

# WORKERS' VOCATIONAL COMPETENCY DEVELOPMENT ACT

Act No. 5474, Dec. 24, 1997

Amended by Act No. 6455, Mar. 28, 2001  
Wholly amended by Act No. 7298, Dec. 31, 2004

## CHAPTER I

### General Provisions

#### Article 1 (Purpose)

The purpose of this Act is to secure the employment of workers, raise their social and economic status, and improve the productivity of enterprises, thus contributing to social and economic development by promoting and supporting workers' vocational competency development throughout their lives. *<Amended by Act No. 7298, Dec. 31, 2004>*

#### Article 2 (Definition)

The terms used in this Act shall be defined as follows:

1. " " means training conducted for workers to acquire and improve job performance abilities which are necessary for their jobs;
2. "Vocational competency development activities" refer to activities, such as providing vocational competency development training, developing vocational competency development training media and courses for workers' vocational competency development and conducting a survey or research on vocational competency development; *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
3. "Vocational competency development training facilities" refer to facilities described in the following items :  
*<Amended by Act No. 7298, Dec. 31, 2004>*
  - A. Public vocational training facilities : facilities which the State, a local government or a public organization prescribed by the Presidential Decree (hereinafter referred to as "public organizations") establishes with

the aim of conducting vocational competency development training in consultation with the Minister of Labor or with the approval of the Minister of Labor pursuant to Article 27; and

B. Designated vocational training facilities : facilities which are established and installed in order to conduct vocational competency development training and designated by the Minister of Labor pursuant to Article 28, such as vocational training institutes and vocational training schools.

4. “ ” means a person who is employed by an employer and a person who has the intention of being employed; and
5. "Distance training" refers to vocational competency development training that a vocational competency development training provider conducts for workers in the distance using information and telecommunications media, etc. *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*

### **Article 3 (Basic Principles of Vocational Competency Development Training)**

(1) Vocational competency development training shall be conducted in a systematic way throughout a worker's life, taking into account the hopes, aptitude, and abilities of the individual worker. *<Amended by Act No. 7298, Dec. 31, 2004>*

(2) Vocational competency development training shall be conducted in a way to respect the autonomy and creativity of the private sector and based on labor-management participation and cooperation. *<Amended by Act No. 7298, Dec. 31, 2004>*

(3) Vocational competency development training shall be conducted in a way to guarantee equal opportunities for workers. *<Amended by Act No. 7298, Dec. 31, 2004>*

(4) Vocational competency development training shall be considered important, especially for people referred to in any of the following subparagraphs:

1. The aged and the disabled;
2. Eligible recipients under the National Basic Livelihood Security Act;
3. Those who gave distinguished services to the State and their families, both bereaved and non-bereaved, under the Act on the Honorable Treatment and Support for Persons, etc. of Distinguished Services to the State;
4. Those who gave distinguished services to 5 · 3 democratization

and their families, both bereaved and non-bereaved, under the Act on the Honorable Treatment and Support for Persons of Distinguished Services to 5·3 Democratization; *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*

5. Those who were and will be discharged from military service under the Act on Support for Discharged Soldiers; *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
6. Female workers;
7. Workers in small-and medium-sized enterprises (hereinafter referred to as "small and medium enterprises") under the Framework Act on Small and Medium-sized Enterprises;
8. Production workers in the manufacturing industry; *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
9. Daily workers, part-time workers, workers who have signed a fixed-term contract and workers employed for a temporary project; and *<Newly Inserted by Act no. 7298, Dec. 31, 2004>*
10. Dispatched workers under the Act on Protection, etc. for Dispatched Workers. *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*

(5) Vocational competency development training shall be conducted in a way to ensure the close connection between school education prescribed by education-related laws and industrial sites. *<Amended by Act No. 7298, Dec. 31, 2004>*

#### **Article 4 (Duties of the State, Employers, etc.)**

(1) The State and local governments shall devise necessary measures to promote and support vocational competency development training, etc. voluntarily taken by workers and vocational competency development activities conducted by employers, employers' groups, workers' groups, etc. in order to develop workers' vocational competency throughout their lives. *<Amended by Act No. 7298, Dec. 31, 2004>*

(2) An employer shall make efforts to conduct vocational competency development training for workers. An employer shall make efforts to create conditions for vocational competency development training, such as expanding the participation of workers in vocational competency development training, granting workers leave for their vocational competency development and appointing a person (referring to a person who plans, operates, evaluates vocational competency development activities in vocational competency development training facilities, companies, etc. ; hereinafter the same shall apply.) in charge of human

resources development. *<Amended by Act No. 7298, Dec. 31, 2004>*

(3) A worker shall make efforts to develop vocational competency according to his/her aptitude and ability and cooperate in vocational competency development activities conducted by the State, a local government, an employer, etc. *<Amended by Act No. 7298, Dec. 31, 2004>*

(4) A person who conducts vocational competency development training shall make efforts to ensure that workers can receive vocational competency development training suitable for their aptitude and ability, by providing counseling concerning vocational competency development training and guidance services to take a job, establishing the selection criteria of training, etc. *<Amended by Act No. 7298, Dec. 31, 2004>*

**Article 5 (Establishment of Basic Plan on Vocational Competency Development)**

(1) The Minister of Labor shall, for the purpose of promoting workers' vocational competency development, establish and implement a basic plan on vocational competency development (hereinafter referred to as "basic plan").

