

Minister hears experts to ensure shorter working hours and change of the minimum wage system

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Employment and Labor Minister Kim Young-joo convened on June 15th (Fri.) the Policy Advisory Committee meeting composed of experts in labor law, labor economics and industrial relations. The participants shared their views on the government measures to ensure a 52-hour work week and the changed minimum wage system.

Minister Kim pointed out at the meeting, “Regarding the working time reduction and the change in the scope of payments that should count as the minimum wage, the government has so far carried out various activities to inform people of the purposes and details of those institutional improvements and grasp workplaces’ actual situations and difficulties. However, some concerns among workplaces still remain unresolved, and voices of criticism are being heard from the media as well as workers and employers.” The Minister also said, “The bill to reduce working hours was made into law after long discussions, to address the problem of Koreans working the longest hours in the world.”

She went on to say, “Many of the companies with more than 300 employees, for which the maximum weekly working hours of 52 will take effect from July this year, seem to be prepared for the change. But there are some companies that are less-prepared or have difficulties in the preparation, for which the government will spare no effort to provide necessary support.”

Meanwhile, as regards the change in the scope of payments that should count as the minimum wage, the Minister said, “The Minimum Wage Act was amended to reform the absurd system in which possible violation of the Act can take place in the case of high wage earners or benefits of the minimum wage hikes may only be given to them. This amendment is simply to put in place a safeguard for low-wage workers by requiring only regular bonuses and fringe benefits in excess of a certain percentage of the monthly minimum wage to be included in the calculation of the minimum wage.” She added, “The government will come up with compensatory measures for workers who, though few in number, might see a decrease in the effect of the higher minimum wage as a result of the amendment.”

Minister Kim emphasized, “Now is the time to examine follow-up actions to those institutional improvements and join forces to facilitate their soft landing in workplaces.” She asked the members of the Advisory Committee to express their opinions in an outspoken manner if there is any point that the government fails to consider or they disagree on, and to act as a bridge between workers, employers, the general public and the government.