

Workers and Job Seekers Skills Development Policy in Korea



HRD Korea Cambodia EPS Center
Ministry of Employment and Labor
Republic of Korea



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I.N.D.E.X

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Introduction of
HRD KOREA

HRD Korea

The central organization to support the development, evaluation, and utilization of human resources.

Major Functions of HRDKorea

Since its establishment, HRDKorea has recognized the importance of having a competence based and highly skilled society.

Vocational Competence Development

Vocational Competence Assessment

Supporting Foreign Workforce Employment

Helping Overseas Employment of Korean Youths

Skilled Crafts Encouragement

HRD Korea

History

- 1981.12. Promulgation of law of Korea Vocational Training Management Corporation
- 1982.03. Established Korea Vocational Training Management
- 1989.07. Established Korea University of Technology and Education
- 1994.04. Transferred 8 Joint Vocational Training Institutes to the Korea Chamber of Commerce and Industry (KCCI)
- 2001.01. Acquired Central Employment Information Service
- 2006.03. Transferred 23 Vocational Technical Colleges to Korea Polytechnics
- 2008.01. Established an institution for national qualification tests and integrated other qualification tests
- 2010.01. Established of Work-TV
- 2013.03. Established GIFTS for skills transferring and international cooperation
- 2015.01. Newly established Qualification Innovation Bureau, Work-Learning Support Bureau, and Support Bureau for Regional Council and Industry Skills Council

