Check

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**National Regulation exists** 



National Regulation does not exist

01/	13 Work & Wages	NR	Yes	No
1.	I earn at least the minimum wage announced by the Government	•		
2.	I get my pay on a regular basis. (daily, weekly, fortnightly, monthly)	•		
02/	13 Compensation			
3. 4. 5. 6.	Whenever I work overtime, I always get compensation (Overtime rate is fixed at a higher rate) Whenever I work at night, I get higher compensation for night work I get compensatory holiday when I have to work on a public holiday or weekly rest day Whenever I work on a weekly rest day or public holiday, I get due compensation for it	<b>e e e</b>		_ _ _
7. 8. 9.	How many weeks of paid annual leave are you entitled to?*  I get paid during public (national and religious) holidays  I get a weekly rest period of at least one day (i.e. 24 hours) in a week  13 Employment Security	<b>e</b>	1 2 D	□ 3 □ 4+ □
10. 11. 12. 13. 14.	I was provided a written statement of particulars at the start of my employment  My employer does not hire workers on fixed terms contracts for tasks of permanent nature  Please tick "NO" if your employer hires contract workers for permanent tasks  My probation period is only o6 months  My employer gives due notice before terminating my employment contract (or pays in lieu of notice)  My employer offers severance pay in case of termination of employment  Severance pay is provided under the law. It is dependent on wages of an employee and length of service	<b>e e e</b>		_ _ _ _
15. 16. 17.	My employer provides paid paternity leave This leave is for new fathers/partners and is given at the time of child birth  My employer provides (paid or unpaid) parental leave This leave is provided once maternity and paternity leaves have been exhausted. Can be taken by either parent or both the parents consecutively.  My work schedule is flexible enough to combine work with family responsibilities Through part-time work or other flex time options	•		
18. 19.	I get free ante and post natal medical care  During pregnancy, I am exempted from nightshifts (night work) or hazardous work  My maternity leave lasts at least 14 weeks	<b>9</b>		

21.	During my maternity leave, I get at least 2/3rd of my former salary	•	Ш	Ц
22.	I am protected from dismissal during the period of pregnancy Workers can still be dismissed for reasons not related to pregnancy like conduct or capacity	•		
23.	I have the right to get same/similar job when I return from maternity leave			
24.	My employer allows nursing breaks, during working hours, to feed my child	•		
07/	13 Health & Safety			
25.	My employer makes sure my workplace is safe and healthy	•		
26.	My employer provides protective equipment, including protective clothing, free of cost			
27.	My employer provides adequate health and safety training and ensures that workers know the health hazards and different emergency exits in the case of an accident			
28.	My workplace is visited by the labour inspector at least once a year to check compliance of labour laws at my workplace			
08/	13 Sick Leave & Employment Injury Benefits			
29.	My employer provides paid sick leave and I get at least 45% of my wage during the first	<b>e</b>	П	П
30.	6 months of illness I have access to free medical care during my sickness and work injury	•		
31.	My employment is secure during the first 6 months of my illness	<b>e</b>		
32.	I get adequate compensation in the case of an occupational accident/work injury or occupational disease	•		
09/	13 Social Security			
33.	I am entitled to a pension when I turn 60	<b>e</b>		
34.	When I, as a worker, die, my next of kin/survivors get some benefit			
35-	I get unemployment benefit in case I lose my job			
36.	I have access to invalidity benefit in case I am unable to earn due to a nonoccupational sickness, injury or accident	•		
10/	13 Fair Treatment			
37-	My employer ensure equal pay for equal/similar work (work of equal value) without any discrimination	•		
38.	My employer take strict action against sexual harassment at workplace			
39.	I am treated equally in employment opportunities (appointment, promotion, training and transfer) without discrimination on the basis of:*	<b>e</b>		
	Sex/Gender	•		
	Race	•		
	Colour			
	Religion	•		
	Political Opinion			

<sup>\*</sup> For a composite positive score on question 39, you must have answered "yes" to at least 9 of the choices.

	Nationality/Place of Birth		
	Social Origin/Caste		
	Family responsibilities/family status		
	Age	•	
	Disability/HIV-AIDS		
	Trade union membership and related activities		
	Language		
	Sexual Orientation (homosexual, bisexual or heterosexual orientation)		
	Marital Status		
	Physical Appearance		
	Pregnancy/Maternity	•	
40	I, as a woman, can work in the same industries as men and have the freedom to choose my profession	•	
11/	13 Minors & Youth		
41.	In my workplace, children under 15 are forbidden		
42.	In my workplace, children under 18 are forbidden for hazardous work		
12/	13 Forced Labour		
43.	I have the right to terminate employment at will or after serving a notice	•	
44.	My employer keeps my workplace free of forced or bonded labour		
45.	My total hours of work, inclusive of overtime, do not exceed 56 hours per week	•	
13/	42 Too de Huite a Righte		
	13 Trade Union Rights		
46.	I have a labour union at my workplace	•	
46. 47	<u> </u>	•	
	I have a labour union at my workplace	<b>9 9</b>	_ _ _
47-	I have a labour union at my workplace  I have the right to join a union at my workplace	<b>e e e</b>	

#### Results

Your personal score tells how much your employer lives up to national legal standards regarding work. To calculate your DecentWorkCheck, you must accumulate 1 point for each YES answer marked. Then compare it with the values in Table below:



### If your score is between 1 - 18

This score is unbelievable! Does your employer know we live in the 21st century? Ask for your rights. If there is a union active in your company or branch of industry, join it and appeal for help.

#### If your score is between 19 - 38

As you can see, there is ample room for improvement. But please don't tackle all these issues at once. Start where it hurts most. In the meantime, notify your union or WageIndicator about your situation, so they may help to improve it. When sending an email to us, please be specific about your complaint and if possible name your employer as well. Also, try and find out if your company officially adheres to a code known as Corporate Social Responsibility. If they do, they should live up to at least ILO standards. If they don't adhere to such a code yet, they should. Many companies do by now. You may bring this up.

#### If your score is between 39 - 49

You're pretty much out of the danger zone. Your employer adheres to most of the existing labour laws and regulations. But there is always room for improvement. So next time you talk to management about your work conditions, prepare well and consult this DecentWorkCheck as a checklist.

# 01/13 Work & Wages

### Regulations on work and wages:

Minimum Wage Act No. 3927, 1986 Enforcement Decree of the Minimum Wage Act, 1987 Labour Standards Act, 1997 Enforcement Decree of the Labour Standards Act, 1997

### **Minimum Wage**

Minimum wage act provides minimum wage rate for the workers to stabilize workers' life and improve the quality of the labour force.

The national minimum wage is determined by the Minister of Employment and Labour by 5th August each year, in accordance with a minimum wage proposal deliberated and decided by a Minimum Wage Commission. The Commission is composed of representatives of workers, employers and public interest groups (9 commissioners each from the groups). The Commission performs the following functions:

- a) deliberate/re-deliberate and make a resolution on minimum wage;
- b) Deliberate the by-category classification of the businesses to which the minimum wage is applicable;
- c) Conduct research and making suggestions for development of the minimum wage system; and
- d) Deliberate other important matters related to the minimum wage that are submitted for consideration by the Minister of Employment and Labour

The Minister, after determining the minimum wage, publicly announces its contents without delay and it comes into force on January 1 of the following year.

Minimum wage is determined by considering the cost of living of workers, the wages of kindred workers, labour productivity and the ratio of workers' compensation to national income, etc. Different wage rates are set for trainees, contractors, piece-rate workers and for different type of business. It is determined on an hourly, weekly, daily or monthly basis.

During the first three months of employment, i.e., the probationary period (except for fixed-term contract workers with less than one year of contract duration), the employer may pay only 90% of the hourly minimum wage. For workers with disabilities, a lower wage level may be set after necessary approval from the Minister for Employment and Labour. Similarly, for piece rate work, wages are set as prescribed under the Presidential Decree on minimum wage. Similarly, workers who are engaged in surveillance or intermittent work and for whom the employer has obtained approval from the Minister of Employment and Labour under article 63 of the Labour Standards Act may also be paid a wage lower than the minimum wage rate.

Where an employment contract specifies less than the statutory minimum wage, that part of employment contract is not enforceable and a worker may file a complaint with the labour inspector. Administration of enforcement of the Act is the responsibility of labour inspectors, who may perform the duties of a judicial police officer in relation to any offence committed in violation of the Minimum Wage Act. An employer who

fails to comply with the obligation to pay at least minimum wage is punished by imprisonment of up to 3 years or a fine not exceeding 20 million won, or both. If an employer fails to inform employees of the minimum wage, he is punished by a fine not exceeding 1 million won.

Sources: § 4-11 of the Minimum Wage Act No. 3927, 1986; §7-10 of the Enforcement Decree of the Minimum Wage Act, 1987

### **Regular Pay**

Wage means wages, salaries and any other money and valuable goods an employer pays to a worker for his/her work, regardless of how such payments are termed.

Payment of wages is made in legal tender, directly to the worker. Wages may be paid in forms other than cash if otherwise stipulated by Acts and subordinate statutes or by a collective agreement. Wages may also partially be deducted or paid in kind.

