

AICESIS Board Meeting and Workshop

March 2~3, 2017, Luxembourg

**Assessment on Economic and Social
Impacts by works of the ESDC of Korea**

3 March 2017

SHIN, Young-chul, Acting-Chairman
Economic and Social Development Commission
Republic of Korea

Thank you,/ Mr. Chairman and Secretary General,
Madam. Pascale TOUSSING, President of the Economic and
Social Council of Luxembourg,
And other distinguished Member Councils of the Board,

Assessment on works of the ESDC of Korea

Since its set-up in 1998,/ the ESDC of Korea has reached 167
tripartite Agreements so far.

It is widely known that,/ its ensuring the full implementation of
the Agreements has contributed to the Korean economic and
social development/ by bailing out economic crises, improving
industrial relations and increasing the effectiveness of the labor
market/ and creating more jobs and improving the workers' life
better as well.

In particular,/ the ESDC of Korea reached the Social Pact to
overcome the economic crisis in 1998. The full implementation
of the Social Pact contributed to reforming the financial, public,
corporate and labor sector as well,/ and tiding over the national
crisis under the IMF bailout packages.

Another full implementation of the Social Pact by Labor,
Management, Civic groups and the Government to Overcome
Economic Crisis in 2009,/ also contributed to the fact that/
Korea was able to achieve economic recovery faster than other
OECD member countries.

The OECD Economic Outlook also mentioned/ Korea as one of
the strongest countries in terms of economic recovery from 2008
global financial crisis with a 5.8% of growth in 2010,/ which
was the 2nd highest following Turkey with a 6.8%.

In addition,/ most of Korean people share the understanding that/ the tripartite Agreement to Reduce the working hours in 2000 paved way for introducing the five-day work week system by reducing the statutory working hours to 40 hours per week.

We do believe that/ the Social Pact on the Structural Reforms of the Labor Market in 2015 has been recognized to produce a blueprint for a new take-off/ toward sustainable economic and social development.

The Committee for Coordination of Agenda at the ESDC of Korea selects the discussion agenda through mediation among the tripartite members. The selected agenda mainly includes pressing issues/ such as working hours, wage system, labor market and youth employment etc.

The Committees by Agenda and Industry under the Standing Committee of the ESDC of Korea/ are responsible for drafting the Agreements through extensive discussions and consultations. The Standing Committee reviews and coordinates the drafted Agreements,/ and the Plenary Committee makes final Agreements.

The Government draws up labor bills based on the tripartite Agreements concluded at the ESDC/ and submits them to the National Assembly. The National Assembly, in adopting labor laws,/ gives the greatest possible respect to the bills built upon the tripartite Agreements.

The ESDC of Korea sends specified agreements on policies, culture and practices to each tripartite organization,/ in apparent attempts to encourage each organization to faithfully implement the agreements.

Implementation of Agreements by the ESDC of Korea

Mr. Chairman and Ladies and gentlemen,

We are recognizing that/ ensuring the full implementation of the Agreements is much more important than the Agreements themselves. So that/ the ESDC of Korea has faithfully implemented the Agreements,/ in order to give more respect to meanings of the Agreements built upon the mutual trust and compromise.

The ESDC has set up the Implementation Assessment Committee under the Standing Committee,/ in order to assess the implementation of the Agreements. This Committee is composed of no more than seven members including the chairperson,/ and these members shall be appointed by the ESDC Chairperson from among the public interest members of the Standing Committee/ and the Committee by Agenda or Industry concerned.

If necessary,/ a person representing a workers' organization, an employers' organization or the government may turn up at a meeting of this Committee/ and express opinions on behalf of his or her organization.

The Implementation Assessment Committee is checking and monitoring the Agreements' implementation progress made by the tripartite members,/ and the Committee reports the monitoring results to the Standing Committee,/ on a quarterly basis.

With regard to the Agreements/ which have a particularly great effect on economic and social development,/ including the Tripartite Agreement on Structural Reforms of the Labor Market,/ the ESDC of Korea and the tripartite members have set up and operated a separate committee to invite more increase of implementation.

Since its set-up in 1998,/ the ESDC of Korea has organized around seventy Sessions of the Implementation Assessment Committee,/ and it has completed implementation for 133 agreements among a total of 167 agreements. The rests are under implementation.

The ESDC of Korea has been going all-out efforts to bring more implementation of Agreements through the implementation assessment system for last 20 years. Nonetheless,/ it has been found that/ we need to improve the existing implementation assessment system in some parts.

The ESDC of Korea encourages the tripartite members/ to monitor implementation of the respective agreements for themselves. Unfortunately, however/ the tripartite members who are main actors of implementation/ do not often submit their implementation results to the ESDC of Korea. This is mainly due to the fact that/ we do lack of clarifying functions and procedures for the self-monitoring by the implementation actors.

To end this,/ the ESDC of Korea will make efforts to bring efficiencies for procedures and functions of the Implementation Assessment Committee,/ in order to ensure more participation of tripartite implementation actors.

And to respond this,/ we will try to improve a self-monitoring system by tripartite implementation actors/ and reinforce functions of the actors' feedback including faithful submission of implementation outcomes etc.

Along with this,/ we will try to improve operations and methods of implementation assessment,/ for the purpose of achieving more effective analysis for monitoring results of implementation.

As a part of achieving the effective analysis,/ we consider introducing an implementation assessment index,/ which can be selectively used in accordance with characteristics of each Agreements.

Distinguished Mr. Chairman and Member Councils of the Board,

To achieve sustainable and equitable development,/ it is essential that/ developed nations having a long history of social dialogue and emerging economies/ cooperate with each other.

From this context,/ today Workshop will serve as a valuable opportunity/ as we can share values and experiences of social dialogue of each country/ and discuss about making progress of social dialogue of the world.

I do sincerely wish that/ our discussions at this Workshop could create a momentum for promotion of social dialogue of each country.

To conclude my remarks,/ let me express my congratulations once again/ and sincere thanks for the Economic and Social Council of Luxembourg organizing this important event.

Thank you.