A Study on the Improvement of Private Income Security System for Self-employed

Corporate restructuring due to low interest rates and low growth is increasing self-employed. The share of self-employed among all the employees in Korea is 27.4%, which is very high compared with those in the US and Japan with similar pension systems. Especially, small self-employed who do not have employees occupy more than 70% of all self-employed, and they are more vulnerable than workers. As a result, the importance of pension system for self-employed who are exposed to the poverty risk is increasing.

Therefore, it is necessary to systematically examine the problem of securing old-age income for self-employed in terms of the organic role of the public and private pension scheme.

In this respect, we conducted this project to find ways to improve the private system in order to guarantee the old-age income of the self-employed.

This study examines the system and problems of the self-employed's old-age income, examines the status of self-employed workers' retirement preparation and private pension subscription through surveys, and examines the private income guarantee system of self-employed in countries similar to our pension system. And this study finds ways to improve the private income guarantee system for self-employed.

The measures proposed in this report are expected to strengthen the guarantee of old-age income of self-employed and further enhance the role of private pensions.