

·Enquiries: Foreign Spokesman, Anthony JUNG(044-204-7104), Assistant Director, Yeji KIM(7072)

Average Employment Growth Rate of Ventures and Startups Higher than That of All Companies

- In 2022, **employment at ventures and startups increased by 8.1%, which exceeded three times** the average rate of increase (2.4%) in employment at all companies. **Employment increased by 29.8% at ventures and startups that received venture investments**

* An employment increase of 3.2 persons per KRW 1 billion in venture investments

- Notably, **youth (aged 15~29) employment at ventures and startups during the same period increased by 3.6%**, contributing to the youth's entry into society, while the average **youth employment rate at all companies decreased by 1.2%**.

The Ministry of SMEs and Startups (Minister LEE Young) has released the 2022 trend report of employment* at ventures and startups**.

* Employment: Employment that involves signing an employment agreement ('regular' or 'temporary' jobs) or obtaining employment insurance

** Ventures and Startups: Venture businesses defined by the Act on Special Measures for the Promotion of Venture Businesses and companies that have received venture investments

As of the end of 2022, **33,000 ventures and startups employed 746,000 people**, an increase of **8.1%** (56,000 people) over the previous year. This figure **exceeds three times the rate of increase (2.4%)** in employment at **all companies**.

The **employment growth rate was 29.8%** (19,000 people) at **2,000 ventures and startups that received venture investments** in 2022, which is about **12 times** the rate of employment increase at all companies. This indicates a **considerable contribution of venture investments to job creation**.

* Venture investment: An investment made through startup investment companies and venture investment associations under the Ministry of SMEs and Startups

< Status of Employment at Ventures and Startups in 2021 and 2022 >

Classification	All companies	Ventures and startups	Companies that received venture investments	Unicorns
2021	14,550,033 persons	689,662 persons	62,152 persons	8,059 persons
2022	14,898,502 persons	745,800 persons	80,653 persons	9,906 persons
Employment growth rate	+2.4% (+348,469 persons)	+8.1% (+56,138 persons)	+29.8% (+18,501 persons)	+22.9% (+1,847 persons)

In 2022, **15 unicorns** (companies with a corporate value of over KRW 1 trillion without being listed on the stock market) **employed about 9,000 people**, an increase of **22.9%** (18,000 people, or approximately 100 people per company) over the previous year.

In terms of employee **age** and **gender**, **ventures and startups employed more youths*** and **women** than other types of companies.

* Ages 15~29: The age range was determined in accordance with the Special Act on the Promotion of Youth Employment. This was upon consulting the age group standards used for the statistics of the Ministry of Employment and Labor (i.e., survey on working conditions by employment type)

In 2022, ventures and startups employed **198,000 youths**, a **3.6%** increase (6,800 people) over the previous year. The **increase** is in comparison to a **1.2% decrease in youth employment** at all companies, which was caused by the **reduced youth population***, the **trend of entering society at an older age**, and **reduced recruitment**.

* Youth population (unit: 10,000 people, Ministry of the Interior and Safety): (2021) 900.1 → (2022) 876.2 (△2.7%)

Other age group population: (2021) 4,263.8 → (2022) 4,267.7 (+0.1%)

During the same period, ventures and startups employed **243,000 females**, a **10.0%** increase (22,000 people) over the previous year. The increase is much larger than the **female employment growth rate for all companies** (2.9%).

< Status of Youth and Female Employment at Ventures and Startups in 2021 and 2022 >

Classification	Youth employment		Female employment	
	All companies	Ventures and startups	All companies	Ventures and startups
2021	2,493,751 persons	190,782 persons	6,392,404 persons	221,032 persons
2022	2,463,276 persons	197,582 persons	6,580,091 persons	243,105 persons
Employment growth rate	△1.2% (△30,475 persons)	+3.6% (+6,800 persons)	+2.9% (+187,687 persons)	+10.0% (+22,073 persons)

Regarding the employment status of ventures and startups by industry in 2022, fast-growing industries in **content and digital fields** showed **high employment growth**.

The **video/performance/record** industry, which is receiving much attention due to the **global popularity of K-content**, such as dramas and music, showed the **highest employment growth rate at 15.4%** (1,764 persons).

The video/performance/record industry was followed by the **online game** industry (14.9%, +1,820 persons) in which the demand for employment grew due to the **development of digital technology**, the **ICT services** industry (12.3%, +19,177 persons), and the **distribution/services** industry (10.0%, +8,924 persons).

For the **manufacturing industry**, the employment growth rate was **around 5%** (electricity/machinery/equipment: 5.8%, chemicals/materials: 5.0%, ICT manufacturing: 4.3%), which was lower than the average employment growth rate of all ventures and startups (8.1%).

< Employment Status of Ventures and Startups by Industry in 2022 >

(unit: %, companies)

Classification	Video/performance/record	Online game	ICT services	Distribution/services	Bio/medical	Other	Electricity/machinery/equipment	Chemicals/materials	ICT manufacturing	Total
Employment growth rate	15.4 (+1,764 persons)	14.9 (+1,820 persons)	12.3 (+19,177 persons)	10.0 (+8,924 persons)	8.5 (+4,023 persons)	6.2 (+4,934 persons)	5.8 (+8,780 persons)	5.0 (+4,112 persons)	4.3 (+2,604 persons)	8.1 (+56,138 persons)
No. of companies	563	333	6,779	4,147	1,866	4,550	7,601	4,601	2,605	33,045

The **employment** growth rate was particularly high among the **ventures and startups** that received venture investments. Those that received a larger investment employed more people.

For the **ventures and startups** that received venture investments, the year-on-year employment growth rate was **16.5%**, which was over **2.5-4 times higher** than that of other ventures and startups. More people were employed in **industries*** and **cities/provinces**** that attracted larger venture investments.

* ICT Services (1st in investment, 3rd in employment), Video/performance/record (2nd in investment, 1st in employment), Online game (3rd in investment, 2nd in employment)

** Seoul (1st in investment, 1st in employment), Gyeonggi (2nd in investment, 2nd in employment), Daejeon (3rd in investment, 3rd in employment)

Minister LEE Young stated, “Despite the **economic slowdown** caused by high interest rates and high prices, the **employment growth rate was higher** at ventures and startups **compared to all companies** and they contributed to helping the **youth and women enter society** to some extent.”

LEE added, “There is a heightened sense of crisis in the venture investment market due to the recent bankruptcy of Silicon Valley Bank (SVB) and other difficulties. The government is doing its utmost to ensure that Korean ventures and startups continue to attract funds for growth and create **quality jobs.**”

※ The statistics in this press release are statistics analysed by the Ministry of SMEs and Startups to examine the 2022 employment trend of ventures and startups, not statistics nationally approved in accordance with the Statistics Act.