

Employment and Labor Newsletter for Foreign invested Companies

Employment and Labor System and Policies
Revised in '23

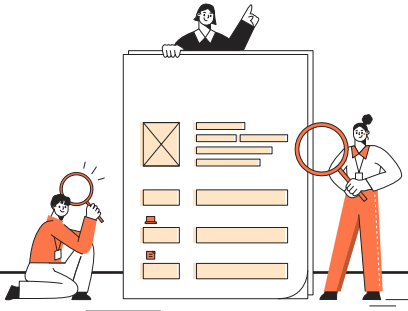
MOEL-dispatched Secretary **Cho, Seon-Yeol**
KOTRA Foreign Investment Consulting Center



- Introduction of the revised Employment and Labor System and Policies in '23 following legal reform
- ① Improvement in safety and health education for workers for better on-site effectiveness (revision of 「Safety and Health Education Regulations」, starting in March 2 ② Subsidy project for construction of rest areas, starting on February 1 ③ Registration for the 2023 Youth Tomorrow Financial Cooperative ④ Improvement in submission policy for Material Safety Data Sheet (MSDS) ⑤ Recruitment of the participating business sites for the 2023 Workplace Innovation Consulting (February 24 – August 11)

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Recent Employment and Labor Policies and Support Systems



1. Improvement in Safety and Health Education Policies for Workers

(revision in 「Safety and Health Education Regulations」 notification, starting on March 2)

The Ministry of Employment and Labor (Minister Lee, Jung-sik) announced that a revised 「Safety and Health Education Regulations」 will take effect, starting in March 2, in order to improve on certain drawbacks* of the existing safety and health education policies and enhance the effectiveness of the education.

- * ① Vagueness in the content and methods of education ② Lack of clarity in completion standards
③ Absence of revised laws, etc.

① Clarification of Education Content by Including the Potential Risks on Site

(Article 3-2 etc.)

The previous notification specified the **scenarios in which workers can recognize and respond to actual risks**, when the employers were selecting **content of safety and health education** for workers, and enabled **revision in education content** whenever **new risks are recognized** on site for effectiveness.

② Acknowledgment of Various Types of Education, Including Mobile, Virtual Real-Time Education, etc.(Article 3-2, Article 5, Article 6, etc.)

The collective type of education did not allow much freedom in selecting time and location for education. In response, as long as **certain standards** are met*, the revision will allow **remote mobile education** on personal devices and **virtual real-time education on online meeting platforms** (e.g. Zoom, Webex, etc.).

③ Expansion of Education Waiver for Safety and Health Officials(Article 9)

The previous policies required the safety and health officials such as **safety and health managers** to **complete safety and health education aside from job training**, which was criticized for their ineffectiveness.

The revised policies allow the **safety and health officials** to **complete job training** (Article 9 Paragraph 7) or **provide safety and health education for workers** (Article 9 Paragraph 8) to be **excused** from the regular safety and health education for workers.

In addition, workers who received **on-site review or education** that the **Korea Occupational Safety and Health Agency** provides, along with accident prevention activities and instructions, may be **regarded as having completed regular education** (Article 9 Paragraph 13) so that workers can learn about the **on-site risks** identified Korea Occupational Safety and Health Agency and **safe ways to work**.



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④ Expansion of Qualification Standards for Safety and Health Instructors

Until now, companies **relied on external experts** because only those who have been qualified, such as supervisors and safety and health officials, were able to provide safety and health education on business sites.

The revised notification added those who have a background in safety and health, such as **business owners, directors in charge of safety and health**, and members of the company's safety and health organization to the list of potential safety and health instructors. As a result, awareness and attention on safety may be reinforced, for **people who are directly responsible for safety management** can now provide education themselves.

<Additional Qualification Standards for Safety and Health Instructors for Workers, etc.>

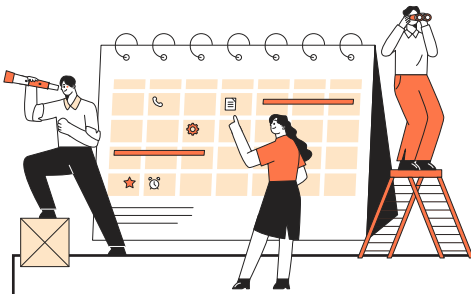
- ① Business owner, representative of a corporation, CEO, and director in charge of safety and health
- ② As someone who are part of a designated organization that oversees and manages safety and health tasks, the instructors must have a work experience in safety and health, according to the Article 4 Subparagraph 2 of the 「Enforcement Decree Of The Framework Act On Small And Medium Enterprises」. In this case, the organization can provide education for all business sites that oversees and manages tasks related to safety and health.

⑤ Revision of Technical Standards and Reinforcement of Assessment Standards of Online Education

Previously, among regulations for **online education, technical standards** that had nothing to do with the education **were overstated**, while **assessment standards** and **completion standards** were **arbitrarily set up** by the business site, which **undermined the effectiveness** of online education.