*<Amended by Act No. 7298, Dec. 31, 2004>*

(2) The basic plan shall include matters described in the following subparagraphs: *<Amended by Act No. 7298, Dec. 31, 2004>*

1. Matters concerning the demand and supply of vocational competency development training reflecting the labor force demand and supply trends and prospects under Article 10 of the Basic Employment Policy Act; *<Amended by Act No. 7298, Dec. 31, 2004>*
2. Matters concerning the promotion of labor-management participation and cooperation in workers' vocational competency development; *<Amended by Act No. 7298, Dec. 31, 2004>*
3. Matters concerning the connection between vocational competency development training and qualifications; *<Amended by Act No. 7298, Dec. 31, 2004>*
4. Matters concerning the establishment of a learning organization or a human resources development system within a company; *<Amended by Act No. 7298, Dec. 31, 2004>*
5. Matters concerning the evaluation of vocational competency development activities; *<Amended by Act No. 7298, Dec. 31, 2004>*

6. Matters concerning the creation of conditions for vocational competency development training, such as setting standards for vocational competency development training, fostering and supporting vocational competency development instructors and persons in charge of human resources development and developing and disseminating the media and methods of vocational competency development training; *<Amended by Act No. 7298, Dec. 31, 2004>*
7. Matters concerning the promotion of vocational competency development training in small and medium enterprises; *<Amended by Act No. 7298, Dec. 31, 2004>*
8. Matters concerning the promotion of distance training; and *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
9. Other matters determined by the Minister of Labor under the recognition that it is necessary to conduct vocational competency development activities to promote and secure the employment of workers. *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*

(3) The Minister of Labor shall, when establishing the basic plan, collect opinions from related organizations and groups, such as employers' groups and workers' groups and may, if it is deemed necessary, ask the heads of related administrative agencies, local governments and public organizations (hereinafter referred to as "related administrative agencies, etc.") to submit relevant materials. *<Amended by Act No. 7298, Dec. 31, 2004>*

#### **Article 6 (Establishment of Vocational Competency Development Training Network)**

(1) The Minister of Labor shall build a vocational competency development training network to collect, manage and provide information on vocational competency development training, manage workers' experiences in vocational competency development training, and efficiently connect vocational competency development training with qualifications.

(2) The Minister of Labor may ask a person who conducts vocational competency development training or related administrative agencies, etc. to submit materials necessary for the establishment and operation of the vocational competency development training network. The person who conducts vocational competency development training or related administrative agencies, etc. shall actively cooperate for this as long as there is no special reason.

*<This Article Newly Inserted by Act No. 7298, Dec. 31, 2004>*

**Article 7 (Survey and Research on Vocational Competency Development)**

The Minister of Labor may conduct a survey, research and development needed to establish policies and improve systems for workers' vocational competency development. *<This Article Newly Inserted by Act No. 7298, Dec. 31, 2004>*

**Article 8 (Standards for Vocational Competency Development Training)**

(1) The Minister of Labor may set standards (hereinafter referred to as "standards for vocational competency development training") for the techniques, resources, operation, etc., of vocational competency development training to allow the mutual compatibility, recognition and exchange of vocational competency development training.

(2) The Minister of Labor shall, if he/she intends to set standards for vocational competency development training, collect opinions from related organizations, groups, etc., such as employers' groups and workers' groups.

(3) Necessary matters concerning procedures, etc. for setting standards for vocational competency development training pursuant to paragraph (1) shall be prescribed by the Presidential Decree. *<This Article Newly Inserted by Act No. 7298, Dec. 31, 2004>*

**Article 9 (Training Contract and Rights and Duties)**

(1) An employer and a worker who desires to receive vocational competency development training may conclude a training contract over rights and duties, etc. arising from the implementation of vocational competency development training.

*<Amended by Act No. 7298, Dec. 31, 2004>*

(2) In concluding the contract as stipulated in paragraph (1), a person who has received the vocational competency development training concerned may be made to engage in work designated by the employer for a certain period after completing the vocational competency development training. In this case, the period shall be shorter than five years and not exceed three times the period of the vocational competency development training. *<Amended by Act No. 7298, Dec. 31, 2004>*

(3) In the case where the training contract under paragraph (1) is not concluded, the vocational competency development training which the worker received shall be considered as labor offered by the worker concerned.

(4) An employer who does not conclude a training contract as prescribed in paragraph (1) shall conduct vocational competency development training within the working hours

(hereinafter referred to as "standard working hours") under Article 49 of the Labor Standards Act, but if the worker concerned agrees, he/she may conduct vocational competency development training beyond the standard working hours.

*<Amended by Act No. 7298, Dec. 31, 2004>*

(5) Wages for overtime work and night work may not be paid for the training hours extended beyond the standard working hours under paragraph (4), except when the vocational competency development training is conducted using production facilities or within workplace.

