
Abstract

▣ Gyeonggi-Do Living Wage Calculation Plan for 2022

- The living wage in Gyeonggi-Do in 2022 will be deduced by fundamentally classifying it into four categories, namely standards for household expenditures, standards for earned income, standards for household income and standards for a living wage in the previous year. The living wage (proposal) deduced for 2022 based on these standards is in the range of 10,299 won to 11,032 won.

- However, it is important to reflect the statistics for 2021 in the model in order to appropriately calculate the living wage in Gyeonggi-Do in 2022. For this purpose, the range for the living wage in Gyeonggi-Do in 2022 becomes 10,616 won to 11,366 won when the economic forecasts of major domestic and foreign institutions for 2021 are alternatively reflected in the living wage model.

- Among the proposals for a living wage deduced in the aforementioned method, the proposal for living wage in Gyeonggi-Do in 2022 deduced through the method presented by the Gyeonggi Research Institute report is in the range of 10,813 won to 11,141 won. When compared with the living wage in 2021 of 10,540 won, this is an increase of 2.6% to 5.7%. In consideration of the minimum wage of 9,160 won for 2022, which is an increase of 5.1% in comparison to that of the previous year, it is determined that it would be desirable to set the living wage in Gyeonggi-Do at about the 11,000 won level.

▣ Means of Spreading the Living Wage into the Private Sector

- In order for the system to be assertively introduced in the private sector, there is a need to provide diversified incentives to the parties participating in the living wage system.

· For this purpose, the following is necessary. First, induce the participation of local autonomous governments and institutions with strong public characteristics within the region, such as universities, hospitals, banks, etc., by entering into MOUs with such institutions. Incentives such as administrative support, financial support, etc., need to be provided to the participating companies and institutions.

· Second, induce the introduction of the living wage system by social enterprises, and companies operated by disabled persons and women, etc., which are socially vulnerable enterprises within Gyeonggi-Do, and if necessary, devise a means of supplementing half of the difference between the minimum wage and living wage by the Gyeonggi-Do government.

- In order to spread the living wage system, it is necessary to include the increase in labor costs following the increase in the living wage of local governments as well as the increase in the minimum wage in the excluded items when calculating the total labor costs increase through the revision of the budgeting guidelines of local investment-funded institutions.

Keyword Gyeonggi-Do, 2022 Living Wage, Private Sector