Wages are paid at least once per month on a fixed day. However, this requirement does not apply to extraordinary wages; allowances; allowances for good attendance paid on the basis of an attendance record for a period exceeding one month; seniority allowances paid for consecutive service for a fixed period exceeding one month; bounties, proficiency allowances, or bonuses calculated for any reason existing for a period exceeding one month; or other various allowances not paid on a regular basis.

Where a worker requests wage payment in order to meet the expenses incurred from childbirth, disease, disasters or other cases of emergency prescribed in the law, the employer has to pay wages for the work already performed even prior to the payday.

In case of non-compliance with the regulations related to payment of wages, the employer is liable to punishment by a fine of up to 20 million won or by imprisonment of up to 3 years.

Source: §02, 08, 10, 28 & 31 of the Minimum Wage Act, 1986; §7 of the Enforcement Decree of the Minimum Wage Act, 1987; §2(1), 43(1 & 2) & 45 of the Labour Standards Act, 1997; §23 of the Enforcement Decree of the Labour Standards Act, 1997

# 02/13 Compensation

### Regulations on compensation:

Labour Standards Act No. 5309, 1997

### **Overtime Compensation**

Normal working hours are 08 per day and 40 per week, excluding of rest breaks and meal period. Workers may be required to work overtime for up to 12 hours per week upon the agreement of the employee's representatives. Working hours for workers employed in harmful or dangerous work must not exceed 06 hours per day.

Where an employer has reached written agreement with a workers' representative under which a worker is entrusted with the decision as to when to begin and finish work, "the employer may have a worker exceeding the 40-hour weekly limit provided that the worker does not work more than an average of 40 hours per week over a period of not more than 1month.

Overtime beyond 12 hours per week may be allowed under special circumstances with prior authorization from the Ministry of Employment and Labour (post-authorization may be allowed in urgent situations) and consent of the affected employees. The maximum weekly working hours inclusive of overtime are stipulated as 52 hours.

Workers are entitled to receive 150% of their ordinary wage for any work performed beyond normal working hours i.e., 08 hours per day and 40 hours per week. Instead of getting monetary compensation for extended work, workers may get a compensatory day off in lieu of payment if agreed upon in writing with workers' representatives.

A recent amendment in the Labour Standards Act has removed 21 industries that were previously exempted from restricted working weeks including the financial and insurance services, research and development, broadcasting and accommodation. The exemptions are now applicable to 5 industries only: land transportation, marine transportation, air transportation, postal services and healthcare industries. The implementation timeline differs for enterprises based on the number of their employees.

Did you know that before the LSA amendment of 2003, the normal weekly working hours in Korea were 44 for all employers with five or more employees? The 2003 amendment, applicable from July 2004, was adopted to start a 40-hour work week system spread over five working days.

Source: §50-53, 57 and 59 of the Labour Standards Act No. 5309, 1997

### **Night Work Compensation**

In accordance with the Labour Standards Act, night work is the work performed between 22:00 and 06:00 of the following day.

Night work is paid at the premium rate of 150% or more of the normal hourly salary paid during the day. Instead of getting monetary compensation for night work, workers may get a compensatory day off in lieu of payment if agreed upon in writing with workers' representatives.

Source: §56 & 57 of the Labour Standards Act No. 5309, 1997

### **Compensatory Holidays / Rest Days**

In extraordinary circumstances, workers may perform work on weekly rest days and public holidays. Instead of getting higher wages for working on weekly rest day, workers get a compensatory day off in lieu of the rest day if agreed upon in writing with workers' representatives. There is no provision for compensatory holiday for workers working on a public holiday.

Source: §57 of the Labour Standards Act No. 5309, 1997

### **Weekend / Public Holiday Work Compensation**

Workers may be required to work on weekly rest days and public holidays. In such circumstances when employees have to work on weekly rest day, they are entitled to receive wages at a premium rate of 150% of the normal hourly wage rate. There is no provision for monetary payment for workers working on a public holiday.

The workers who work 8 hours or less on a public holiday are paid 150% of ordinary wages. If they are engaged in overtime work on a public holiday, the compensation is 200% of the ordinary wages.

Source: §56 of the Labour Standards Act No. 5309, 1997

# 03/13 Annual Leave & Holidays

### Regulations on annual leave and holidays:

Labour Standards Act, 1997 Enforcement Decree of the Labour Standards Act, 1997

### **Paid Vacation / Annual Leave**

The Labour Standards Act provides annual leave of 15 days to all the workers with a year of service. During the first year of service, a worker was earlier entitled to 01-day annual leave for each month of service without absence (12 days). However, once the worker has registered a year's employment with at least 80% of the registered attendance, he/she is entitled to 15 days of paid leave, less the number of days taken throughout the first year. Thus, for the first two years, the combined annual leave is 15 days. During the third year, annual leave is 15 days.

As for March 2018, the annual leave during the first year of service is 11 days while in the second year, the leave is 15 days. The combined annual leave for the two year is 26 days.

An employee with over three years of service is entitled to an additional one day of paid leave for every two years following the first year. Thus, in the fourth and fifth year, the annual leave provision is 17 days and so on. However, the total amount of annual leave must not exceed 25 days. A worker is entitled to ordinary wages, or average wages prescribed in employment rules or other regulations, during the leave period. The payment has to be made on the day before or immediately after the period of paid leave is granted.

Annual leave is granted to a worker on his/her request except when granting the leave might cause a serious impediment to the operation of the business. Unused annual leave is not carried forward and is rather cancelled if it is not taken within a year, except when cause of unused leave is attributable to the employer. It is obligatory for an employer to ask the worker six months prior to the expiry of annual leave to decide when he/she wants to avail this leave. In case, a worker is unable to decide, the employer decides it and notifies the worker about the timing of annual leave which is at least 02 months prior to the expiry of leave.

An employer may ask workers to take paid leave on a particular working day in lieu of the annual paid leave after a written mutual agreement between the employer and the workers' representative.

Did you know that prior to the Labour Standards Act (LSA) of 1997, the annual leave in South Korea was 10 days? With the promulgation of LSA 1997, norm remained 10 days however it allowed an extra day for each extra year of service up to a maximum of 20 days of leave. Now, the norm is 15 days leave with one extra day for every two years of service.

Sources: §60-62 of the Labour Standards Act No. 5309, 1997; §33 of the Enforcement Decree of the Labour Standards Act 1997

### **Pay on Public Holidays**

Except for the Labour Day (1 May) which is designated as a paid public holiday under the Establishment of Labour Day Act of 1994, till recently, there was no statutory entitlement regarding other public holidays. It was not obligatory for an employer to provide paid leave on the following public holidays. However, company policies usually designated public holidays as paid holidays. Public holidays designated by the government are: New Year's Day (01 January); Lunar New Year's Day (Seollal) (31 December – 02 January by Lunar calendar); Independence Movement Day (Sam Il Jul) (01 March); Children's Day (Uhrininal) (05 May); Buddha's Birthday (by Lunar calendar); Memorial Day (06 June); Independence/Liberation Day (Kwang Bok Jul) (15 August); Harvest Moon Festival (Chuseok) (by Lunar calendar); National Foundation Day (Kae Chun Jul) (03 October); Hangul Proclamation Day (09 October); Christmas (25 December).

While Labour Day is already a statutory holiday, observance of other holidays currently depends on the internal work rules or collective bargaining. An amendment in the law in 2018 allows public holidays to become statutory entitlements to the private sector workers. The applicability of law depends on the number of workers in an enterprise (applicability starts from 2020 for enterprises with 300 or more employees).

Sources: §55 of the Labour Standards Act No. 5309, 1997; Establishment of Labour Day Act, 1994

### **Weekly Rest Days**

Workers are entitled to 24 consecutive hours of rest per week. Generally weekly rest day is Sunday for all employees.

Source: §55 of the Labour Standards Act No. 5309, 1997

# 04/13 Employment Security

### Regulations on employment security:

Labour Standards Act, 1997

Enforcement Decree of the Labour Standards Act, 1997

Protection of Fixed term and Part Time Employees Act No. 8074, 2006

Enforcement Decree of the Act on the Protection of Fixed term and Part Time Employees Act, No. 20093, 2007

Act on Protection of Dispatched Workers, 1998

Employee Retirement Benefit Security Act No. 7379, 2005

### **Written Employment Particulars**

In accordance with the Labour Standards Act (LSA), it is not a statutory obligation for an employer to provide employment contract in writing, unless the contract is for a part-time employee. However, employers in Korea must clearly state the applicable wages, hours and working conditions upon entering into an employment contract with their employees, irrespective of the type of employment. These written terms must be provided by the employer at the time the employee enters the employment contract. These terms vary from company to company. In case, provisions in a labour contract do not satisfy the working conditions standards set forth in the LSA or other laws, it is considered void and the LSA's standards are applied instead.

If there is a revision to the employment agreement, especially in the clauses regarding wages, working hours, holidays and paid annual leave, the revised document must be provided to the worker. In case of other revisions, employer has the responsibility to provide the changed document in writing upon worker's request. The employer must keep a copy of these terms and retain it for at least 03 years after the employment contract ends.

Source: §17 of the Labour Standards Act No. 5309, 1997

#### **Fixed Term Contracts**

Korean labour Law allows hiring of fixed term contract workers for tasks of permanent nature. According to the Labour Standards Act, the length of fixed term contract is one year except in cases where no term is fixed or a term is fixed as necessary for the completion of a project.