*<Newly Inserted by Act No. 7298, Dec. 31, 2004>*

#### **Article 10 (Training Allowances)**

A person who conducts vocational competency development training may pay training allowances to trainees who receive the vocational competency development training.

*<This Article Newly Inserted by Act No. 7298, Dec. 31, 2004>*

#### **Article 11 (Accident Consolatory Benefits)**

(1) A vocational competency development training provider shall pay accident consolatory benefits, if a worker who receives vocational competency development training (excluding those subject to the Industrial Accident Compensation Insurance Act) in the training facility concerned has an accident caused by the vocational competency development training during the training. In the case of a worker who receives entrusted vocational competency development training, the entrusting person shall pay accident consolatory benefits, but if the accident happens due to flaws in the training facilities of the entrusted person or other causes for which the entrusted person is accountable, the entrusted person shall pay accident consolatory benefits.  
*<Amended by Act No. 7298, Dec. 31, 2004>*

(2) Necessary matters concerning standards and procedures for the payment of the accident consolatory benefits under paragraph (1) shall be prescribed by the Presidential Decree.  
*<Amended by Act No. 7298, Dec. 31, 2004>*

## CHAPTER II

### Vocational Competency Development Promotion by the State, Local Governments, etc.

#### Article 12 (Vocational Competency Development Training for the Unemployed, etc.)

(1) The State and local governments may conduct vocational competency development training to promote and secure the employment of a person falling under any of the following subparagraphs : *<Amended by Act No. 7298, Dec. 31, 2004>*

1. The unemployed; *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
2. A person falling under each of subparagraphs 1 through 5 of Article 3 (4); *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
3. A person who is classified as farmers, etc. under the Act on Special Measures for the Development of Agricultural and Fishing Villages but intends to find a job in areas other than agriculture, forestry and fishery and his/her families; *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
4. Female household heads; *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
5. A North Korean defector under the Act on the Protection and Settlement Support of Residents Escaping from North Korea; and *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
6. Others prescribed by the Presidential Decree. *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*

(2) Those eligible to receive the vocational competency development training conducted pursuant to paragraph (1), requirements for training courses, training allowances, and other matters necessary to conduct vocational competency development training shall be prescribed by the Presidential Decree.

*<Amended by Act No. 7298, Dec. 31, 2004>*

#### Article 13 (Vocational Competency Development Training to Support Self-Reliance)

(1) The Minister of Labor may conduct vocational competency development training for those who receive livelihood benefits under Article 9 (5) of the National Basic Livelihood Security Act and for those who receive self-reliance benefits under Article 15 of the same Act. *<Amended by Act No. 7298, Dec. 31, 2004>*

(2) Those eligible to receive vocational competency development



training conducted pursuant to paragraph (1), requirements for training courses and other matters necessary to conduct vocational competency development training shall be prescribed by the Presidential Decree. *<Amended by Act No. 7298, Dec. 31, 2004>*

**Article 14 (Vocational Competency Development Training for the Youth)**

(1) The State and local governments may conduct vocational competency development training for the youth prescribed by the Presidential Decree.

(2) Those eligible to receive vocational competency development training conducted pursuant to paragraph (1), requirements for training courses and other matters necessary to conduct vocational competency development training shall be prescribed by the Presidential Decree. *<This Article Newly Inserted by Act No. 7298, Dec. 31, 2004>*

**Article 15 (Vocational Competency Development Training in Priority Occupations)**

(1) The State and local governments may conduct vocational competency development training needed to ensure the smooth labor force demand and supply in occupations (hereinafter referred to as "priority occupations") falling under any of the following subparagraphs :

1. Occupations suffering from labor shortages in the industries essential to the national economy;
2. Occupations suffering from labor shortages in the nation's strategic industries, such as the information and communications industry and the automobile industry; and
3. Other occupations announced by the Minister of Labor, in which it is needed to foster human resources as industries' demand for labor force increases.

(2) Criteria and procedures for the selection of the priority occupations under paragraph (1), those eligible to receive training, requirements for training courses, training allowances and other matters needed to conduct vocational competency development training shall be prescribed by the Presidential Decree.

*<This Article Newly Inserted by Act No. 7298, Dec. 31, 2004>*

**Article 16 (Entrustment, etc. of Vocational Competency Development Training)**

(1) The State, a local government or the Minister of Labor

who intends to conduct vocational competency development training as prescribed in Articles 12 through 15, may make a contract with a person prescribed by the Presidential Decree to entrust the person to conduct vocational competency development training. *<Amended by Act No. 7298, Dec. 31, 2004>*

(2) A person who entrusts vocational competency development training pursuant to paragraph (1) may demand a correction or cancel the entrustment contract if the person entrusted with the training falls under any of the following subparagraphs: Provided that in the case of subparagraph 1 or 2, the entrustment contract shall be cancelled : *<Amended by Act No. 7298, Dec. 31, 2004>*

1. In case the person gets entrusted in false or other fraudulent ways; *<Amended by Act No. 7298, Dec. 31, 2004>*
2. In case the person receives or intends to receive training fees in false or other fraudulent ways; *<Amended by Act No. 7298, Dec. 31, 2004>*
3. In case the person conducts vocational competency development training in violation of the entrustment contract; *<Amended by Act No. 7298, Dec. 31, 2004>*
4. In case the person fails to comply with the demand for a correction; and *<Amended by Act No. 7298, Dec. 31, 2004>*
5. In case the person conducts vocational competency development training in violation of this Act or orders under this Act. *<Amended by Act No. 7298, Dec. 31, 2004>*