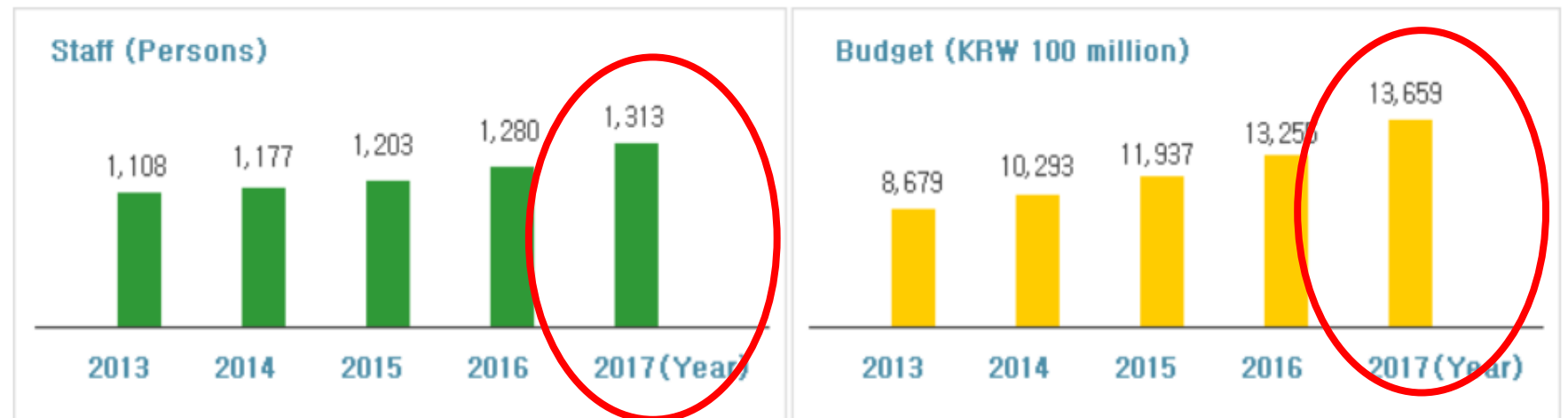
HRD Korea

HRD Korea at a Glance

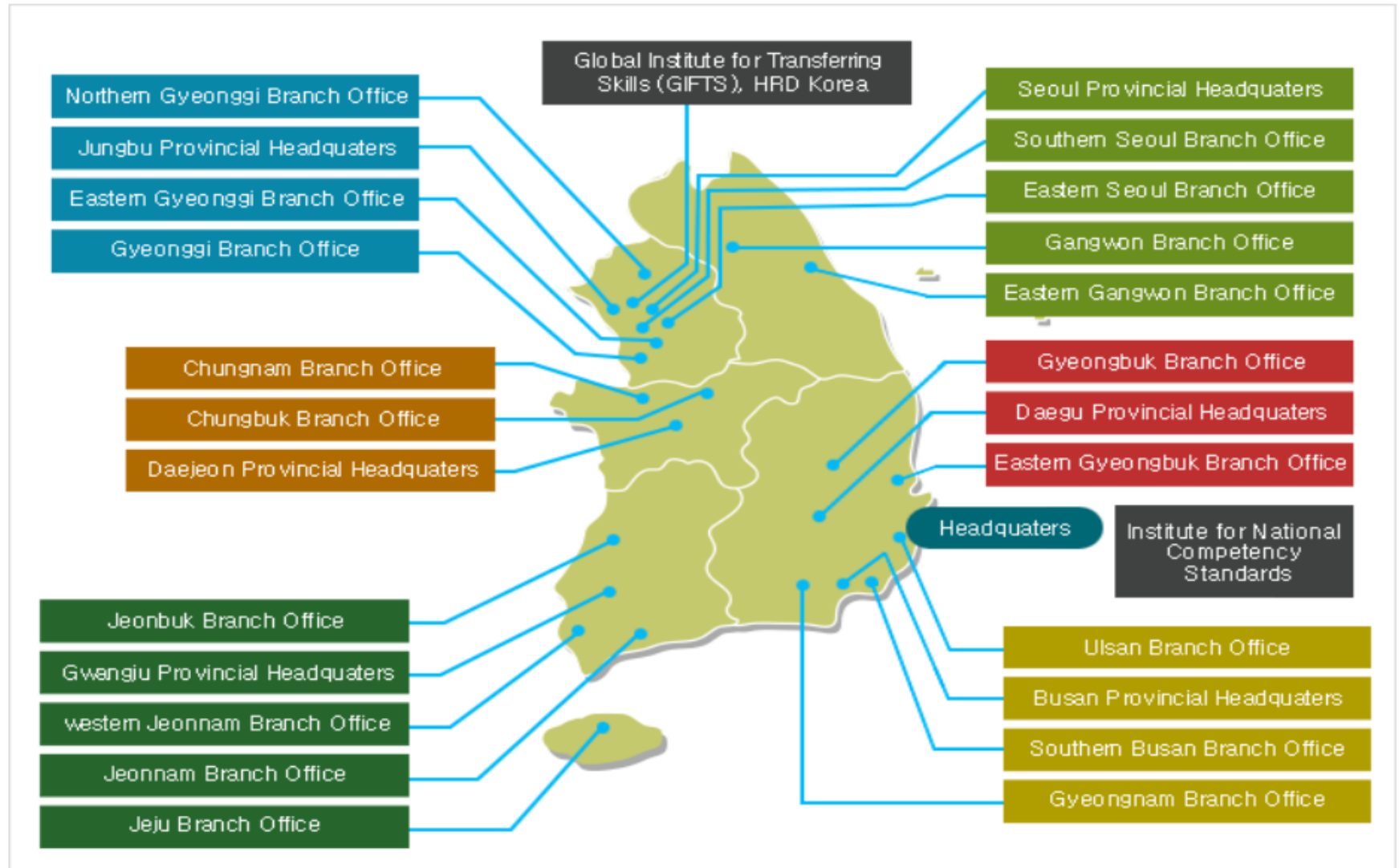
☑ Mission and Vision

Mission	Vision
Achieving a competency-based society through development, assessment and utilization of human resources	Becoming a central supporting organization encouraging development, assessment and utilization of human resource to raise the value of people and workplace

☑ Staff and Budget



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What is EPS?



What is EPS?

Employment Permit System(EPS)

EPS is a policy that allows small and medium-sized enterprises lack of workers to hire an adequate number of foreign workers.

Government to Government (G2G) system

Legitimate employment in South Korea

No discrimination, equal protection as domestic workers



Sending Countries	16 countries
Permitted Sectors	Manufacturing, Construction, Agriculture & Livestock, Fishery, Service
Labor Quota	Determined based on economic conditions, labor market developments, overstay rate
Number of Workers Permitted	5 foreign workers for 1~10 local workers 10 foreign workers for 11~50 local workers
Employment Period	3 years(maximum 4 years and 10 months)

What is EPS?

Background

- ❑ **Dec. 1993 : Industrial Trainee System(ITS) was implemented** (Trainee status).
 - ➡ **Issues surfaced : 1.Labor market distortion 2.Violation of migrant workers' human rights 3. Irregularities in the sending process**
- ❑ **August. 2004 : Employment Permit System for Unprofessional workers was implemented.**
- * **Jan.1, 2007 : ITS was abolished and unified into the EPS.**

What is EPS?

Key advantages of EPS

- According to the demand of Korean SMEs, the number of immigrant workers will be adjusted flexibly every year to prevent damage to the Korean labor market.
- 한국 중소기업의 인력 수요에 따라 외국인 노동자의 입국인원을 매년 탄력적으로 조정하여 결정하여 한국인 노동시장 피해를 방지한다.

What is EPS?

Key advantages of EPS

- Preventing workers' injuries by negative broker intervention in the process of sending foreign workers to Korea, Managing all process directly by the government to government.
- 외국인노동자의 한국으로 송출과정에서 브로커 부정적인 개입을 차단하고 정부가 직접 관리함으로써 노동자의 피해를 예방함

What is EPS?

Key advantages of EPS

- To ensure the basic human rights of foreign workers, they are protected by labor-related laws on an equal basis with Korean workers.
- 외국인 근로자의 기본적 인권을 보장하기 위하여 한국인 근로자와 동등하게 노동 관련 법령으로 보호한다.