Duration of single fixed term contract and maximum number of renewals are not specified by the law. However, the maximum total duration of fixed term contract (including renewals) must not exceed 02 years.

Fixed term contract may exceed the duration of two years for any objective and material reasons specified by the law. These reasons include; the period needed to complete a project or particular task; the need to fill a vacancy in case of a worker's temporary suspension from duty or dispatch until the worker returns to work; the period needed for a worker to complete school work or vocational training; or where a job requires

professional knowledge and skills or is offered as part of the government's welfare or unemployment measures prescribed by a Presidential Decree.

The 1998 Act on Protection of Dispatched Workers allows agency work however limits it to specified categories of work and requires consultation with worker representatives and in some cases the ministerial authorization. The total dispatch period including its extension cannot exceed two years.

Source: §4 of the Protection of Fixed term and Part Time Employees Act No. 8074, 2006; §3 of the Enforcement Decree of the Act on the Protection of Fixed term and Part time Employees, Presidential Decree No. 20093 of 2007; §17 of the Labour Standards Act No. 5309, 1997; §5 of the 1998 Act on Protection of Dispatched Workers

#### **Probation Period**

Enforcement Decree of the Labour Standards Act provides probation period of 03 months for all the workers. Probationary worker is a worker for whom less than three months have passed since the start of his/her probationary period. Main objective of the probation period is to acquire a technical skill or other work not related to the acquirement of technical skill. The employer is not allowed to abuse workers in training or on probation.

Source: §16 of the Enforcement Decree of the Labour Standards Act, Presidential Decree No. 15320 of 1997; §77 of the Labour Standards Act No. 5309, 1997

### **Notice Requirement**

Employer is not allowed to dismiss, lay off, suspend, or transfer a worker, or reduce wages, or take other punitive measures against a worker without justifiable reasons. Employee may not be dismissed during a period of temporary interruption of work for medical treatment of an occupational injury or disease and within 30 days thereafter, and any female worker during a period of temporary interruption of work before and after childbirth and within 30 days thereafter.

In case of dismissal due to managerial reasons (economic dismissal), the employer must make every effort to avoid dismissal of workers and select workers to be dismissed by establishing rational and fair criteria for dismissal without any discrimination. The employer must give a notice to the trade union 50 days prior to the dismissal and have good faith consultation. A worker dismissed after it is considered to be dismissed by justifiable reason.

Labour Standards Act requires an employer to provide 30 days' notice prior to involuntary termination. Notice may not be served to workers who have been employed on a daily basis for less than three consecutive months; for a fixed period not exceeding two months; as a monthly-paid worker for less than six months; for seasonal work for a fixed period not exceeding six months; or as a probationary worker.

The termination notice must be provided in writing, specifying the reason for termination and the effective date.

If an employer fails to give the termination notice, he/she must provide the wages and benefits that the employee would have earned during the notice period. Employers are required to rehire a laid-off worker within three years of lay-off if the job comes up again.

In case of unfair dismissal, the worker may apply to the Labour Relations Commission for remedy within three months from the date of dismissal. The Commission issues a remedy order after necessary investigations and questions. If dismissal is proven unfair, the employer is ordered to reinstate the employee with back pay. In case of non-compliance, the Commission may impose an administrative penalty (which is not a criminal fine) of up to KRW 20 million; if the employer still does not comply, the penalty may be imposed up to four times within a two-year period.

Source: §23-30 & 35 of the Labour Standards Act No. 5309, 1997

### **Severance Pay**

The Employee Retirement Benefit Security Act (Retirement Benefit Act) provides severance pay to the workers at the end of the employment relationship. It is provided on voluntary retirement as well as termination for cause. Amount of severance pay is equivalent to average wage of 30 days for each year of service. Average wage is calculated by using wages for the three months preceding termination. It is paid within 14 days from termination.

Instead of severance payment, the employer may adopt either a defined benefit/fixed contribution system (where the employer contributes fixed amounts for the retirement pension) or a defined contribution/fixed payment system (where the amount to be paid at retirement is pre-determined). To adopt these systems, the employer must obtain the consent of the labour union or a majority of the employees (in the absence of labour union); and file bylaws detailing the system with the Ministry of Employment and Labour.

Source: §02 & 08-12 of the Employee Retirement Benefit Security Act No. 7379, 2005

# 05/13 Family Responsibilities

### Regulations on family responsibilities:

Act on Equal Employment and Support for Work-Family Reconciliation, 1987

### **Paternity Leave**

A worker is entitled to fully paid paternity leave of 03 days on his/her request. Employers may extend the paternity leave to five days however the last two days are not required to be paid.

Request for paternity leave must be made within 30 days of child's birth.

Source: §18(2) of the Act on Equal Employment and Support for Work-Family Reconciliation, 1987

#### **Parental Leave**

Parental leave for childcare (including adopted child) is granted up to one year to the employee, on request. In order to avail parental leave, a child must be six years old or younger who is not enrolled into elementary school. Childcare leave is provided to the insured worker with specified months of contribution and only one parent can avail these leaves for the same child.

The child care leave is not paid by the employer. The government grants 40% of the normal wage to the insured worker through Employment Insurance fund. The percentage rises to 60% for those parents taking part-time parental leave.

There is also a provision of daddy month, encouraging fathers to take parental leave by giving higher percentage of benefits when both the parents take parental leave. The daddy month duration is now 3 months.

Source: §19(1 & 2) of the Act on Equal Employment and Support for Work-Family Reconciliation, 1987

### Flexible Work Option for Parents / Work-Life Balance

Employees, instead of parental leave, may ask for reduced working hours which should be between 15-30 hours per week.

In case, an employer is unable to provide reduction in working hours, he/she must notify the worker of the reason in writing or try to support him/her through other measures.

Source: §19-1 & 19-2 of the Act on Equal Employment and Support for Work-Family Reconciliation, 1987

# 06/13 Maternity & Work

### Regulations on maternity and work:

Labour Standard Act, 1997
Act on Equal Employment and Support for Work-Family Reconciliation, 2011

#### **Free Medical Care**

An employer must ensure the provision of sufficient and proper medicine for his employees during illness and if possible, medical attendance during serious illness.

Maternity care is provided, with no limit on the number of children. There are no cash maternity benefits. Under long term benefits, in-home services include visits, bathing, nursing, day and night care, short-term respite care, and functional aids. Institutional care includes care given in licensed nursing homes, retirement homes, licensed residential establishments, and other long-term care facilities.

Source: ISSA Country Profile for South Korea, 2016

### **No Harmful Work**

Labour Standard Act prohibits the pregnant worker and mothers during first year after childbirth to work in hazardous and dangerous working conditions in terms of morality or health.

The Act, generally, does not allow the employment of female workers of 18 years or over (who are not pregnant) to work under conditions that are hazardous and dangerous to their pregnancy or childbirth.

The pregnant worker who are within the first 12 weeks or beyond the 36th week of their pregnancies can reduce their working hours by two hours a day without any reduction in pay. This rule on shorter working hours for pregnant workers which was previously applicable only to the companies with more than 300 employees is extended to all businesses with effect from March 2016. There is one condition though that the employees whose normal working hours are less than eight hours per day may not reduce it to less than a total of 6 hours per day.

Pregnant worker, planning to avail the reduced work hours option, must notify the employer in writing about her pregnancy and the request for reduced working hours not less than 3 days prior to the start of reduced working hours regime. Workers are further required to submit a medical certificate certifying pregnancy and the desired start and end times of work.

Source: §65 & 74(7 & 8) of the Labour Standard Act, 1997

### **Maternity Leave**

Female employees are entitled to 90 days of maternity leave on the birth of a child or 120 days in case of multiple births. At least half of the leave must be taken after birth. At least 60 days (or 75 in case of multiple births) must be paid by the employer while the remaining duration is paid for by the government.

Paid maternity leave is also provided in case of miscarriage and stillbirth in a following manner;

- 1. Five days for pregnancies lasting up to the 11th week;
- 2. Ten days for those entering the 12th week to 15th week of pregnancy;
- 3. 30 days for those entering the 16th week to 21st week of pregnancy;
- 4. 60 days for those entering the 22nd week to 27th week of pregnancy; and
- 5. full 90 days of leave for those pregnancies lasted at least 28 weeks

Source: §74(1-4) of the Labour Standard Act, 1997; §43 of the Enforcement Decree of the Labour Standards Act, 1997

#### **Income**

Maternity leave is fully paid. Maternity leaves for first 60 days (or 75 days in case of multiple births) must be paid by the employer and remaining days are paid by the national finances or the social insurance under the Framework Act on Social Security.

Source: §74(1-4) of the Labour Standard Act, 1997; §18 of the Act on Equal Employment and Support for Work-Family Reconciliation, 1987

#### **Protection from Dismissals**

An employer must not dismiss a female worker during maternity leave and 30 days thereafter. The dismissal is only possible if the employer has paid lump sum compensation or where the employer cannot continue to conduct a business.

Source: §23(2) of the Labour Standard Act, 1997

### **Right to Return to Same Position**

Labour Standard Act allows the female workers to return to the same position after the end of the maternity leave. In case the same position in unavailable, same level of work is provided to the employee.