(3) In the case of a person whose entrustment contract is cancelled pursuant to paragraph (2), the State, a local government or the Minister of Labor may not entrust the vocational competency development training under paragraph (1) and authorize the vocational competency development training courses under Article 24 for a period of less than five years from the date of the cancellation. *<Amended by Act No. 7298, Dec. 31, 2004>*

(4) If a worker who is taking or has taken vocational competency development training falls under any of the following subparagraphs, the State, a local government or the Minister of Labor may restrict the worker from taking the vocational competency development training under Articles 12 through 15 or may not provide the worker with the support or loans under Article 21 for a period of less than three years from the date (in the case of subparagraph 2, the date of the cancellation of the entrustment contract) on which the worker

received or intended to receive support for training expenses and training allowances in false or other fraudulent ways :  
<Amended by Act No. 7298, Dec. 31, 2004>

1. In case the worker receives or intends to receive support for training expenses and training allowances in false or other fraudulent ways; and <Newly Inserted by Act No. 7298, Dec. 31, 2004>
2. In case the entrustment contract is cancelled because the worker commits an act of violation falling under any of the subparagraphs of paragraph (2) in collusion with the person entrusted with the vocational competency development training. <Newly Inserted by Act No. 7298, Dec. 31, 2004>

(5) The State, a local government or the Minister of Labor may order those whose entrustment contract is cancelled pursuant to paragraph (2) or workers who are restricted from taking vocational competency development training or receiving support or loans pursuant to paragraph (4) to return all or part of the amount already paid or subsidized. In this case, they may additionally collect the amount equivalent to or less than the amount received in false or other fraudulent ways out of the amount already paid or subsidized in accordance with the standards set by the Ordinance of the Ministry of Labor. <Newly Inserted by Act No. 7298, Dec. 31, 2004>

(6) The contents of the entrustment contract under paragraphs (1) through (5), entrustment criteria, demand for a correction, cancellation of an entrustment contract, restrictions on entrustment and training-taking, additional collection, and other necessary matters concerning entrustment shall be prescribed by the Presidential Decree. <Amended by Act No. 7298, Dec. 31, 2004>

#### **Article 17 (Promotion of Vocational Competency Development)**

The Minister of Labor may conduct activities described in any of the following subparagraphs to promote workers' vocational competency development :

1. Activities of encouraging skills and techniques;
2. Activities of developing and disseminating models, etc. of a human resources development system in companies;
3. Activities of developing and disseminating media, courses, methods, etc. of vocational competency development training;
4. Activities of broadcasting vocational competency development training programs and providing distance training;
5. Activities of administering qualification tests and evaluating vocational competency; and

6. Other activities prescribed by the Presidential Decree.  
<This Article Wholly Amended by Act No. 7298, Dec. 31, 2004>

**Article 18 (Vocational Competency Development Activities by Public Organizations)**

(1) The head of a public organization may conduct activities described in the following paragraphs for workers' vocational competency development : <Amended by Act No. 7298, Dec. 31, 2004>

1. Vocational competency development training for persons falling under any of the subparagraphs of Article 12 (1); <Newly Inserted by Act No. 7298, Dec. 31, 2004>
2. Vocational competency development training for the youth prescribed in Article 14; <Newly Inserted by Act No. 7298, Dec. 31, 2004>
3. Vocational competency development training to ensure labor force supply and demand in priority occupations; <Newly Inserted by Act No. 7298, Dec. 31, 2004>
4. Survey, education or public relations concerning vocational competency development activities; <Newly Inserted by Act No. 7298, Dec. 31, 2004>
5. Activities of developing and disseminating the media, courses, methods, etc. of vocational competency development training ; <Newly Inserted by Act No. 7298, Dec. 31, 2004>
6. Activities of fostering competency development training instructors and those in charge of human resources development and developing their competency <Newly Inserted by Act No. 7298, Dec. 31, 2004>
7. Other activities prescribed by the Presidential Decree. <Newly Inserted by Act No. 7298, Dec. 31, 2004>

(2) The head of a public organization may install and operate necessary facilities, such as a common practice place, to develop the vocational competency of local residents or workers in small and medium enterprises. <Amended by Act No. 7298, Dec. 31, 2004>

(3) Training occupations and eligible training participants under the vocational competency development activities conducted pursuant to paragraph (1) and other necessary matters concerning the implementation of vocational competency development activities shall be prescribed by the Presidential Decree. <Amended by Act No. 7298, Dec. 31, 2004>

**Article 19 (Promotion of International Cooperation)**

The Minister of Labor may carry out exchange and

cooperation projects concerning workers' vocational competency development with international organizations and governments or agencies of other countries, such as providing skill training and technical training for foreigners, holding and participating in an international conference on workers' vocational competency development, etc. *<Amended by Act No. 7298, Dec. 31, 2004>*

