should be improved and private pensions should be expanded. In particular, there is a need to expand the right to receive pensions through private pension policies, allow IRPs for housewives, increase access to benefits through the introduction of split pensions and marriage pensions, and reform the tax system.