Source: §74(6) of the Labour Standard Act, 1997

## **Breastfeeding/ Nursing Breaks**

Female workers are entitled to two paid nursing breaks, each of 30-minute duration, for new mothers to breastfeed their child(ren) until a child is twelve (12) months old.

Workplaces with 500 or more employees, or 300 or more female employees must establish workplace childcare facilities. Otherwise they are liable to pay charges of up to KRW 100 million twice a year. Amount of charge: Number of eligible children  $\times$  0.65  $\times$  Monthly government subsidy per child  $\times$  6 months.

Source: §75 of the Labour Standard Act, 1997; §44(2) & (3) of the Infant Care Act (Enforcement date: 1 Jan. 2016); §25(2) of the Enforcement Decree to the Infant Care Act (Enforcement date: 1 Jan. 2016)

# 07/13 Health & Safety

### Regulations on health and safety:

Occupational Safety and Health Act No. 3532, 1981 Labour Standard Act No. 5309, 1997

### **Employer Cares**

In accordance with the Occupational Health and Safety Act, an employer is responsible to maintain and improve workers' occupational health and safety by taking necessary measures to eliminate hazards in the workplace, regardless of whether or not machinery or instruments cause the hazards.

It is obligatory for an employer to create a pleasant work environment that can reduce the physical fatigue, mental stress, etc., of workers, and improve working conditions. An employer must comply with the health and safety regulations and industrial accident and disease policy provided by the law.

An employer must also ensure periodic health examinations for employees and appoint a health and safety manager to supervise matters of health and safety in the workplace.

A recent amendment in Occupational Safety and Health Act, though applicable from October 2018, requires employers to protect emotional labour workers ie customer service representatives and call center staff from abusive acts of customers and clients. Employers are further required to provide relief to the workers (temporary suspension from work or reassignment) if workers face health problems due to the abusive acts of customers and clients.

Source: §5 of the Occupational Safety and Health Act No. 3532, 1981

#### **Free Protection**

It is obligatory for an employer to provide personal protective equipment according to the tasks of employees. These equipment includes safety helmets, safety bars, safety shoes, protective goggles, heatproof clothes, dust masks, arctic clothes, etc. An employer is also obliged to maintain that equipment clean and without damage, except for safety shoes, safety helmets, and protective goggles which should be cleaned by the employees.

Workers must also ensure the proper usage of protective equipment.

Source: §32 (1 & 2), 33 (1) of the Ordinance of the Occupational Safety and Health Standards, 1981

### **Training**

The employers are required to ensure the periodical health and safety education of workers in the workplace as prescribed by the Ordinance of the Ministry of Employment and Labour.

Source: §31 (1) of the Ordinance of the Occupational Safety and Health Standards, 1981

### **Labour Inspection System**

The Ministry of Employment and Labour is responsible to ensure the safe working conditions for workers. A labour inspector is authorized to inspect workplaces, dormitories and other annexed buildings, to request the submission of books and documents, and to interrogate both an employer and workers.

The national legislation provides inspectors the power to launch investigation and gather evidence while performing the official duties of judicial police officials as prescribed by the Act on the Persons Performing the Duties of Judicial Police Officials and the Scope of Their Duties with regard to the crimes in violation of this Act or other labour-related Acts and subordinate statutes/decrees.

A labour inspector who is a medical doctor or a medical doctor entrusted by a labour inspector is obliged to conduct a medical examination of workers who seem vulnerable to those diseases due to which their continuous employment should be precluded.

Workers must inform the labour inspector or the Ministry of Employment and Labour about any violation occurring in the establishment. Labour inspector must also never disclose the confidential information which he/she comes to know while performing his/her official duties.

Source: §75 of the Labour Standard Act No. 5309, 1997

# 08/13 Sick Leave & Employment Injury Benefits

### Regulations on sick leave & Employment Injury Benefits:

Act on Prevention and Management of Contagious Disease, 2009 Industrial Accident Compensation Insurance Act, 1963

#### **Income**

There is no legal requirement for employers to provide paid sick leave to employees for non-work-related illnesses or injuries. Normally, companies provide paid sick leave whether an injury or illness is job-related or not. Employees use their annual paid leave as personal sick days if paid sick leave is not available.

According to a revision of 2009 law in 2015, when an employee is hospitalized or quarantined after contraction of an infectious disease, he/she is entitled to special paid leave. The government offers a subsidy for this leave.

During these special leaves, employer may not treat the employee unfavorably or dismiss him/her.

Source: §41-2 of the Act on Prevention and Management of Contagious Disease, 2009

#### **Medical Care**

In the event of non-occupational accidents, a worker is entitled to medical care such as medical treatment, surgery, hospitalization, maternity care and medicine. Doctors, clinics, hospitals, and pharmacists under contract with the National Health Insurance Service (NHIS) provide medical services.

The insured employee pays 20% of hospitalization costs and 30%-60% of outpatient care, depending on the type of facility. The maximum amount paid by each patient is 1,210,000 to 5,060,000 won a year, depending on income.

Source: ISSA Country Profile for South Korea, 2016

### **Job Security**

No statutory provision regarding job security during illness could be located in law. However, employer may not dismiss an employee during special paid leaves.

Source: §41-2 of the Act on Prevention and Management of Contagious Disease, 2009

## **Disability / Work Injury Benefit**

Work injuries are divided into four categories: (i) permanent total incapacity (ii) permanent partial incapacity (iii) temporary incapacity and (iv) fatal injury leading to death of a worker.

In case of permanent disability, benefit varies according to the assessed degree of disability (decreasing severity from grades one to seven). The pension is paid monthly. The amount of annual pension is the insured worker's average daily wage in the three months before the onset of disability multiplied by 138 to 329 (depending on the assessed degree of disability). Insured persons with an assessed disability of four to seven (medium severity) may choose between the pension and a lump sum of the insured worker's average daily wage multiplied by 616, 737, 869, or 1474, according to the assessed degree of disability. The amount of benefit ranges from 50,255 won to 180,919 won.

In case of permanent partial disability, the benefit is paid as a lump sum of the insured's average daily wage in the three months before the date of injury multiplied by 55 to 495 (according to the assessed degree of disability) for an assessed degree of disability pf grades 8 to 14 (lower severity).

In case of temporary disability, 70% of the insured worker's average daily wage is paid in the three months before the onset of disability, if the insured is unable to work and is receiving medical treatment. After 24 months of disability, 70.4% to 90.1% (according to the assessed degree of disability) of the insured worker's average daily wage is paid to persons assessed with a first-degree (total loss of work capacity and requiring constant attendance), second-degree (severe loss of work capacity), or third-degree (less severe loss of work capacity) disability. The benefit is paid for 257, 291, or 329 treatment days (according to the assessed degree of disability) until recovery or the award of the permanent disability pension.

Source: §36-94 of the Industrial Accident Compensation Insurance Act, 1963; ISSA Country Profile for South Korea, 2016

# 09/13 Social Security

### Regulations on social security:

National Pension Act, 1986 Basic (old-age) Pension Act, 2007 (amended in 2014)

### **Pension Rights**

Law provides for both old age pension and early pension. A person in entitled to old age pension at the age of 61 with 20 years of contribution. A 2015 change in law requires employers to implement a statutory retirement age for employees who are 60 years or older. The retirement age is being raised from 60 to 65 in one-year increments scheduled every 5 years between 2013 and 2033. Full pension benefits are available at 20 years of coverage.

Basic pension amount (BPA) is 1.365 (decreasing by 0.015 a year until reaching 1.2 in 2028) times the sum of the national average indexed monthly wage in the three years immediately before the year in which the pension is first paid and the insured worker's average monthly wage over the insured worker's total contribution period. An increment is paid for each year of coverage exceeding 20 years. Amount of pension reduce to 50% to 95% of the monthly BPA at the age of 61 with 10 to 19 years of contribution.

A person is entitled to early pension at the age of 61 to 65 with 10 years of contribution. This pension is based on the insured person's BPA, the total number of years of coverage, and the insured's age when the pension is first paid.

The amount of benefit is adjusted annually according to changes in the consumer price index for the previous year.

Source: §61 of the National Pension Act, 1986; Basic (old-age) Pension Act, 2007 (amended in 2014); ISSA Country Profile for South Korea, 2016

# **Dependents' / Survivors' Benefit**

Law provides survivor pension to the dependents including a spouse, parents, and grandparents (including the spouse's parents or grandparents) aged 61 or older or assessed with a first or second-degree disability, and children (including grandchildren) younger than age 19 (any age if assessed with a first or second-degree disability).

Survivors' pension is paid when the deceased person is an old-age pensioner (insured with 66.7% of paid scheduled contributions on time, except when the unpaid coverage period is less than six months), or a disability pensioner with a first- or second-degree disability. The pension is paid to eligible survivors in the following order of priority: spouse, children, parents, grandchildren, and grandparents. The amount of survivors' pension is 60% of the deceased worker's basic monthly pension amount (BPA) with at least 20 years of contributions; 50% with 10 to 19 years; 40% with less than 10 years.