In response, the revision focused on reinforcing the effectiveness of online education by **significantly streamlining the technical standards** for computing system and **strengthening education and assessment standards**.

In particular, the assessment methods were subdivided into **learning assessment, assignment evaluation, and progress evaluation**, designating learning assessment and progress evaluation as default items and assignment evaluation as optional, so that the **effects of safety and health education can be precisely measured**. However, **considering the preparatory period**, these standards will **come into effect starting on January 1, 2024**.



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<Comparison Between Before and After the Revision of Online Education Standards>

	Before Revision	After Revision
Technical Standards	Detailed technical standards for computing system, such as equipment of uninterruptible power supply, internet cable over 100M, etc.	Eliminated detailed technical standards and streamlined to ^① network, ^② firewall, and ^③ website
Assessment Criteria	Autonomy in establishing assessment methods, completion standards, etc.	<ul style="list-style-type: none"> ① The assessment methods were subdivided into learning assessment, assignment evaluation, and progress evaluation; learning assessment and progress evaluation are default items while assignment evaluation is optional. ② Learning assessment are done by subject and is limited to three chances. However, three chances to take the exam are granted when the student is re-taking the course. ③ Set the qualification standard for completion at 70% (e.g. more than 70 points out of 100 points scored)

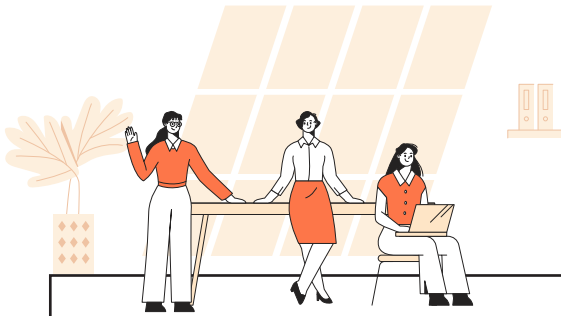
⑥ Abolition of Pre-Approval System When Establishing Job Training Courses and Others (Article 18)

In addition, the existing pre-approval system when **establishing or abolishing job training courses** for safety and health officials was **replaced by a declaration system**, which enhanced the educational institutions' freedom in operating the curriculum.

The Ministry of Employment and Labor will publish and distribute the 「**Safety and Health Education Guide**」 that includes detailed explanation on safety and health education for workers and job training for safety and health officials and major questions and answers by incorporating the newly revised Safety and Health Education Regulations (Ministry of Employment and Labor Notification No. 2023-10). The revised notification and education guide are available for download at the Ministry of Employment and Labor's homepage (<http://www.moel.go.kr>).

* ▲ Notification: Ministry of Employment and Labor's website (<http://www.moel.go.kr>)-Resources-Laws

▲ Education Guide: Ministry of Employment and Labor's website (<http://www.moel.go.kr>)-Policy-Policy Archive



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2. Subsidy Project for Construction of Rest Areas Starting on February 1

The Ministry of Employment and Labor and Korea Occupational Safety and Health Agency will begin **providing subsidy for the construction of rest areas** to improve the rest environment of small-sized business sites, **starting on February 1**.

(Subjects) ① Businesses with occupational health and safety insurance and less than 50 employees ② Business owners with “average sales and other indicators of a small business” according to the Framework Act on Small and Medium Enterprises ※ Except for the construction industry

(Support Fund) Maximum of KRW 30 Million per rest area and maximum of KRW 100 Million for common rest area, etc.

(Support Items) Rest areas and equipment-facilities in them

(Contact) Industrial Health Office, Korea Occupational Safety and Health Agency (+82-52-703-0648)

The project to subsidize the construction of rest areas was launched this year as all business sites must rest areas, starting in August 18 last year, according to Paragraph 2 of Article 128 from the Occupational Health and Safety Act.

3. Launch of the 2023 Youth Tomorrow Financial Cooperative Business (Starting on March 2)

Overview

This project aims to resolve the mismatch in manpower among SMEs and provide the youths with a reserve fund raised by the youths, companies, and government so that newly employed youths can start building their career by working at SMEs for more than two years.

Subjects

Newly employed youths* and SMEs hiring not less than 5 and less than 50 employees**

* Employees with subscription history for employment insurance for less than 12 months; however, employees' subscription history while enrolled in school or for less than 3 months is excluded from calculation.

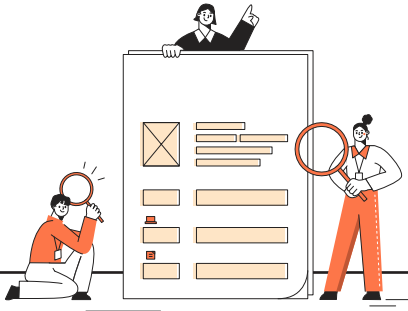
** Limited to companies in the manufacturing and construction industries.