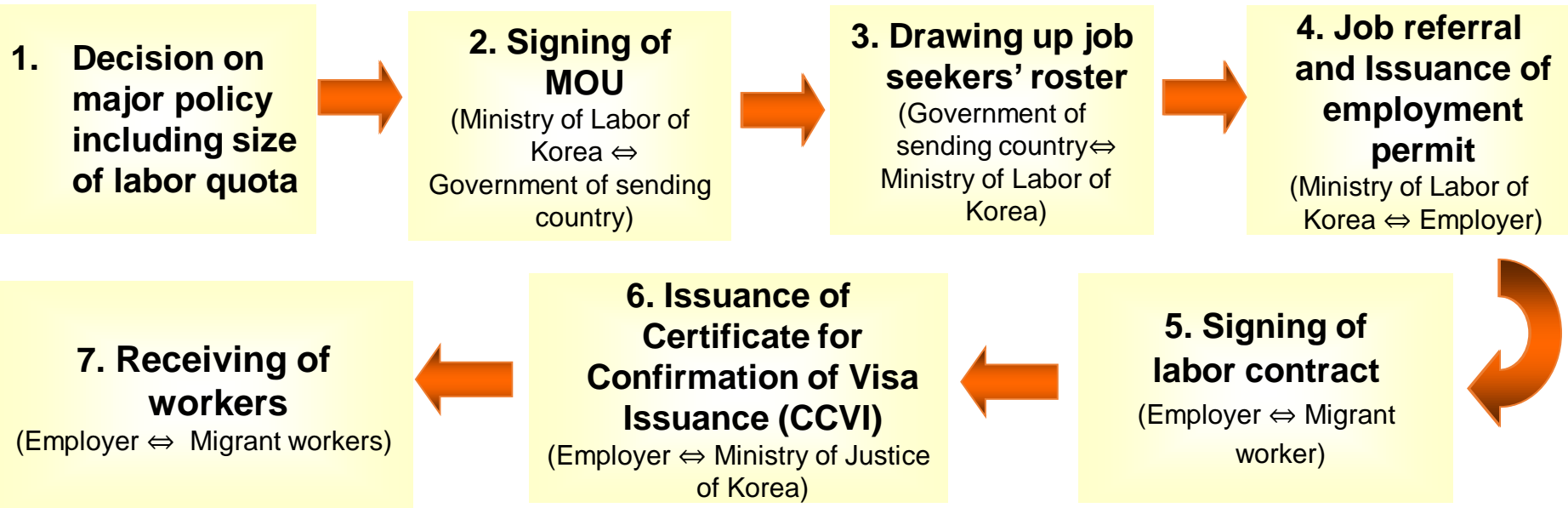
What is EPS?

Current Situation

- ❑ **Sending countries : MOU was signed with the sixteen countries***
 - * Vietnam, the Philippines, Thailand, Indonesia, Mongolia, Sri Lanka, Uzbekistan, Pakistan, Nepal, **Cambodia**, Bangladesh, Kyrgyzstan, Myanmar, China, Timor-Leste, Laos

- ❑ **Total number of migrant workers received under the EPS from 2004 to 2019 : **738,815 persons****
 - * **Cambodia : 72,976 persons**

What is EPS? – Process



What is Skills?



What is `Skills?`

Skills

- **An ability** to do an activity or job well, especially because you have practised it (Cambridge Dictionary)
- **An ability** to do something well, especially because you have learned and practised it (Longman Dictionary)`

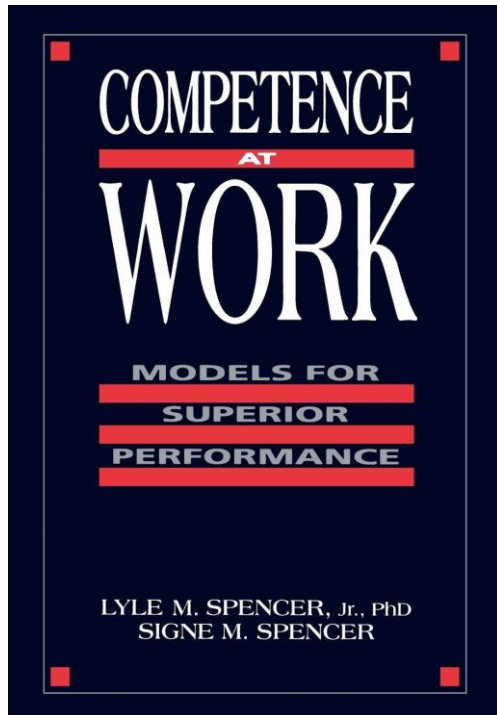
What is `Skills?`

Competency

- Skills + Knowledge + Attitudes = Competency
- Think of skills as one of three Elements that make up a competency.