### CHAPTER III

#### Support for Vocational Competency Development Activities

##### Article 20 (Support for Vocational Competency Development Activities by Employers)

(1) If an employer conducts vocational competency development activities falling under any of the following subparagraphs, the Minister of Labor may provide support or loans for the necessary expenses to the employer : *<Amended by Act No. 7298, Dec. 31, 2004>*

1. Vocational competency development training for workers; *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
  2. Activities of administering qualification tests for workers; *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
  3. Vocational competency development activities conducted jointly with small and medium enterprises for workers in the small and medium enterprises; *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
  4. Activities of installing and maintaining facilities (including dormitories), machines and equipment needed to conduct vocational competency development training; *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
  5. Activities of developing the competency of those in charge of human resources development; *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
  6. Activities of developing and complementing the media, courses, etc. of vocational competency development training; and *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
  7. Other activities prescribed by the Presidential Decree. *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
- (2) The Minister of Labor may, in providing support or

loans to employers pursuant to paragraph (1), give preferential treatments to the employers who conduct vocational competency activities falling under any of the following subparagraphs: *<Amended by Act No. 7298, Dec. 31, 2004>*

1. Vocational competency development training conducted for workers employed by an employer other than the employer concerned; *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
2. Vocational competency development training in priority occupations; *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
3. Vocational competency development training (in case a labor-management council does not exist, referring to vocational competency development training conducted according to the training plan established in consultation with a person representing the trade union or the majority of workers.) conducted according to the basic plan on workers' education and training and ability development decided by a labor-management council pursuant to Article 20 of the Act on the Promotion of Worker Participation and Cooperation; *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
4. Vocational competency development training conducted for workers on paid leave (excluding monthly and annual paid leave prescribed in Articles 57 and 59 of the Labor Standards Act); *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
5. Vocational competency development activities falling into subparagraph 3 of paragraph (1); and *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
6. Vocational competency development activities conducted by the employer of a business meeting the criteria prescribed by the Presidential Decree. *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*

(3) Necessary matters concerning the requirements, contents, procedures and levels of the support or loans under paragraphs (1) and (2), and preferential support shall be prescribed by the Presidential Decree. *<Amended by Act No. 7298, Dec. 31, 2004>*

**Article 21 (Support for Workers' Autonomous Vocational Competency Development)**

(1) The Minister of Labor may provide support or loans for the following expenses in order to provide support for workers

to autonomously develop their vocational competency: *<Amended by Act No. 7298, Dec. 31, 2004>*

1. Training expenses required to take vocational competency development training courses authorized by the Minister of Labor pursuant to Article 24; *<Amended by Act No. 7298, Dec. 31, 2004>*
2. Tuition fees and other payments for training courses which are considered equivalent to technical colleges or higher under the Higher Education Act; *<Amended by Act No. 7298, Dec. 31, 2004>*
3. Qualification test fees, textbook costs and class fees needed to acquire qualifications under the National Technical Qualification Act, etc.; and *<Amended by Act No. 7298, Dec. 31, 2004>*
4. Other expenses subject to subparagraphs 1 through 3 and prescribed by the Presidential Decree. *<Amended by Act No. 7298, Dec. 31, 2004>*

(2) The Minister of Labor may, in providing support or loans pursuant to paragraph (1), give preferential treatment to workers falling under any of the following subparagraphs : *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*

1. Workers employed in companies meeting the criteria prescribed by the Presidential Decree; and
2. Workers prescribed by the Presidential Decree from among those prescribed in subparagraph 9 or 10 of Article 3 (3).

(3) Necessary matters concerning the requirements, contents, procedures, and levels of the support or loans under paragraphs (1) and (2), and preferential support shall be prescribed by the Presidential Decree. *<Amended by Act No. 7298, Dec. 31, 2004>*

**Article 22 (Support for Vocational Competency Development Activities, etc. by Employers' Groups, etc.)**

(1) If employers' groups, workers' groups or their associations (hereinafter referred to as "employers' groups, etc.") conduct vocational competency development activities falling under any of the following subparagraphs, the Minister of Labor may provide support or loans for the necessary expenses to the employers' groups, etc. : *<Amended by Act No. 7298, Dec. 31, 2004>*

1. Activities prescribed in subparagraphs 1 through 4 of Article 20 (1); *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*

2. Activities of fostering vocational competency development training instructors and those in charge of human resources development and developing their competency; *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
3. Activities of developing, complementing and disseminating the media, courses, etc. of vocational competency development training; *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
4. Activities of certifying vocational competency development training institutions, vocational competency development training courses, etc.; *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
5. Activities of conducting a survey and research on vocational competency development; and *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
6. Other vocational competency development activities subject to subparagraphs 1 through 5 and prescribed by the Presidential Decree. *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*

(2) The Minister of Labor may, in providing support or loans to employers' groups, etc. pursuant to paragraph (1), give preferential treatment to the employers' groups, etc. which conduct vocational competency development activities falling under any of the following subparagraphs : *<Amended by Act No. 7298, Dec. 31, 2004>*

1. Vocational competency development activities conducted jointly with small and medium enterprises for workers, etc. in the small and medium enterprises; and *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
2. Vocational competency development training in priority occupations. *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*

(3) Necessary matters concerning the requirements, contents, procedures and levels of the support or loans under paragraphs (1) and (2), and preferential support shall be prescribed by the Presidential Decree. *<Amended by Act No. 7298, Dec. 31, 2004>*

**Article 23 (Support for Vocational Competency Development Activities by Vocational Competency Development Organizations)**

(1) If non-profit corporations or non-profit organizations (hereinafter referred to as "vocational competency development organizations") prescribed by the Presidential Decree conduct vocational competency development activities, the Minister of Labor may provide support or loans for the necessary expenses.