Support Level (2 Years)

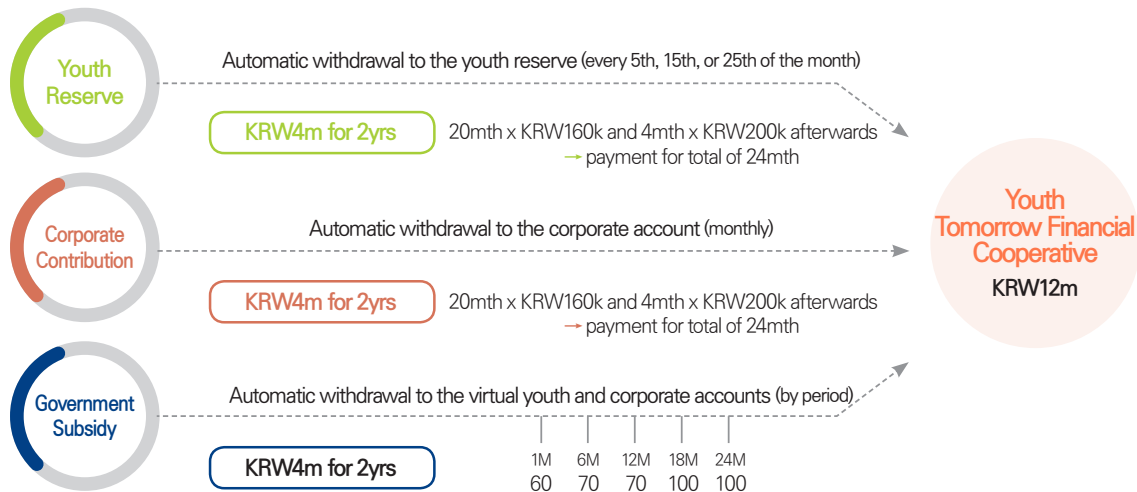
Mature Reserves	Youth Reserves	Corporate Share	Government Subsidy
KRW 12 Million	KRW 4 Million	KRW 4 Million	KRW 4 Million

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[Accrual Structure of the Youth Tomorrow Financial Cooperative]



Registration

The youths and companies may register on the **Youth Tomorrow Financial Cooperative Website** (www.work.go.kr/youngtomorrow).

4. Improvement in the Submission Policies of the Material Safety Data Sheet (MSDS)

The Ministry of Employment and Labor has announced that, starting in February 15, 2023, it will allow both entrusting and entrusted bodies to draft and submit the Material Safety Data Sheet (MSDS) and apply for a confidential screening for Original Equipment Manufacturing (OEM).

Previously, when producing chemicals under OEM, only the trustees who manufacture the products themselves were allowed to draft and submit the MSDS and apply for a confidential screening, even though the entrustors are in charge of planning and developing the chemicals.

Consequently, entrustors had to draft and submit the MSDS through trustees and inevitably had to disclose business secrets such as the product's ingredients in the process. As a result, whenever entrustors refused to disclose such business secrets, trustees could not submit the MSDS as well.

In response, the Ministry of Employment and Labor revised the 「Standards for Classification and Labeling of Chemical Substances and Material Safety Data Sheets」 and decided to allow entrustors to draft and submit the MSDS and apply for a confidential screening for OEM.



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5. Recruitment of Businesses Applying for the 2023 Workplace Innovation Consulting

The Korea Labor and Employment Service will accept applications from companies to participate in the 「2023 Workplace Innovation Consulting Support Project」 for improving the quality of work life and building a better workplace by changing the companies' "work" and "the way of working" under the cooperation of labor and management.

(Application Period) Friday, February 24, 2023 - Friday, August 11, 2023

Category	Wage System Establishment Package	General Consulting, Comprehensive Package Type, Implementation Consulting, Consortium Type, Labor Conversion				
		2nd	3rd	4th	5th	6th
Application Schedule	February 24 – April 10	February 24 – March 24	March 25 – April 27	April 28 – June 2	June 3 – July 10	July 11 – August 11
Announcement	May 12	April 25	May 31	July 6	August 8	September 13
Remark	Though there is no limitation to the number of desired areas for application, the number will be limited to up to 3 areas if more than 4 desired areas have been requested.			Consultation on up to 2 areas		Consultation on up to one area

* The first round of applications has been closed, and the second round will open in 2023.

(Eligibility) Businesses that have subscribed to and paid for employment insurance.

(Support Fund) Free of charge

* Separate out-of-pocket cost may occur for business with hiring 1,000 or more full-time employees.

(Support Areas) Improvement in the wage and evaluation systems, establishment of a safe workplace, etc.

(Support Method) Expert consultants from the executing organization will visit the company and provide consultation.

(Registration) Sign up at the Korea Labor and Employment Service webpage (www.nosa.or.kr) and click the 「Business Registration」 button after logging in.

(Contact) Workplace Improvement Team, Korea Labor and Employment Service (02-6021-1187, 1027)