What is `Skills?`

Competency



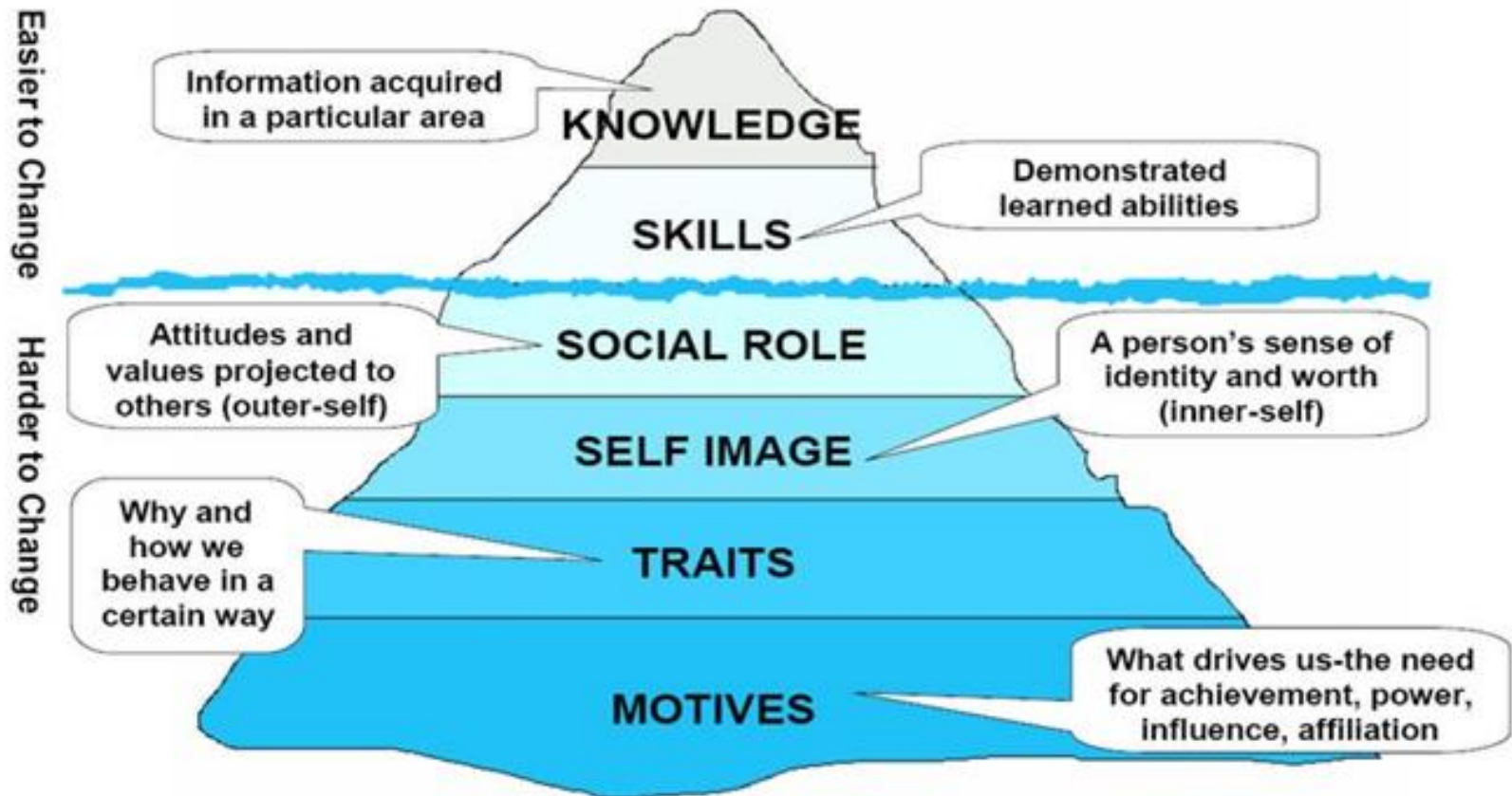
“A **competency** is an underlying **characteristic** of an individual that is causally related to criterion-referenced effective and/or **superior performance in a job** or situation”

- Lyle M. Spencer, Jr. and Signe M. Spence(1993)

What is `Skills`?