(2) Necessary matters concerning the requirements, contents, procedures and levels of the support or loans under paragraph (1) shall be prescribed by the Presidential Decree.

*<This Article Newly Inserted by Act No. 7298, Dec. 31, 2004>*

**Article 24 (Authorization of Vocational Competency Development Training Courses)**

(1) A person who intends to receive support or loans for vocational competency development training pursuant to Articles 20, 22 and 23 shall have his/her vocational competency development training courses authorized by the Minister of Labor : Provided that if employers or employers' groups, etc. that intend to receive support or loans pursuant to Articles 20 and 22 entrust vocational competency development training facilities, etc. to conduct vocational competency development training (hereinafter referred to as "entrusted training"), those (hereinafter referred to as "entrusted training institutions") that are entrusted shall have the training courses concerned authorized by the Minister of Labor.

(2) Notwithstanding the provisions of paragraph (1), the Minister of Labor may recognize the training courses offered by those who intend to be entrusted by employers or employers' groups, etc. to conduct the vocational competency development training under Articles 20 and 22 and those who intend to conduct vocational competency development training in which workers can receive support or loans for training expenses pursuant to Article 21 (1) 1. In this case, the training courses concerned shall be seen as being authorized pursuant to the proviso of paragraph (1).

(3) Necessary matters concerning the scope, requirements, contents and valid period of the authorization of vocational competency development training and training courses under paragraphs (1) and (2) shall be prescribed by the Presidential Decree.

*<This Article Newly Inserted by Act No. 7298, Dec. 31, 2004>*

**Article 25 (Restrictions, etc. on Support Due to Fraudulent Acts)**

(1) If a person whose vocational competency development training courses are authorized pursuant to Article 24 falls under any of the following subparagraphs, the Minister of Labor may order a correction or cancel the authorization of the training courses concerned : Provided that in the case of subparagraph 1 or 2, the authorization shall be cancelled :  
*<Amended by Act No. 7298, Dec. 31, 2004>*

1. In case the person obtains the authorization under Article 24 in false or other fraudulent ways; <Newly Inserted by Act No. 7298, Dec. 31, 2004>
2. In case the person receives or intends to receive support or loans for expenses in false or other fraudulent ways; <Newly Inserted by Act No. 7298, Dec. 31, 2004>
3. In case the person conducts vocational competency development training in breach of the requirements authorized pursuant to Article 24; <Newly Inserted by Act No. 7298, Dec. 31, 2004>
4. In case the person fails to comply with the correction order; and <Newly Inserted by Act No. 7298, Dec. 31, 2004>
5. In case the person conducts vocational competency development training in violation of this Act or orders under this Act. <Newly Inserted by Act No. 7298, Dec. 31, 2004>

(2) A person for whom the authorization is cancelled pursuant to paragraph (1) may not be entrusted with vocational competency development training under Article 16 (1), provided with support or loans under Articles 20, 22 and 23 or authorized under Article 24 for a period of less than five years from the date of the cancellation. <Amended by Act No. 7298, Dec. 31, 2004>

(3) If employers, workers, employers' groups, etc. or vocational competency development organizations that intend to receive support or loans for expenses under Articles 20 through 23 fall under any of the following subparagraphs, the State, local governments or the Minister of Labor may restrict them from taking the vocational competency development training under Articles 12 through 15 or may not provide them with the support or loans under Articles 20 through 23 for a period of less than three years from the date (in the case of subparagraph 2, the date on which the authorization is cancelled) on which they intend to receive or receive support or loans for training expenses, etc. in false or other fraudulent ways :

1. In case they intend to receive or receive support or loans for expenses in false or other fraudulent ways; and
2. In case the authorization is cancelled because they commit an act of violation falling under any of the following subparagraphs of paragraph (1) in collusion with the entrusted training institution. <Newly Inserted by Act No. 7298, Dec. 31, 2004>

(4) The Minister of Labor may order a person for whom the authorization has been cancelled pursuant to paragraph (1) or employers, workers, employers' groups, etc. or vocational competency development organizations that are restricted from taking training or receiving support or loans pursuant to paragraph (3) to return all or part of the amount already subsidized or loaned. In this case, the Minister of Labor may additionally collect the amount equivalent to or less than the amount received in false or other fraudulent ways out of the amount already subsidized or loaned in accordance with the standards set by the Ordinance of the Ministry of Labor.