The BPA is 1.365 (decreasing by 0.015 a year until reaching 1.2 in 2028) times the sum of the average indexed national monthly wage in the three years immediately before the year in which the pension is first paid and the insured worker's average monthly wage over the total contribution period. An increment is paid for years of coverage exceeding 20 years.

Dependents' supplement is paid to the dependents, including the spouse, children younger than age 18 or assessed with a first-degree (total loss of work capacity and requiring constant attendance) or second-degree (severe loss of work capacity) disability, and parents (including the spouse's parents) aged 61 or older or assessed with a first-degree or second-degree disability.

Survivor lump-sum refund is paid when the deceased is insured or formerly insured and did not qualify for the survivor pension. The lump sum amount consists of deceased worker's total contributions (including employer contributions) plus accrued interest calculated at the basic bank rate on the date of the refund.

Lump-sum death benefit includes the deceased worker's total contributions (including employer contributions) plus accrued interest based on the average annual bank interest rate. It is paid in case there are no eligible survivors for the survivor pension or survivor lump-sum refund, to the dependent survivors (direct blood-relatives including cousins). The maximum amount of lump-sum death benefit is four times the deceased worker's last covered monthly wage, or the average covered monthly wage for the entire insured period, whichever is higher.

Source: ISSA Country Profile for South Korea, 2016

### **Unemployment Benefits**

Unemployment benefit is paid to the insured person with at least six months of coverage during the last 18 months. The employee must be registered at an employment security office and be capable of and available for the work.

The unemployment benefits are regulated under the Employment Insurance Act of 1993. It classifies unemployment benefits into job-seeking benefits and employment promotion allowances. The types of employment promotion allowances are as follows:

- a) Early re-employment allowance;
- b) Vocational skills development allowance;
- c) Long distance job search allowance; and
- d) Relocation allowance

The unemployment benefit is 50% of the insured worker's average daily earnings during the three months immediately before unemployment, after a seven-day waiting period for up to 90 days to those with six to 12 months of coverage; for up to 240 days with more than 10 years of coverage and aged 50 or older or disabled. Minimum daily benefit is 90% of the minimum daily wage. In other cases, the daily benefit is 50% of the basic daily wage.

# Prescribed Number of Job-Seeking Benefit Days

(Relating to Article 50 (1))

(Unit: days)

		Insured Period					
		year<1	1≤year<3	$3 \le \text{year} < 5$	5≤year<10	year≥10	
	Age < 30	90	90	120	150	180	
Age at the time of	30≤age<50	90	120	150	180	210	
separation	Age≥50 and the disabled	90	150	180	210	240	

Note: The disabled refer to the individuals prescribed in the Act on Employment Promotion and Vocational Rehabilitation for the Disabled.

Additional allowances including the early re-employment allowance, vocational ability development allowance, and transportation and home moving allowance is paid to the unemployed person to encourage retraining or job search.

Unemployment benefit is not paid if the unemployment is due to voluntary leaving, misconduct, a labour dispute, or the refusal to a suitable job offer.

Source: ISSA Country Profile for South Korea, 2016; §37-69 of the Employment Insurance Act 1993

### **Invalidity Benefits**

Invalidity pension is paid to the insured person assessed with a first-degree (total loss of work capacity and requiring constant attendance), second-degree (severe loss of work capacity), or third-degree (less severe loss of work capacity) disability as the result of a disease or injury. The degree of disability is assessed by the National Pension Service. The insured person must also have paid 66.7% of contributions on time (except when the unpaid coverage period is less than six months).

The invalidity pension is calculated according to the insured person's monthly basic pension amount (BPA) and assessed degree of disability, as follows:

- 100% of the insured worker's BPA is paid for a first-degree disability (total loss of work capacity and requiring constant attendance);
- 80% for a second-degree disability (severe loss of work capacity); and
- 60% for a third-degree disability (less severe loss of work capacity)

Dependent's supplement is paid to the dependents including the spouse, children younger than 18 years or assessed with a first-degree (total loss of work capacity and requiring constant attendance) or second-degree (severe loss of work capacity) disability, and parents (including the spouse's parents) aged 61 or older or assessed with a first-degree or second-degree disability. Dependent's supplement is paid to a spouse and each child or parents of the insured person with an assessed first-, second-, or third-degree disability.

Amount of benefits are adjusted annually according to changes in the consumer price index for the previous year.

A lump-sum of invalidity benefit of 225% of the BPA is paid for a fourth-degree disability (partial loss of work capacity) to the insured person who must have paid 66.7% of scheduled contributions on time (except when the unpaid contribution period is less than six months).

The BPA is 1.365 (decreasing by 0.015 a year until reaching 1.2 in 2028) times the sum of the average indexed national monthly wage in the three years immediately before the year in which the pension is first paid and the insured's average monthly wage over the insured's total contribution period. An employee is entitled to an increment for years of coverage exceeding 20 years.

Source: ISSA Country Profile for South Korea, 2016

# 10/13 Fair Treatment

### **Regulations on fair treatment:**

Korean Constitution 1948, last amended in 1987

Equal Employment and Support for Work-Family Reconciliation Act No. 3989, 1987

Prohibition of Age Discrimination in Employment and Aged Employment Promotion Act No. 4487, 1991 Labour Standards Act No. 5309, 1997

Protection of Dispatched Workers Act No. 5512, 1998

Protection, etc. of Fixed-Term and Part-Time Employees Act No. 8074, 2006

Employment Promotion and Vocational Rehabilitation for Disabled Persons Act, 1990

Act on the Prohibition of Discrimination Against Disabled Persons, Remedy Against Infringement of their Rights, 2007

### **Equal Pay**

The principle of equal pay for work of equal value is not clearly provided in the Constitution. However, in accordance with the Equal Employment and Support for Work-Family Reconciliation Act, it is obligatory for an employer to provide equal pay for work of equal value in the same business. The criteria for the work of equal value is based on skills, efforts, responsibility and working conditions, etc., required to perform the work.

In case of non-compliance, the employer is punished by imprisonment of up to 3 years or a fine not exceeding 20 million won.

Source: §8(1 & 2) & 37(2) of the Equal Employment and Support for Work-Family Reconciliation Act No. 3989, 1987

#### **Sexual Harassment**

The Equal Employment and Support for Work-Family Reconciliation Act prohibits sexual harassment in the workplace. Sexual harassment is defined as a situation when an employer, superior or employee uses their position or in relation to work either provokes in another a sense of sexual humiliation or sense of insult by any sexual language or act; or impose unfavourable conditions of employment as a result of the victim's refusal to accept the sexual advances.

An employer must educate the workers at least once a year to prevent sexual harassment at work, considering the size and circumstances of the business and provide safe working environment for workers. Employers are required to prevention of sexual harassment related content at all times in a location accessible to all workers. The administrative fine for failure to comply with the training obligation is up to KRW 5 million. A witness or a person who becomes aware of an incident of sexual harassment in workplace may also report it to the employer. Once a complaint is received, employer is required to launch investigation into the allegations and ensure that the complainant is not further humiliated. After the investigation, once harassment has been

confirmed, employer is required to take necessary measure for protection of the victim including change of work site or paid leave.

The Equal Employment Act also prohibits an employer from taking retaliatory measures against the victim for lodging a complaint. The discriminatory measures against complainants include the following:

- i. dismissal or other measures resulting in loss of job;
- ii. unfair disciplinary actions or other similar measures;
- iii. non-assignment or non-relocation or other actions against the complainant's will;
- iv. discrimination against the victim in performance evaluation as well granting of incentives or wage raises;
- v. limiting training and development opportunities;
- vi. bullying, assault or ridicule of victims; and
- vii. other discriminatory treatment

In case of non-compliance, the employer is punished by imprisonment of up to 3 years or a fine not exceeding KRW 20 million.

Source: §12-14 & 37(2) of the Equal Employment and Support for Work-Family Reconciliation Act No. 3989, 1987

#### **Non-Discrimination**

Employers must not discriminate among workers in relation to working conditions on grounds of nationality, age, religion or social status. Discriminatory behaviour against fixed-term, part-time and dispatched workers is also prohibited. The Constitution and the Labour Standards Act (LSA) both prohibits discrimination against workers on the basis of gender. The Constitution prohibits discrimination in political, economic, societal or cultural life on account of sex, religion or social status. Age discrimination for those 55 years or older is also prohibited under the law.

The Equal Employment Opportunity and Work-Family Balance Assistance Act prohibit gender discrimination by employers in recruitment, employment, promotion, retirement or other aspects of employment. If an employer discriminates on grounds of gender in retirement age limit, retirement and dismissal of workers or concludes a labour contract which stipulates female workers' marriage, pregnancy and childbirth as grounds for dismissal/retirement, he/she is punished by imprisonment of up to 5 years or a fine not exceeding 30 million won.

Fixed-term Employees Act and Dispatched Workers Act also prohibit employers from discrimination against fixed-term employees, part-time workers and dispatched workers in terms of pay or other working conditions compared with those of other workers engaged in the same kind of job. In case of discriminatory treatment, workers have the right to file a claim for corrective measures to the Labour Relations Commission (LRC) within

six months after the alleged treatment. The LRC must investigate the case and may order an adjustment or corrective measure, improve wages or other working conditions, or award appropriate monetary damages.