Competency

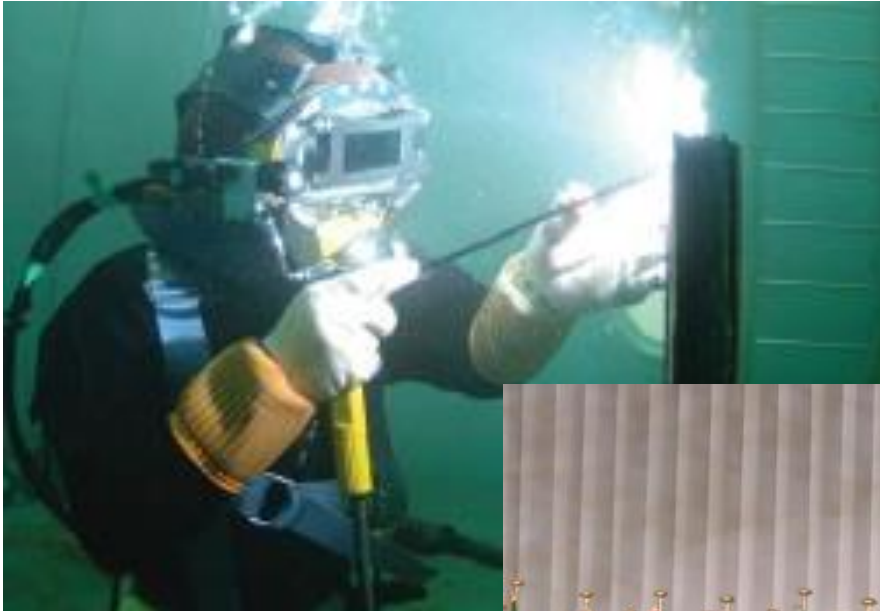
ICEBERG MODEL OF COMPETENCIES



Skills Development Policy in Korea

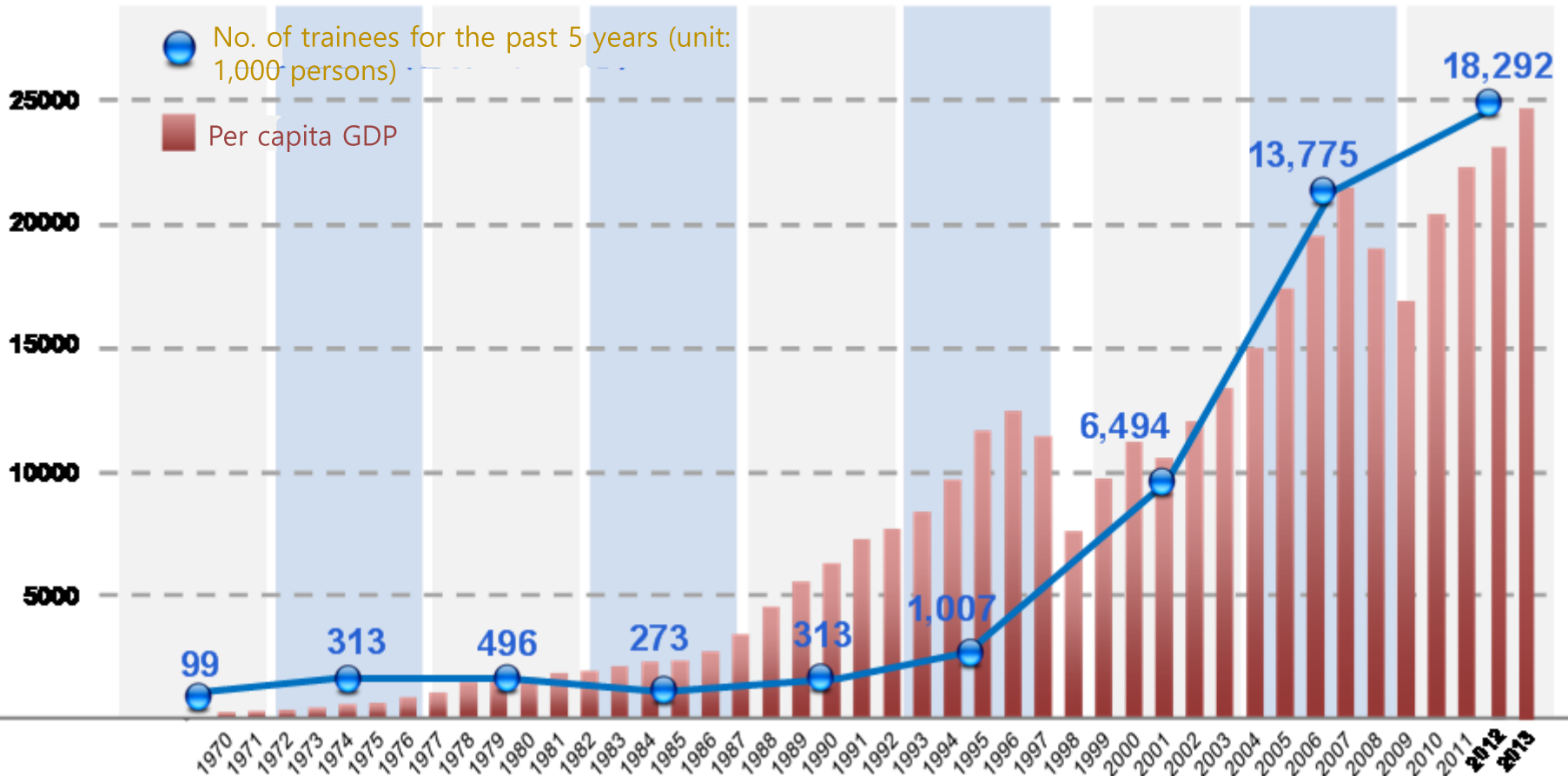


Skills Development Policy



Skills Development Policy - Overview

- ❖ Vocational training that drove 'The Miracle on the Han River'
- ❖ Key to rapid economic development is human resources development



