

► Republic of Korea

National policy dialogue on population ageing

October 2025

► Context

On 25 September 2025, the EU-ILO “managing a Decent Future of Work Together” project, with the support of the Korea Labor Institute (KLI), hosted a National Policy Dialogue on the topic of population ageing in Republic of Korea.

The workshop entitled *Employment and Labour Policy Directions in Response to the Declining Working-Age Population* brought together close to 60 participants from government

ministries, labour and employer organizations, academic institutions international institutions and civil society to discuss strategies to address the consequences of population ageing.

The seminar featured three thematic presentations and a panel discussion, fostering a rich exchange of ideas and policy recommendations.

► Recent Evidence on Strategies to address declining labour supply



Promoting employment among vulnerable youth

Dr. Selim Choi, a Research Fellow at the Korea Labor Institute, presented on “**Policy Challenges for the Integration and Utilization of Vulnerable Groups in the Labor Market: Focusing on High School Graduates.**” She highlighted the challenges faced by non-college-bound high school graduates in transitioning into the labour market. These vulnerable high school graduates face low employment rates due to limited human capital accumulation and basic skills such as literacy and social abilities. Dr. Choi emphasized the fragmented nature of current welfare, youth, and employment services, which fail to address the specific needs of this group.

She recommended individualized, case-managed employment services that combine basic skills development, vocational training, career guidance, and welfare linkages. Additionally, she proposed measures such as flexible working hours, early labour market entry initiatives such

as “first-step apprenticeships,” and long-term integrated employment policies tailored to individual needs to better support vulnerable youth.



Extending the careers of older workers

Dr. Seongjin Jin, an Associate Research Fellow at the Korea Labor Institute, presented on “**Labor Force Participation of Older Adults: Current Status and Policy Directions.**” He highlighted the strong willingness among older workers to extend their working lives. Dr. Jin also emphasized current employment retention and reemployment support in the Republic of Korea, notably efforts to introduce a phased extension of the statutory retirement age and mandatory reemployment support programs for large companies. Dr. Jin recommended improving reemployment services by offering ongoing career support, long-term career planning and reskilling initiatives starting when workers are in their 40s to address early retirement and ensure smoother transitions into post-retirement employment.



Improving access and take up of family care policies

Dr. Eun-Joo Lee, an Associate Research Fellow at the Korea Labor Institute, presented on **“Care Policies Adapting to Demographic Changes: A Review of Family Care Support Systems in Labor Law.”** She examined the limitations of the Republic of Korea’s current family care support systems in addressing demographic shifts such as low birth rates and evolving family structures.

Dr. Lee highlighted issues such as low awareness and usage of care policies, lack of income support, and a narrow definition of “family” under existing laws. She proposed expanding the definition of “family” to reflect diverse household types and recommended introducing paid family leave, allowing hourly use of family care leave, and separating family care provisions from self-care and life planning systems.

► Panel discussion

The panel discussion, chaired by Dr. Hwang Deok-Soon, featured experts from government, worker and employer organizations and international experts who addressed strategies for tackling Korea’s demographic challenges.

Key points included:

- Advocating for early intervention policies for youth and providing adequate support for older workers, especially in SMEs.
- Stressing the need to improve job quality and reform family care policies to reflect diverse family structures.
- Highlighting the importance of corporate accountability in youth hiring and extending employment among older workers.

- Supporting reemployment programs and wage system reforms compared to measures to extend the retirement age.
- Emphasizing cultural factors in labour market decisions and Korea’s role as a model for other countries.
- Promote mutual learning across the Asia-Pacific region through collaborative research and policy dialogues.

The discussion highlighted the importance of inclusive and flexible policies to address demographic shifts and ensure sustainable labour market participation.

► Next steps

A forthcoming Policy Brief will explore these issues in more detail, including an expanded analysis of the demographic situation confronting the Republic of Korea, as well as the potential policy solutions to address population ageing. This will include an overview and analysis of the current and planned measures to address the declining labour force supply.

In addition, in January 2026, the EU-ILO Managing a Decent Future of Work Together: Asia and the Pacific (Future of

Work: APAC) will bring together constituents from partner countries to explore in more detail demographic change taken place across the region, focusing on extending active, healthy working lives; supporting youth employment and skills development amid slowing labour growth; leveraging migration to address demographic pressures and skill shortages; and adapting social protection systems to account for longer lifespans while reducing poverty and inequality across generations.

Contact details

Oluremi Doherty
Project Manager, Managing a Decent Future
of Work Together - Asia and the Pacific
E: Doherty@ilo.org

Ken Shawa
Head of Regional Economic and
Social Analysis (RESA) Unit
E: Shawa@ilo.org

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