The Employment Promotion and Vocational Rehabilitation for Disabled Persons Act of 1990 prohibits discrimination against any employee in personnel management actions such as hiring, promotion, transfers and training based merely on an employee's disability.

The Act on the Prohibition of Discrimination Against Disabled Persons, Remedy Against Infringement of their Rights of 2007 further prohibits discrimination on the ground of past, present or presumed disability. The law requires employer to provide reasonable accommodation to the disabled workers which allows these workers to work under similar working conditions as non-disabled workers. Similarly, the law requires employers to provide reasonable accommodation to the disabled female workers in relation to the use of workplace childcare services.

Source: §11 & 32 of the Korean Constitution 1948, last amended in 1987; §11 & 37 (1) of the Equal Employment and Support for Work-Family Reconciliation Act No. 3989 of 1987; §4 of the Prohibition of Age Discrimination in Employment and Aged Employment Promotion Act No. 4487, 1991; §6 of the Labour Standards Act No. 5309 of 1997; § 21 of the Protection, etc., of Dispatched Workers Act No. 5512, 1998; §8 and 16 of the Protection, etc. of Fixed-Term and Part-Time Employees Act No. 8074, Dec. 21, 2006; §5 of the Employment Promotion and Vocational Rehabilitation for Disabled Persons Act 1990; §10-12 and 33 of the Act on the Prohibition of Discrimination Against Disabled Persons, Remedy Against Infringement of their Rights of 2007

### **Equal Choice of Profession**

The Korean Constitution provides its citizens, the right to work and to freely choose occupation.

Women can work in the same industries as no restrictive provisions could be located in the law. However, employers are not allowed to hire a female worker aged 18 or older for work that is hazardous and dangerous to their pregnancy and childbirth. Female workers are also prohibited from working inside a pit.

Source: §15 & 32 of the Korean Constitution 1948, last amended in 1987; §65 & 72 of the Labour Standards Act No. 5309, 1997

# 11/13 Minors & Youth

### Regulations on minors and youth:

Labour Standards Act No. 5309, 1997 Juvenile Protection Act 1997

### **Minimum Age for Employment**

Minimum age for employment is 15 years. However, any person with an employment permit issued by the Minister of Employment and Labour can be employed as a worker. This permit can be issued at the request of the person himself only by designating the type of occupation in which he/she is engaged, provided that such employment will not hinder his/her compulsory education.

An employer employing a minor under 18 must keep a certificate proving his/her family relationships and a written consent of his/her parent or guardian at a workplace. The employer must specify the working conditions in writing in a labour contract that must be signed by the minor. Neither parent not guardian may enter into a labour contract on behalf of a minor.

Working hours of a person aged between 15 and 18 must not exceed seven hours per day and forty hours per week. Minors are also prohibited from working at night (22:00 to 06:00) and on holidays.

Source: §64-70 of the Labour Standards Act No. 5309, 1997

### **Minimum Age for Hazardous Work**

Minimum Age for Hazardous Work is 18 years. Table 4 of Labour Standards Act provides the list of types of works prohibited for workers under 18 years of age.

The Juvenile Protection Act 1997 prohibits certain types of establishments from employing, and in some cases even granting access to, to juveniles under 19 years (18 years and under). The establishments that are deemed harmful to juveniles include speculative businesses; lodging establishments; public bathhouses; businesses manufacturing, producing and distributing media materials harmful to juveniles; businesses manufacturing, producing and distributing drugs harmful to juveniles; and businesses manufacturing, producing and distributing other materials harmful to juveniles.

The Act on the Protection of Children and Juveniles from Sexual Abuse prohibits the brokerage and sale of the sexual services of persons aged 18 years and under.

Source: Labour Standards Act No. 5309 of 1997; Juvenile Protection Act 1997

# 12/13 Forced Labour

### Regulations on forced labour:

Korean Constitution 1948, last amended in 1987 Labour Standards Act No. 5309, 1997

### **Prohibition on Forced and Compulsory Labour**

Labour Standards Act prohibits forced labour. An employer is not allowed to force a worker to work against his/her own free will through the use of violence, intimidation, confinement or any other means which unlawfully restrict mental or physical freedom. Employer is also prohibited from physically abusing a worker for the occurrence of accidents or for any other reason.

Source: §7 & 8 of the Labour Standards Act No. 5309, 1997

### Freedom to Change Jobs and Right to Quit

According to the Korean Constitution, every citizen has the right to choose any employment according to their abilities and the needs of the society.

Labour Standards Act states that workers have the right to change jobs after serving due notice of 30 days to their employers or a compensation payment in lieu of notice.

For more information on this, please refer to the section on employment security.

Source: §32 of the Korean Constitution 1948, last amended in 1987; §26 of the Labour Standards Act No. 5309, 1997

### **Inhumane Working Conditions**

Working time may be extended beyond normal working hours of 40 hours per week and 8 hours a day. However, total hours of work inclusive of overtime must not exceed up to twelve (12) hours a week upon the agreement of the employee's representatives. This implies that the maximum total number of permitted working hours is 52 per week.

For more information on this, please refer to the section on compensation.

Source: §50-53 of the Labour Standards Act No. 5309, 1997

# 13/13 Trade Unions

### Regulations on trade unions:

Korean Constitution 1948, last amended in 1987 Trade Union and Labour Relations Adjustment Act No. 5310, 1997 Act on the Tripartite Commission for Economic and Social Development, 1999

### Freedom to Join and Form a Union

The Constitution and the Trade Union and Labour Relations Adjustment Act provide for freedom of association. In order to improve the working conditions, the Constitution provides right to independent association to all the workers.

The Trade Union and Labour Relations Adjustment Act defines trade union as an organization or associated organization of workers which is formed in voluntary and collective manner upon the workers' initiative for the purpose of maintaining and improving working conditions, or improving the economic and social status of workers.

All workers are free to join and form union except for public servants or teachers who are subject to other enactments. A union can be established at any workplace without prior notice to the company. Any two employees of a company may establish a union by submitting a written report along with the byelaws to the Minister of Employment and Labour, provincial governor, or mayor depending on the size and coverage of the union. After accepting the report, a certificate of establishment is issued to provide legal existence to the union.

After establishment, union members must prepare following documents within 30 days of its establishment and keep them all at its headquarters or main offices: register of union members (the names of its constituent organizations in cases of a trade union in the form of an associated organization); union bylaws; names and addresses of union officials; minutes of meetings; and financial records and documents.

Every union member has equal rights and duties to participate in all affairs of the trade union. However, a trade union may restrict, under union bylaws, the rights of those members who do not pay union dues.

Any modification in name; location of the main office; name of the representative; and name of the associated organization to which it belongs must be reported to the administrative authorities within 30 days from the date when changes occur.

Source: §33 of the Korean Constitution 1948, last amended in 1987; §2 & 10-28 of the Trade Union and Labour Relations Adjustment Act No. 5310, 1997

### **Freedom of Collective Bargaining**

The Constitution and the Trade Union and Labour Relations Adjustment Act provide for freedom of collective bargaining to enhance working conditions. A collective bargaining agreement (CBA) usually provides better benefits to the worker than those provided in the law. If a CBA has provisions which are less favourable than those provided under the law, it cannot be enforced.

A CBA may be concluded for definite or indefinite time period. However, the total duration of a CBA may not exceed 02 years unless otherwise stated in the agreement.

CBAs in Korea are usually divided into two parts: one describing the basic working conditions and the other describing wages. The first part is called a "collective agreement" per se, and is effective for up to 2 years, and the other is a "wage agreement" with a one-year effective period. The negotiation must take place in good faith between a trade union and an employer or an employer's association.

A CBA must be concluded in writing and signed by both parties. The parties to the collective agreement must report the CBA to the administrative authorities within 15 days after the date of conclusion thereof.

Economic and Social Development Commission (ESDC) was created in 1998. The ESDC was formerly named with the Korea Tripartite Commission till year 2006. The ESDC has dealt with many important pending issues through different Committees. The Plenary Committee consists of 10 members, including 2 workers (Presidents); 2 Employers (Presidents); 2 from Public interest group; 2 Government (Minister for Strategy and Finance, Minister for Employment and Labour); and 2 from Minister for Trade, Industry and Energy participates in the Plenary Committee as a special member ESDC (Chairman and Vice-Chairman).

Duration of the term of the Plenary Committee is 2 years (renewable). Members of the Plenary Committee are appointed by the President of the Republic of Korea. Members of Standing Committee and Committees by agenda and Committees by industry are appointed by the Chairman of ESDC.

There is also a provision for Labour Management Council (LMC) to promote harmonious relations between employers and their workers through provisions of an enterprises-based consultation forum. In accordance with the law, Labour Management Council must be formed "in each business or workplace which is vested with the right to decide working conditions" and has at least 30 workers. The Council must be composed of equal number of worker and employer representatives (3-10 each). The key functions of the Council are the following: consultation, passing resolutions and reporting.

