# Retirement Pension Statistics in 2019

1 Retirement pension fund and fund management

☐ The retirement pension funds increased by 16.3% from 188.8 trillion won in 2018 to 219.7 trillion won in 2019.

○ As for the composition of pension funds by pension type, the defined benefit (DB) retirement pension occupied the highest share at 62.6%, which was followed by the defined contribution (DC) retirement pension (25.4%), individual retirement pension (IRP) (11.6%) and individual retirement pension (IRP) for small businesses (0.4%). Compared to 2018, the share of individual retirement pension went up by 1.4%p.

○ As for the composition of pension funds by operation type, pension funds guaranteeing principal and interest occupied 86.7% of the total retirement pension funds. Dividend provision pension funds occupied 10.3% of the total retirement pension funds. Compared to 2018, the share of dividend provision funds rose by 0.6%p.

○ As for the composition of pension funds by fund management agency, banks occupied the largest share at 50.8%, which was followed by life insurance companies (22.6%), stock companies (19.8%), non-life insurance companies (5.6%) and the Korea Workers' Compensation and Welfare Service (1.2%).

< Pension funds by pension type (trillion won) >
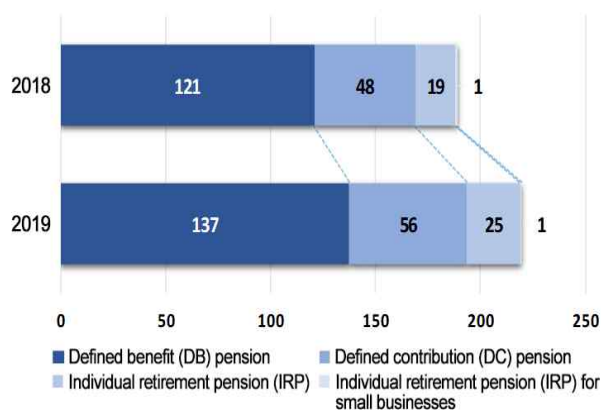
< Pension funds by fund management agency (trillion won) >
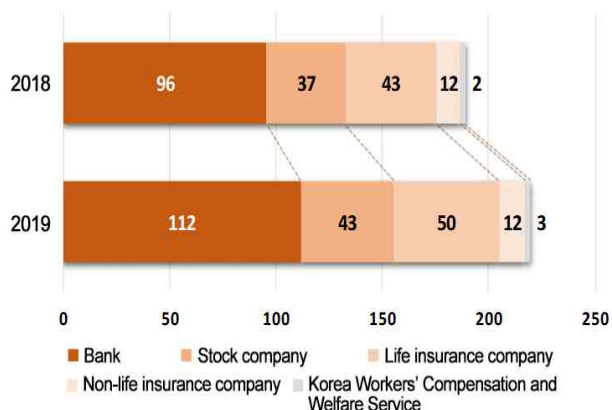
2 Establishments introducing retirement pension plans

☐ Establishments introducing retirement pension plans increased by 4.8% from 378 thousand in 2018 to 397 thousand in 2019.

❍ As for the composition of establishments introducing retirement pension plans by pension type, the defined contribution (DC) retirement pension occupied the highest share at 61.6%, which was followed by the defined benefit (DB) retirement pension (24.9%), parallel-type plans (7.0%) and individual retirement pension (IRP) for small businesses (6.5%). Compared to 2018, the share of the defined contribution retirement pension went up by 2.7%p.

☐ Among the total establishments that are needed to introduce retirement pension plans (1.403 million establishments), 385 thousand establishments introduced retirement pension plans. The retirement pension introduction rate stood at 27.5% in 2019. (Introduction rates: 26.2% in 2015 → 26.9% in 2016 → 27.2% in 2017 → 27.3% in 2018 → 27.5% in 2019)

❍ As for the retirement pension introduction rate by industry, 'Financial and insurance activities' recorded the highest figure at 59.2%, which was followed by 'Human health and social work activities' (57.8%), 'Manufacturing' (37.3%), 'Wholesale and retail trade' (19.8%), 'Construction' (19.7%) and 'Accommodation and food service activities' (6.5%).

