KOREA: UPDATE: Working Hours: February 2021



Overview	Legal Change	Action required
Reduction of the Working Neek from 68 to 52 Hours.	Rules reducing the working week from 68 to 52 hours were introduced in 2018 for larger companies employing 300 or more people. Due to Covid, the application of the 52 week rule was	If this applies to your business make sure HR knows and are applying the rules.
	delayed for midsized companies (employing between 50 and 299 people) throughout 2020.	
	Despite requests from employers, its application to midsized businesses has not been delayed further.	
	Therefore with effect from January 1st, 2021 the 52 hour week applies to midsized businesses.	
	For companies employing between 5 and 49 employees the rules will apply from July 1st 2021 although some flexibility may be available for companies employing between 5 and 29 people.	
Firmwide application	The 52 week rule applies to every member of the business, including senior management.	The company should ensure it has appropriate policies and guidelines in place to establish
	There must be company wide recognition on the need to follow the new rules.	clear business wide working hour standards.
Alternative Working Hours Systems	There may be exemptions/flexibility for certain businesses subject to a written agreement with a	If these alternative systems may apply to your business and
systems	labour union or (if no union) an employee representing a majority of the workforce. The business sectors are:-	flexibility is needed then HR must become familiar with the rules and the processes specific to your
	Businesses with sales employees: employees working outside the office (not Covid related) where the	circumstances.
	employees' hours cannot be easily tracked – this may not work where employee hours can be tracked electronically.	Take care to ensure the rules are applied and communicated correctly.
	Businesses with employees conducting research: businesses with employees engaged on research, design, development and analysis of new products or	
	technology may consider adopting a discretionary working hours system by entering a written agreement with the duly elected employee representative.	
	Businesses with shift work : if the change places employees at a disadvantage it may be possible to design a policy that is more flexible.	
	Businesses with office workers: for office workers there maybe flexibility to allow employees to decide when to start and finish work so that employees can allocate the appropriate working hours depending on individual workload.	

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Penalties for Breach	Employers who fail to comply could be subject to	
	penalties of up to two years in prison or a fine of up to	
	KRW20million (approx. USD18,000)	

This is a high level general update only. Legal advice should be obtained on specific circumstances.