*<Newly Inserted by Act No. 7298, Dec. 31, 2004>*

(5) Necessary matters concerning detailed criteria for the issuance of a correction order and cancellation of authorization, restrictions on authorization and training-taking and additional collection shall be prescribed by the Ordinance of the Ministry of Labor. *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*

#### **Article 26 (Disposition of Payments in Arrears)**

(1) If a person who is ordered to return the amount paid, subsidized or loaned or to make additional payments pursuant to Articles 16 (5) and 25 (4) fails to return the amount or make additional payments, the person who entrusts vocational competency development training pursuant to Article 16 (1) or the Minister of Labor may collect them according to the examples of disposition of national taxes in arrears or the examples of disposition of local taxes in arrears.

(2) If professional knowledge is deemed necessary for the public sale of properties seized according to the examples of disposition of taxes in arrears under paragraph (1) or if direct public sale is deemed inappropriate because of other special reasons, the Korea Asset Management Corporation(hereinafter referred to as 'Korea Asset Management Corporation') established under the Act on the Efficient Disposal of Insolvent Assets, etc. of Financial Institutions and the Establishment of the Korea Asset Management Corporation may conduct the public sale vicariously under the requirements prescribed by the Presidential Decree. In this case, the public sale shall be considered to be conducted by the person who entrusts vocational competency development training pursuant to Article 16 (1) or the Minister of Labor.

(3) If the Korea Asset Management Corporation conducts a public sale vicariously pursuant to paragraph (2), the person

who entrusts vocational competency development training pursuant to Article 16 (1) or the Minister of Labor may pay commissions to the Korea Asset Management Corporation under the requirements prescribed by the Ordinance of the Ministry of Labor.

(4) If the Korea Asset Management Corporation conducts a public sale vicariously pursuant to paragraph (2), executives and staff of the Korea Asset Management Corporation shall be regarded as public officials in application of Articles 129 through 132 of the Criminal Act.

*<This Article Newly Inserted by Act No. 7298, Dec. 31, 2004>*

## CHAPTER 4

### Vocational Competency Development Training Facilities and Vocational Competency Development Training Corporations

#### **Article 27 (Installation, etc. of Public Vocational Training Facilities)**

(1) The State or a local government shall, if it intends to install a public vocational training facility, consult with the Minister of Labor. A public organization shall, if it intends to do so, gain approval from the Minister of Labor.

(2) If a public vocational training facility approved pursuant to paragraph (1) falls under any of the following subparagraphs, the Minister of Labor may cancel the approval : Provided that in the case of subparagraph 1, the approval shall be cancelled :

1. In case the public vocational training facility gains the approval in false or other fraudulent ways;
2. In case the public vocational training facility has not provided vocational competency development training for one year or more without justifiable reasons; and
3. In case the public vocational training facility violates this Act or orders under this Act.

(3) Necessary matters concerning procedures for the consultation or approval under paragraph (1) shall be prescribed by the Ordinance of the Ministry of Labor.

*<This Article Wholly Amended by Act No. 7298, Dec. 31, 2004>*

#### **Article 28 (Designated Vocational Training Facilities)**

(1) A person who intends to establish and install a designated vocational training facility shall be designated as

such by the Minister of Labor after meeting the following requirements : Provided that in case an employer intends to run a facility dedicated to vocational competency development training to develop the vocational competency of his/her workers, he/she may not meet the requirements described in subparagraphs 2 and 3:

1. The person should have human resources, facilities, equipment, etc. required to properly operate the training facility;
2. The person should have actual experiences of providing education and training required to properly operate the training facility; and
3. The person should have one or more vocational competency development training instructors prescribed in Article 33 related to each occupation in which the person intends to provide vocational competency development training : Provided that this shall not apply in case a vocational competency development training instructor related to the occupation concerned is not defined; and
4. The person should meet other requirements needed to operate a vocational competency development training facility and prescribed by the Presidential Decree.

(2) If one intends to alter the matters prescribed by the Presidential Decree among the contents designated pursuant to paragraph (1), he/she shall receive designation for the alteration from the Minister of Labor.

(3) If a person designated pursuant to paragraph (1) has not provided vocational competency development training in the facility concerned for three months or more or intends to close the facility or if a person intends to alter designated contents other than the matters prescribed by the Presidential Decree pursuant to paragraph (2), the person shall report this to the Minister of Labor.

(4) Necessary matters concerning the contents of designation under paragraphs (1) through (3), detailed criteria for designation, and procedures for designation, alteration of designation or reporting shall be prescribed by the Presidential Decree.

*<This Article Newly Inserted by Act No. 7298, Dec. 31, 2004>*

#### **Article 29 (Reasons for Disqualification)**

If a person who intends to be designated as vocational competency development training facility as prescribed in Article 28 falls under any of the following subparagraphs, the person

shall not be designated as such as prescribed in Article 28 :