Source: §33 of the Korean Constitution 1948, last amended in 1987; §29-36 of the Trade Union and Labour Relations Adjustment Act No. 5310 of 1997; Act on the Tripartite Commission for Economic and Social Development, 1999

### **Right to Strike**

The Constitution and the Trade Union and Labour Relations Adjustment Act (TULRAA) provide right to strike to enhance working conditions. The TULRAA defines industrial action as actions or counter-actions which obstruct the normal operation of a business, such as strikes, sabotage, lock-outs, or other activities through which the parties to labour relations intend to achieve their claims. Industrial action is prohibited for the workers employed in essential services where minimum service must be maintained. Peaceful strike is allowed only after the expiration of cooling off period (i.e., where a resolution is not reached by the parties during mediation).

Members of union must approve strike by a direct, secret and unsigned ballot; and the approval must pass by a majority vote of union members at a general meeting where a majority of all members is present. The union may engage in any legitimate collective action including a slow-down, a partial strike (e.g., a few hours a day) or a full strike without being liable either civilly or criminally for pursuing legitimate labour disputes.

Law strictly prohibits the replacement of striking employees during a legitimate labour dispute and does not allow the employer to hire new employees or outsource the concerned business.

Employers are not required to pay wages to striking employees, in accordance with the long-established "no work, no pay" principle.

The employer has a right to lockout workers as it is a primary legal action available to an employer in response to a work slow-down or strike by a labour union. A lockout must be implemented only in a defensive manner (e.g., after the union commences industrial action).

Source: §33 of the Korean Constitution 1948, last amended in 1987; §37-46 of the Trade Union and Labour Relations Adjustment Act No. 5310, 1997

# **01/13** Work & Wages

### **ILO Conventions on Work and Wages:**

Minimum wage: Convention 131 (1970)

Regular pay & wage protection: Conventions 95 (1949) and 117(1962)

### South Korea has ratified the Convention 131 only.

### Minimum wage

The minimum wage must cover the living expenses of the employee and his/her family members. Moreover, it must relate reasonably to the general level of wages earned and the living standard of other social groups.

### **Regular Pay**

Wages must be paid regularly on a daily, weekly, fortnightly or monthly basis.

# 02/13 Compensation

#### **ILO Conventions on Compensation:**

Compensation overtime: Convention 01 (1919); Night work: Convention 171 (1990)

### South Korea has not ratified any of the above Conventions.

#### **Overtime Compensation**

Working overtime is to be avoided. Whenever it is unavoidable, extra compensation is at stake - minimally the basic hourly wage plus all additional benefits you are entitled to. In accordance with ILO Convention 1, overtime pay rate should not be less than one and a quarter times (125%) the regular rate.

### **Night Work Compensation**

Night work means all work which is performed during a period of not less than seven (07) consecutive hours, including the interval from midnight to 5 a.m. A night worker is a worker whose work requires performance of a substantial number of hours of night work which exceeds a specified limit (at least 3 hours). Convention 171 requires that night workers be compensated with reduced working time or higher pay or similar benefits. Similar provisions fare found in the Night Work Recommendation No. 178 of 1990.

#### **Compensatory Holidays/Rest Days**

If you have to work on a national/religious holiday or a weekly rest day, you should be entitled to compensation. Not necessarily in the same week, provided that the right to a paid compensation is not.

### Weekend/Public Holiday work Compensation

If you have to work during the weekend, you should thereby acquire the right to a rest period of 24 uninterrupted hours instead. Not necessarily in the weekend, but at least in the course of the following week. Similarly, if you have to work on a public holiday, you must be given a compensatory holiday. A higher rate of pay for working on a public holiday or a weekly rest day does not take your right to a holiday/ rest.

# 03/13 Annual Leave & Holidays

### ILO Conventions on weekly rest days and paid annual leave:

Convention 132 (1970) on Holidays with Pay Convention

Conventions 14 (1921), 47 (1935) and 106 (1957) for weekly rest days. In addition, for several industries, different Conventions apply.

### South Korea has ratified the Convention 47 only.

### **Paid Vacation/Annual Leave**

An employee is entitled to at least 21 consecutive paid annual leave. National and religious holidays are not included. Collective agreements must provide at least one day of annual leave on full remuneration for every 17 days on which the employee worked or was entitled to be paid.

### **Pay on Public Holidays**

You should be entitled to paid leave during national and officially recognized public holidays.

### **Weekly Rest Day**

Workers should enjoy a rest period of at least twenty-four consecutive hours in every 7-day period, i.e., a week

# 04/13 Employment Security

### **ILO Conventions on employment termination:**

Convention 158 (1982) on employment termination

#### South Korea has not ratified Convention 158.

The questions under this section measure the security or even flexibility or precariousness of an employment relationship. Although these are not clearly mentioned in a single convention (severance pay and notice requirement are provided in the Termination of Employment Convention No. 158) however, the best practices in the field require that employees be provided with a written contract of employment; workers on fixed term contracts should not be hired for tasks of permanent nature; a reasonable probation period (ideally lower than or equal to 6 months) may be followed to assess the suitability of an employee; a period of notice must be specified in an employment contract before severing the employment relationship; and workers be paid severance allowance on termination of employment relationship.

#### **Written Employment Particulars**

A contract of employment may be oral or written however workers should be provided with a written statement of employment at the start of their employment.

#### **Fixed Term Contracts**

Fixed Term Contract workers must not be hired for permanent tasks as it leads to precarious employment.

#### **Probation Period**

A reasonable probation period must be provided to a worker to learn new skills. A newly hired employee may be fired during probation period without any negative consequences.

### **Notice Requirement**

A reasonable notice period, depending on the length of service of an employee, may be required before an employer may sever the employment relationship.

### **Severance Pay**

Employers may be required to pay a severance allowance on termination of employment (due to redundancy or any other reason except for lack of capacity or misconduct).

# 05/13 Family Responsibilities

#### **ILO Conventions on family responsibilities:**

Convention 156: Workers with Family Responsibilities Convention (1981) Recommendation 165: Workers with Family Responsibilities (1981)

### South Korea has ratified Convention 156 only.

#### **Paternity Leave**

This is for the new fathers around the time of child birth and is usually of shorter duration.

#### **Parental Leave**

The accompanying recommendation (No. 165) to ILO Convention on Family Responsibilities provides for parental leave as an option available to either parent to take long leave of absence (paid or unpaid) without resigning from work. Parental leave is usually taken once the maternity and paternity leave have been exhausted. For working parents, laws may define the portion of parental leave that has to be compulsorily taken by fathers or mothers.

#### Flexible Work Option for Parents / Work-Life Balance

Recommendation 165 asks for looking into measures for improving general working conditions through flexible work arrangements.

# 06/13 Maternity and Work

#### **ILO Conventions on maternity and work:**

An earlier Convention (103 from 1952) prescribed at least 12 weeks maternity leave, 6 weeks before and 6 weeks after. However, a later convention (No. 183 from year 2000) requires that maternity leave be at least 14 weeks of which a period of six weeks compulsory leave should be after childbirth.

#### South Korea has not ratified the Conventions 103 or 183.

### Free medical care

During pregnancy and maternity leave, you should be entitled to medical and midwife care without any additional cost.

#### No harmful work

During pregnancy and while breastfeeding, you should be exempt from work that might bring harm to you or your baby.

### **Maternity leave**

Your maternity leave should last at least 14 weeks.

#### **Income**

During maternity leave, your income should amount to at least two thirds of your preceding salary.

#### **Protection from Dismissals**

During pregnancy and maternity leave, you should be protected from dismissal or any other discriminatory treatment.

### Right to return to same position

Workers have the right to return to same or equivalent position after availing maternity leave.

### **Breastfeeding/Nursing Breaks**

After child birth and your rejoining your organization, you must be allowed paid nursing breaks for breast-feeding your child.

# 07/13 Health & Safety

#### **ILO Conventions on Health and Safety:**

Most ILO OSH Conventions deal with very specific Occupational Safety hazards, such as asbestos and chemicals.

Convention 155 (1981) is the relevant general convention here. Labour Inspection Convention: 81 (1947)

### South Korea has ratified both the Conventions 81 & 155.

### **Employer cares**

Your employer, in all fairness, should make sure that the work process is safe.

#### **Free protection**

Your employer should provide protective clothing and other necessary safety precautions for free.

### **Training**

In order to ensure workplace safety and health, a central, independent and efficient labour inspection system should be present.

### **Labour Inspection System**

You and your colleagues should receive training in all work related safety and health aspects and you should have been shown the emergency exits.

# 08/13 Sick Leave & Employment Injury Benefits

### **ILO Conventions on Sickness and Employment Injury:**

Convention 102 (1952), Conventions 121 (1964) and 130 (1969) concerning Social Security, Employment Injury Benefits and Medical Care and Sickness Benefits

### South Korea has not ratified the Conventions 102, 121 & 130.

### **Income/Paid Sick Leave**

Your rights to work and income should be protected when illness strikes. The national labour law may provide that sickness benefit may not be paid during the first 3 days of your absence. Minimally you should be entitled to an income during first 6 months of illness. This income should be at least 45 per cent of the minimum wage. (Countries are free to opt for a system which guarantees 60 per cent of the last wages during the first 6 months of illness or even during the first year). You should be entitled to paid sick leave.

#### **Medical Care**

During illness, you should be entitled to medical care without any additional cost. Employees and their family members should have access to the necessary minimal medical care at an affordable cost.

### **Job security**

During the first 6 months of your illness, you should not be fired.