Skills Development Policy - Overview

- With the enactment of the **Vocational Training act** in 1967, Korea's vocational training policy was formally introduced.
- 1967년 직업훈련법이 제정되면서 한국의 직업 훈련 정책이 공식적으로 소개되었다.
- The framework of the vocational training policy was established with the enactment and enforcement of the **Basic Vocational Training Act** in 1976 which **obliges employers to provide vocational training for their employees.**
- 직업훈련 정책의 틀은 1976년 직업훈련 기본법 제정 및 시행으로 확립되었으며, 고용주는 직원들에게 직업훈련을 의무적으로 제공해야 했다.
- The main purpose of this obligatory vocational training was **to provide the industry with skilled workforce.**
- 이 의무적인 직업 훈련의 주요 목적은 업계에 숙련 된 인력을 제공하는 것이었다.

Skills Development Policy - Overview

- By training youths who do not go to higher education to become technicians in key industrial fields, the training system greatly contributed to Korea's economic development.
- 고등교육을 받지 않는 청소년들을 훈련시켜 주요 산업 분야의 기술자가 되었고, 훈련 시스템은 한국의 경제 발전에 크게 기여했다.
- Along with the introduction of the Employment Insurance system in 1995, a growing need to cope with the rapid change in industrial structure, highlighted the importance of upgrade training and retraining for job transfer for those who are already in employment.
- 1995년 고용보험제도가 도입됨에 따라 산업 구조의 급격한 변화에 대응해야 할 필요성이 커지면서 이미 고용중인 사람들을 위한 업그레이드 교육과 직업 이전을 위한 재교육의 중요성이 강조되었다.
- Thus, it was necessary to shift the focus of vocational training from more technicians to life-long vocational competency development .
- 따라서 직업 훈련의 초점을 더 많은 기술자에서 평생 직업 능력 개발로 전환해야했다.

Skills Development Policy - Overview

- To that end, the government enacted the **Vocational Training Promotion Act** in January 1999, which replaced the **Basic Vocational Training Act**.
- 이를 위해 정부는 1999년 1월 직업 훈련 촉진법을 제정하여 기존 직업훈련법을 대체했다.
- With the new law in place, the **obligatory vocational training system was abolished** and an **integrated program of skills development** has been in force under the **Employment Insurance system**.
- 새로운 법률이 시행되면서 의무 직업 훈련 시스템이 폐지되었고 고용 보험 시스템 하에서 통합 기술 개발 프로그램이 시행되고 있다.
- In responses to the shift towards a knowledge-based economy and lifetime learning society, **workers have to develop their job skills throughout their life**.
- 지식 기반 경제 및 평생 학습 사회로의 전환에 대응하여 근로자는 평생 직업 기술을 개발해야 한다.

Skills Development Policy - Overview

- Recognizing this need, the government totally amended the existing Vocational Training Promotion Act on December 31, 2004.
- 이러한 필요성을 인식하여 정부는 2004년 12월 31일 기존의 직업훈련촉진법을 완전히 개정했다.
- The Act was renamed Workers Vocational Skills Development Act to the purpose of the amendment.
- 이 법은 개정된 목적으로 근로자 직업 기술 개발법으로 개명되었습니다.
- Under the revised Act, the Initiative of Innovations for Vocational Competency Development of April, 2005 and the Initiative of Innovations for Life-long Vocational Competency Development of May, 2006 have been actively implemented.
- 개정된 법에 따라, 2005년 4월 직업능력개발혁신 계획과 2006년 5월 평생직업능력개발 혁신 계획이 적극적으로 시행되었다.

Skills Development Policy - Structure

A. Ministry of Employment and Labor

- The Ministry of Employment and Labor is **responsible for establishing and administering overall policies** on vocational training, such as making and revising laws and regulations on vocational training; designating and managing training facilities; certifying and designating training courses; and subsidizing training costs and providing training allowances.
- 고용노동부는 직업 훈련에 관한 법률 및 규정의 제정 및 개정과 같은 직업 훈련에 관한 전반적인 정책을 수립하고 관리 할 책임이 있다. 훈련 시설의 지정 및 관리; 훈련 과정의 인증 및 지정; 훈련 비용 보조 및 훈련 수당 제공.
- The Ministry also **develops a range of policy measures** to expand training infrastructure, evaluate training institutions, operate public training institutions and foster private training market.
- 고용부는 또한 교육 인프라를 확장하고 교육 기관을 평가하며 공공 교육 기관을 운영하며 민간 교육 시장을 육성하기위한 다양한 정책 조치를 개발합니다.