< Retirement pension introduction by industry >
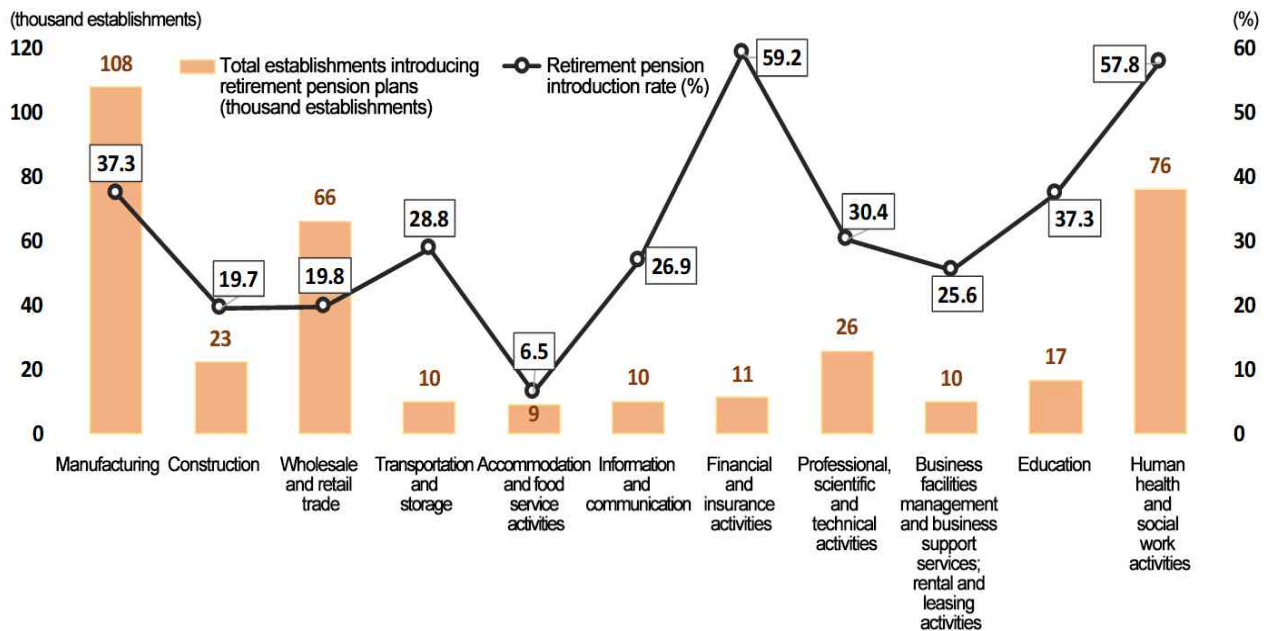
3 Workers subscribing retirement pension plans

☐ The total workers subscribing retirement pension plans increased by 4.4% from 6.105 million persons in 2018 to 6.371 million persons in 2019.

❍ As for the composition of workers subscribing retirement pension plans by pension type, the defined contribution (DC) retirement pension occupied the highest share at 48.9%, which was followed by the defined benefit (DB) retirement pension (48.3%), parallel-type plans (1.8%) and individual retirement pension (IRP) for small businesses (1.0%). Compared to 2018, the share of the defined contribution retirement pension went up by 2.0%p.

□ Among the total workers that are needed to subscribe retirement pension plans (11.509 million persons), 5.929 million persons subscribed retirement pension plans. The retirement pension subscription rate stood at 51.5% in 2019. (Subscription rates: 48.2% in 2015 → 49.3% in 2016 → 50.2% in 2017 → 51.3% in 2018 → 51.5% in 2019)

○ As for the retirement pension subscription rate by sex, males and females marked 52.1% and 50.7%, respectively. As for the retirement pension subscription rate by age group, workers aged 30~39 recorded the highest figure at 59.8%, which was followed by those aged 40~49 (55.3%) and those aged 50~59 (50.2%).