#### **Disability/Work Injury Benefit**

Whenever you are disabled due to an occupational disease or accident, you ought to receive a higher benefit. In the case of temporary or total incapacity/disability, a worker may at least be provided 50% of his average wage while in the case of fatal injury, the survivors may be provided with 40% of the deceased worker's average wage in periodical payments.

# 09/13 Social Security

#### **ILO Conventions on Social Security:**

Social Security (minimum standards): Convention 102 (1952). For several benefits somewhat higher standards have

been set in subsequent Conventions Employment Injury Benefits: Conventions 121 (1964),

Invalidity, Old age and survivors' benefits: Convention 128(1967)

Medical Care and Sickness Benefits: Convention 130 (1969)

Unemployment Benefits: Convention 168 (1988).

#### South Korea has not ratified the Conventions 102, 121, 128, 130 & 168.

### **Pension Rights**

In the normal circumstances, the pensionable age may not be set higher than 65 years of age. If retirement age is fixed above 65 years, it should give "due regard to the working ability of elderly persons" and "demographic, economic and social criteria, which shall be demonstrated statistically". Pension can be set as a percentage of the minimum wage or a percentage of the earned wage.

#### Dependent's/Survivors' Benefit

When the breadwinner has died, the spouse and children are entitled to a benefit, expressed as a percentage of the minimum wage, or a percentage of the earned wage. This must at least be 40% of the reference wage.

#### **Unemployment Benefit**

For a limited period of time, the unemployed has a right to unemployment benefit set as a percentage of the minimum wage or a percentage of the earned wage.

#### **Invalidity Benefits**

Invalidity benefit is provided when a protected person is unable to engage in a gainful employment, before standard retirement age, due to a non-occupational chronic condition resulting in disease, injury or disability. Invalidity Benefit must at least be 40% of the reference wage.

# 10/13 Fair Treatment

#### **ILO Conventions on Fair Treatment**

Convention 111 (1958) lists the discrimination grounds which are forbidden.

Convention 100 (1952) is about Equal Remuneration for Work of Equal Value.

### South Korea has ratified both Conventions 100 & 111.

#### **Equal Pay**

At workplaces equal pay for men and women for work of equal value is a must, regardless of marital status. Pay inequality based on race, colour, sex, religion, political opinion, national extraction/place of birth or social origin is also forbidden. A transparent remuneration system and the clear matching of pay and position should be in place and to help prevent wage discrimination.

### **Sexual Harassment**

Not clearly provided in ILO Conventions. However, sexual intimidation/harassment is gender discrimination.

### **Non-Discrimination**

Your employer can't discriminate against you on in any aspect of employment (appointment, promotion, training and transfer) on the basis of union membership or participation in union activities, filing of a complaint against an employer, race, colour, sex, marital status, family responsibilities, pregnancy, religion, political opinion, national extraction or social origin, temporary absence due to illness, age, trade union membership, disability/HIV-AIDS, or absence from work during maternity leave. (Conventions 111, 156, 158, 159 and 183)

#### **Equal Choice of Profession**

People have the right to work and there can't be occupational segregation on the basis of gender.

# 11/13 Minors & Youth

#### **ILO Conventions on Minors & Youth:**

Minimum Age: Convention 138 (1973)

Worst Forms of Child labour: Convention 182 (1999)

### South Korea has ratified both Conventions 138 & 182.

### **Minimum Age for Employment**

At workplaces, children may not be forced to perform work that could harm their health and hampers their physical and mental development.

All children should be able to attend school. Once this is safeguarded, there is no objection against children performing light jobs between the ages of 12 and 14. The general minimum age is 15 years however developing countries may set this at 14 years. The minimum age for hazardous work, work that is likely to jeopardize the health, safety or morals of young persons, is 18 years. It can also be set at a lower level of 16 years under certain circumstances

### **Minimum Age for Hazardous Work**

Children should not be employed in a work that is likely to harm the health, safety or morals of children. It is considered one of the worst forms of child labour. The minimum age for such hazardous work is 18 years.

# 12/13 Forced Labour

#### **ILO Conventions on Forced/Bonded labour**

Forced labour: Conventions 29 (1930)

Abolition of Forced labour: Conventions 105 (1957)

Forced labour is the work one has to perform under threat of punishment: forfeit of wages, dismissal, harassment or violence, even corporal punishment. Forced labour means violation of human rights.

South Korea has not ratified both the Conventions 29 and 105.

### **Prohibition on Forced and Compulsory labour**

Except for certain exceptions, forced or compulsory labour (exacted under the threat of punishment and for which you may not have offered voluntarily) is prohibited.

### Freedom to change jobs and Right to quit

Employers have to allow you to look for work elsewhere. If you do, you should not be shortened on wages or threatened with dismissal. (In the reverse cases, international law considers this as forced labour).

### **Inhumane Working Conditions**

If the total working hours, inclusive of overtime exceed 56 hours per week, the worker is considered to be working under inhumane working conditions.

# 13/13 Trade Union

### **ILO Conventions on Trade Union Rights**

Freedom of association and protection of the right to organize: Convention 87 (1948) Right to Organize and Collective Bargaining: Convention 98 (1949)

### South Korea has not ratified Conventions 87 & 98.

### Freedom to join and form a union

Freedom of association means freedom to join a trade union. This is part of the fundamental human rights. Employees may not be put at a disadvantage when they are active in the trade union outside working hours. The list of exclusions for sectors of economic activity and workers in an organization should be short.

### **Freedom of Collective Bargaining**

Trade unions are entitled to negotiate with employers on term of employment without hindrance. The freedom of a trade union to negotiate with employers to try and conclude collective agreements is protected. (The ILO has a special procedure for handling complaints from unions about violation of this principle).

### **Right to Strike**

Workers have the right to strike in order to defend their social and economic interests. It is incidental and corollary to the right to organize provided in ILO convention 87.

#### About Decent Work and Decent Work Check

Compare your own situation with the international labour standards and how they are applied in South Korea. At the end of the checklist you will see how things stand for you. You may be better off than what the international standards prescribe, but you should not be worse off. Behind every answer, you can find a short explanation of what your rights are; nationally and internationally. So you see right away if you can improve your situation.

The Decent Work Check makes the pretty abstract Conventions and legal texts tangible. Because, in the end, you want to know what your rights on the job mean in practice, what you may claim and what protection you are entitled to in case something unexpectedly does go wrong. The Decent Work Check employs double comparison system. It first compares national laws with international labour standards and gives a score to the national situation (happy or sad face). It allows workers to compare their real situation with national regulations in the country. Workers then compare their own score both at national and international levels. The Decent Work Check is based on de jure labour provisions, as found in the labour legislation. The real practice is informed by the employees themselves. This Check is different from other indices like World Bank's Doing Business Indicators or even ISSA's Social Security Programs throughout the World as it is not only descriptive in nature (bereft of any subjective opinions) but also that it covers a lot of different variables. The Revised Decent Work Check is also designed while taking into account upcoming Decent Work Indicators. While Decent Work Indicators focus more on statistics, our priority is informing workers about their rights through this Decent Work Check. Decent Work Check is useful both for employees and employers. It gives them knowledge, which is the first step towards any improvement. It informs employees of their rights at the workplace while simultaneously enlightening employers about their obligations. Decent Work Check is also useful for researchers, labour rights organizations conducting surveys on the situation of rights at work and general public wanting to know more about the world of work.

WageIndicator teams, around the world, have found out that workers, small employers and labour inspectors don't even know the labour law.

When you are informed - being a worker, self-employed, employee, employer, policy maker, labour inspector - there is a greater possibility that you ask for your rights (as a worker), you comply with rules (as an employer) and you strive to enforce these (as a labour inspector). As soon as you complete the DecentWorkCheck, you see which issues need improvement in your work life.

This is exactly the strategy chosen in the debates in many WageIndicator countries. In the debates with roughly 20-30 people around the table from all sides, the decent Work Check has soon the effect of a mini social dialogue. The people who run the dialogue are equally well informed.

The international labour standards are laid down in ILO-Conventions. ILO is the specialised body of the United Nations working on labour issues and was founded in 1919. In the ILO, negotiations are always going on between governments of the member states, national trade unions and employers' associations regarding work related issues like rights at work and social protection. These negotiations may take years, but eventually lead to so called Conventions or Recommendations. In Conventions, minimum standards are laid down. Conventions are not the law, but the intention is that member states subscribe to the standard in question. The proper way to do that is to have these Conventions ratified by parliament and then make national laws (Some countries may follow the system of self-executing treaties). National law can be enforced. ILO-Conventions are usually accompanied by Recommendations on how to implement the standards.

Since 1999, the ILO works according to the so called Decent Work Agenda. In the meantime, the Decent Work Agenda has been widely accepted as an important strategy to fight poverty and foster development. The Agenda has been incorporated in the Millennium Development Goals of the United Nations. In short, the idea behind Decent Work is first of all an income which allows the working individual a good life. Moreover, at work, everybody has an equal chance to develop themselves; working conditions are safe; there is no instance of child and forced/bonded labour; and discrimination does not occur. Trade unions are allowed a real say in work related matters and the state has created a social safety net for all especially for the sick, weak, elderly and expecting women.

Iftikhar Ahmad, Labour Law Specialist, and Team

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