Skills Development Policy - Structure

B. Vocational training providers

- Vocational training providers **conduct government-entrusted training for the Job Seekers**; training for priority sectors (e.g. basic industries such as manufacturing); and employer-entrusted employee training.
- 직업훈련 제공 기관은 실업자에 대해 정부가 승인한 훈련을 실시한다.
우선선정직종 교육(제조업), 위탁교육 등
- They receive **government subsidies** for the government-entrusted training courses.
- 정부가 승인 한 교육 과정에 대한 정부 보조금을 받는다.

Skills Development Policy - Structure

C. Employers and trainees

- Employers offer their employees **training opportunities and receive government subsidies** for the training provided.
- 고용주는 직원들에게 교육기회를 제공하고 제공된 교육에 대한 정부보조금 수령
- Meanwhile, trainees, including the Job Seekers, are **qualified for training allowance** if they take vocational training after they have registered themselves as **job applicants and received vocational counselling**.
- 한편, 실직자를 포함한 훈련생은 직업 지원자로 등록하고 직업 상담을 받은 후 직업 훈련을 받는 경우 훈련 수당을 받을 자격이 있다

Skills Development Policy - Providers

Type		Specific Character
Public training providers	Public organizations	<ul style="list-style-type: none">• Public organization designated by laws operate training institutions<ul style="list-style-type: none">- Korea Polytech University (40); Korea University of Technology and Education (1); Korea Employment Promotion Agency for the Disabled (1); Korea Chamber of Commerce and Industry (8)
	Local governments	<ul style="list-style-type: none">• Local governments directly operate training institutions<ul style="list-style-type: none">- 5 in Seoul, Gyeonggi-do etc.: training for such occupations favored by local residents
	Government agencies	<ul style="list-style-type: none">• Central Government agencies operate training institutions<ul style="list-style-type: none">- Ministry of Justice is running 36 training institutions to develop job skills of inmates.

Skills Development Policy - **Providers**

Type		Specific Character
Private training providers	Training corporations	<ul style="list-style-type: none">• Training facilities which are run by non-profit corporations under the Labor Minister's permit for the purpose of the skills development program
	Women Resources Development Center	<ul style="list-style-type: none">• Established and run for women's vocational competency development, in accordance with the Framework Act on Women's Development
	Providers designated by Labor Ministry	<ul style="list-style-type: none">• Colleges/universities (including junior colleges), employers (employer organizations) or individual persons that have met certain requirements
	Providers not designated by Labor Ministry	<ul style="list-style-type: none">• Employers, employer organizations and schools and individuals under the Higher Education Act which are not designated as skills development training providers, but provide their recognized or designated curricula for vocational competency development training

Skills Development Policy - Providers

Institutions	Characteristics
Korea Polytechnic University	<ul style="list-style-type: none">• Build-up mid-level skilled workforce such as technicians(6-month~1-year) and multi-skilled technicians (2-year)• Colleges, campuses and 4 specialized colleges in 7 regions (40)
Korea University of Technology and Education	<ul style="list-style-type: none">• Build up vocational trainers with theoretical and practical expertises (4-year course)
Vocational Education & Training Centers under KOCI	<ul style="list-style-type: none">• Train youths who do not go to higher education to become skilled workforce for sectors suffering labor shortage• 8 Centers across the nation