○ As for the retirement pension subscription rate by industry, 'Financial and insurance activities' recorded the highest figure at 67.4%, which was followed by 'Manufacturing' (62.3%), 'Human health and social work activities' (60.6%), 'Business facilities management and business support services; rental and leasing activities' (56.5%), 'Wholesale and retail trade' (43.5%) and 'Construction' (33.5%).
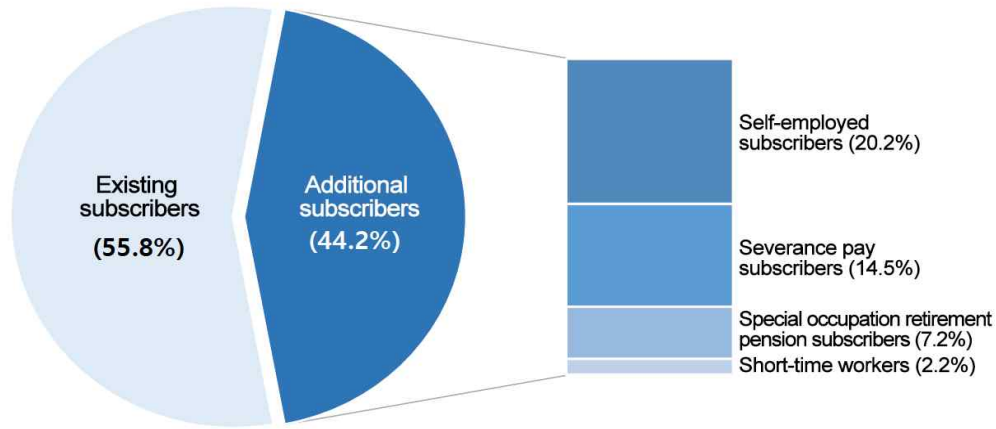
< Retirement pension subscribers by industry >
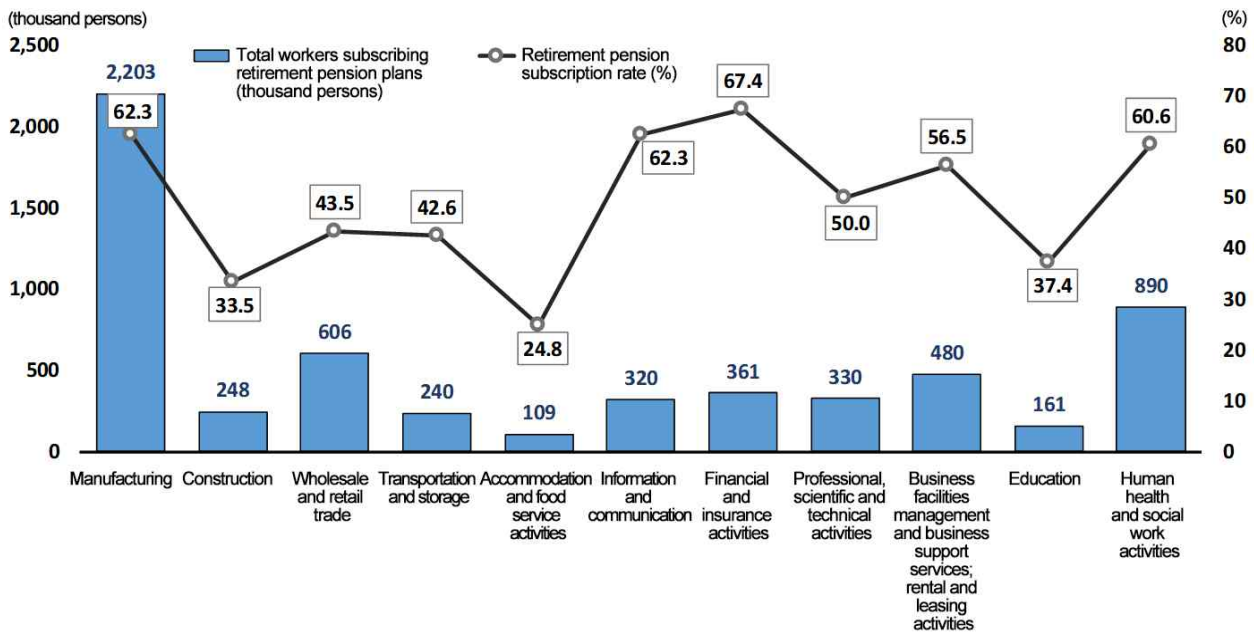
4 Individual retirement pension plans