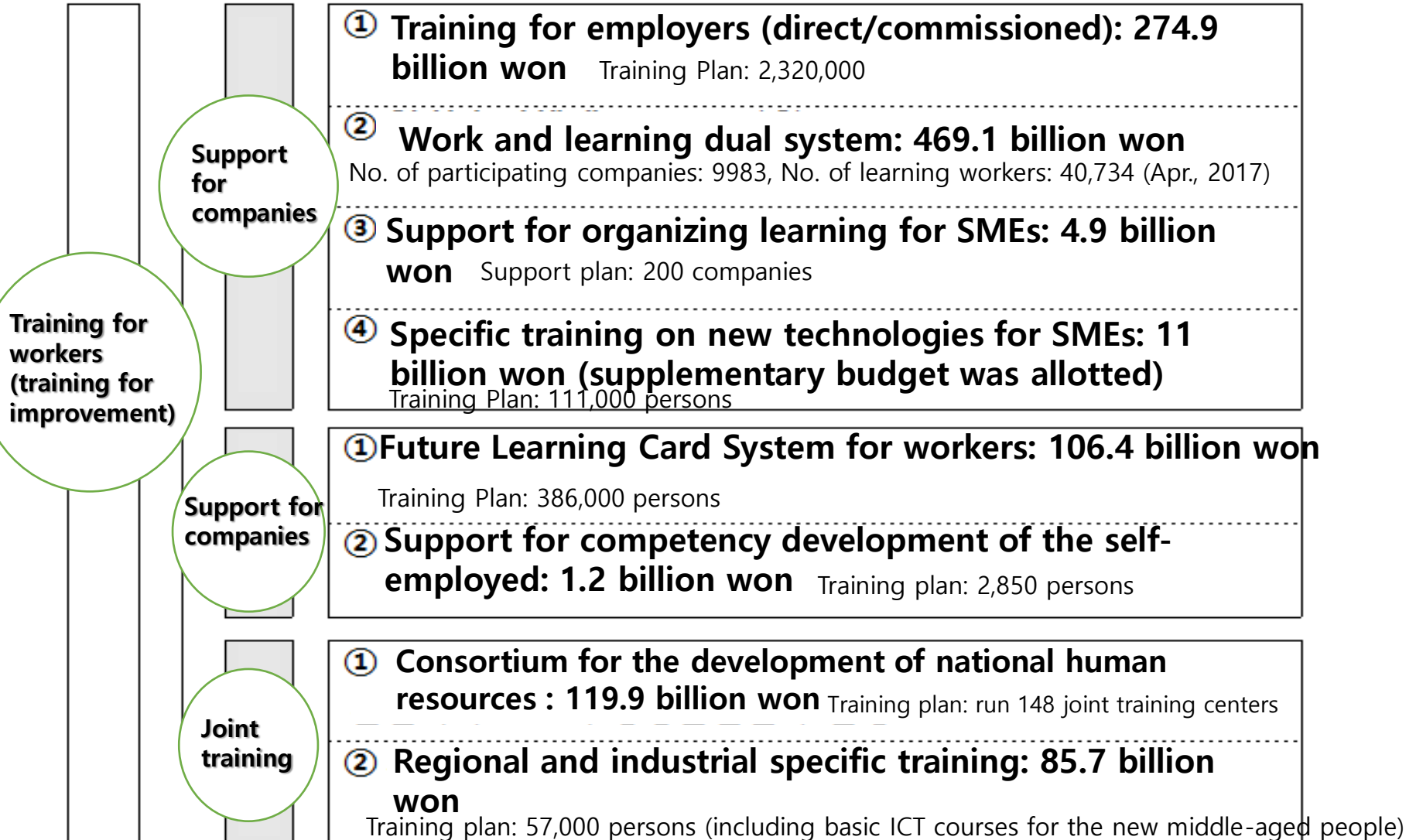
Skills Development Policy - Contents

✓ Training for job-seekers



Skills Development Policy - Contents

✓ Training for workers



Skills Development Contents for **Foreign Workers**



Skills Development Policy-**Foreign Workers**



Skills Development Policy-**Foreign Workers**

Vocational Competency Development Training (2010 ~)

- **Foreign workers in Korea** under the employment permit system
- Enhancement of job ability and workplace adaptability
- Up to 22 occupations including welding and machine cutting
- Total trainees : **28, 135 persons**
- Total budget : **6.9 Million US \$** (by Government)

Skills Development Policy-**Foreign Workers**

Skills and Start a business Training for Returned Foreign Workers (2010~)

- Foreign workers **who have been working in Korea for more than 3 years**
- Enhancement of **Skills and Start a business ability** for re-employment or start a business when they go back to their countries.
- Up to 10 occupations including computer repair, hairdressing, and bakery
- Total trainees : **32,978 persons**
- Total budget: **8.5 Million US \$` (by Government)**

Skills Development Policy-**Foreign Workers**

Foreign Workers Support Center Training

- For foreign workers in Korea under the employment permit system
- **Korean Language, Living Law, Korean Culture Education**
- Regular training at 34 foreign worker centers in Korea
- **Free**

Suggestions



How Improve productivity

Main Challenges in Skill Development for Immigrant Workers

- A lack of training opportunities
- Difficulty in accessing decent jobs
- Under-utilization of skills

(ILO, Policy Brief, 2017)

How Improve productivity

Suggestions

1. Need more **vocational training opportunities** for Return-workers.
 - Korea and Cambodia have very different economic and employment conditions.
 - Vocational training programs will help returning workers improve their Competency` to adapt to the Cambodian work environment.

How Improve productivity

Suggestions

2. Need for more **employment information support** for Return-workers.

- Cambodia can get productivity gains at the workplace through return-works after return-workers get a job.
- If EPS Center and NEA work together, it is possible to effective employment information support for return-workers efficiency.

How Improve productivity

Suggestions

3. Need **Skills partnership** to improve productivity between return-workers and non return-workers at workplaces.
 - Learning Activities in the Workplace by Return-Workers.
 - On the Job Training, Mentoring, Coaching

*Better Skills,
Better World.*



HRD Korea



Thank you.