□ Individual retirement pension plan subscribers increased by 21.4% from 1.712 million persons in 2018 to 2.079 million persons in 2019. Their retirement pension funds increased by 32.4% from 19.2 trillion won in 2018 to 25.4 trillion won in 2019.

○ Owing to changes in a retirement pension system, 918 thousand persons additionally subscribed individual retirement pension plans, rising by 33.9% compared to 2018.

○ Among additional subscribers, self-employed subscribers occupied 20.2%. Severance pay subscribers occupied 14.5%. Special occupation retirement pension subscribers occupied 7.2%.
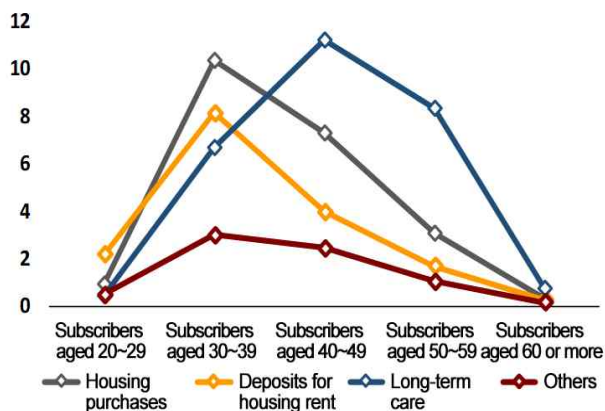
< Individual retirement pension subscription >

Existing subscribers (55.8%)

Additional subscribers (44.2%)

Self-employed subscribers (20.2%)

Severance pay subscribers (14.5%)

Special occupation retirement pension subscribers (7.2%)

Short-time workers (2.2%)

5 Early withdrawal and transfer & closing of individual retirement pension plans

☐ The early withdrawal subscribers increased by 1.8% from 72 thousand persons in 2018 to 73 thousand persons in 2019. The amount of early withdrawal rose by 7.6% from 2.6 trillion won in 2018 to 2.8 trillion won in 2019.

○ As for reasons for early withdrawal (based on persons of early withdrawal), 'Long-term care' occupied the highest share at 37.7% of the total early withdrawal subscribers. This figure was followed by 'Housing purchases' (30.2%), 'Deposits for housing rent' (22.3%) and 'Rehabilitation procedures' (9.3%).

○ As for reasons for early withdrawal by age group, 'Deposits for housing rent' occupied the highest share for subscribers aged 20~29. 'Housing purchases' occupied the highest share for subscribers aged 30~39. 'Long-term care' occupied the highest share for subscribers aged 40 or more.

☐ Subscribers transferring to individual retirement pension plans increased by 0.9% from 837 thousand persons in 2018 to 844 thousand persons in 2019. Transfer funds grew by 11.3% from 12.5 trillion won in 2018 to 13.9 trillion won in 2019.

○ Subscribers closing individual retirement pension plans increased by 2.2% from 846 thousand persons in 2018 to 865 thousand persons in 2019. Closing funds grew by 3.7% from 10.8 trillion won in 2018 to 11.2 trillion won in 2019.

< Early withdrawal subscribers by age group (thousand persons) >

< Subscribers transferring to and closing individual retirement pension plans (thousand persons) >

Subscribers aged 20~29 Subscribers aged 30~39 Subscribers aged 40~49 Subscribers aged 50~59 Subscribers aged 60 or more

Housing purchases   Deposits for housing rent   Long-term care   Others

Males   Females

472   467   473   476

365   377   373   389

2018   2019   2018   2019

Subscribers transferring to individual retirement pension plans

Subscribers closing individual retirement pension plans