1. An incompetent, a quasi-incompetent or a minor;
2. A bankrupt who has not been reinstated yet;
3. A person who has been sentenced to imprisonment or a heavier punishment and for whom two years have not elapsed since the execution of the punishment was terminated (including the case where the execution is deemed to have been terminated) or exempted;
4. A person who has been sentenced to the suspension of execution of imprisonment or a heavier punishment and is still in the suspension period;
5. A person whose qualification has been suspended or lost in accordance with a court ruling;
6. A person for whom one year has not elapsed since its designation as a designated vocational training facility was cancelled or a person who was suspended from providing vocational competency development training and is still in the suspension period, pursuant to Article 31 (1);
7. A person for whom one year has not elapsed since the license or registration to install a lifelong education facility was cancelled or a person who was suspended from running lifelong education courses and is still in the suspension period, pursuant to Article 29 of the Lifelong Education Act;
8. A person for whom one year has not elapsed since the registration of his/her educational institution was cancelled or since the closure of his/her teaching institute was ordered or a person whose educational institution or teaching institute was suspended from providing training and is still in the suspension period, pursuant to Article 17 of the Act on the Establishment and Operation of Educational Institutions and Private Teaching and Learning;
9. A person who is restricted from being entrusted pursuant to Article 16 or from being authorized pursuant to Article 25; and
10. A corporation which has an executive falling under any of subparagraphs 1 through 9.

*<This Article Newly Inserted by Act No. 7298, Dec. 31, 2004>*

#### **Article 30 (Training Fee)**

- (1) A person who operates a designated vocational training

facility may receive training fees from workers.

(2) A person who operates a designated vocational training facility shall take necessary measures to protect workers, such as a return of training fees, if the workers cannot continue to receive the vocational competency development training or if the vocational competency development training cannot continue to be provided due to the cancellation of designation, closure of business, etc.

(3) Necessary matters concerning reasons for a return of training fees under paragraph (2) and the amount to be returned shall be prescribed by the Presidential Decree.

*<This Article Newly Inserted by Act No. 7298, Dec. 31, 2004>*

**Article 31 (Cancellation, etc. of Designation as Designated Vocational Training Facility)**

(1) If a designated vocational training facility under Article 28 falls under any of the following subparagraphs, the Minister of Labor may order a correction, cancel the designation or order the suspension of vocational competency development training for a period of less than one year : Provided that in the case of subparagraph 1 or 3, the designation shall be cancelled:

1. In case the designated vocational training facility receives the designation prescribed in Article 28 in false or other fraudulent ways;
2. In case the designated vocational training facility does not meet the requirements for designation prescribed in Article 28;
3. In case the designated vocational training facility falls under any of the subparagraphs of Article 29 : Provided that in the case of subparagraph 10 of Article 29, the case where the executive is replaced within three months shall be excluded;
4. In case the designated vocational training facility has not provided vocational competency development training for one year or more without justifiable reasons;
5. In case the designated vocational training facility is operated in a fraudulent way, such as altering its designated contents without receiving designation for the alteration;
6. In case the designated vocational training facility puts exaggerated or false advertisements when recruiting trainees;
7. In case the designated vocational training facility does not

comply with the correction order; and

8. In case the designated vocational training facility violates this Act or orders given under this Act.

(2) Detailed criteria for the issuance of a correction order, the cancellation of designation or the suspension of training under paragraph (1) shall be determined by the Ordinance of the Ministry of Labor in consideration of reasons for the punishment and the degree of offence.

*<This Article Newly Inserted by Act No. 7298, Dec. 31, 2004>*

**Article 32 (Establishment, etc. of Vocational Competency Development Training Corporation)**

(1) The Minister of Labor may permit the establishment of a non-profit corporation (hereinafter referred to as "vocational competency development training corporation") aimed at conducting vocational competency development activities described in the following subparagraphs: *<Amended by Act No. 7298, Dec. 31, 2004>*

1. Vocational competency development training; *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
2. Survey or research to develop workers' vocational competency; and *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
3. Activities of developing and disseminating the media, courses, etc. of vocational competency development training. *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*

(2) If a vocational competency development training corporation under paragraph (1) falls under any of the following subparagraphs, the Minister of Labor may order a correction or cancel its permission for the establishment of the vocational competency development training corporation concerned : Provided that in the case of subparagraphs 1 through 3, the permission shall be cancelled : *<Amended by Act No. 7298, Dec. 31, 2004>*

1. In case the corporation obtains permission for its establishment in false or other fraudulent ways; *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
2. In case the corporation violates requirements for permission for its establishment; *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
3. In case the corporation cannot achieve its aim; *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
4. In case the corporation engages in business other than that it aimed to do; *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*



5. In case the corporation is restricted from being entrusted under Article 16 (3) or from being authorized under Article 25 (2) or the designation as a designated vocational competency development training facility is cancelled pursuant to Article 31 (1); *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
  6. In case the corporation violates this Act or orders under this Act or its article; and *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
  7. In case the corporation does not start the business it aimed to do without any justifiable reasons within six months from the date on which its establishment was permitted or produces no result for one year or more. *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
- (3) If a vocational competency development training corporation engages in profit-making business and falls under any of the following subparagraphs, the Minister of Labor may order the correction or suspension of the profit-making business : *<Amended by Act No. 7298, Dec. 31, 2004>*
1. In case the corporation uses its profits for the purpose other than the business it aimed to do; and *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
  2. In case the continuation of the business is deemed against the aim of the vocational competency development training corporation. *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
- (4) Necessary matters concerning the bylaws of a vocational competency development training corporation under paragraph (1), requirements and criteria for permission, etc. shall be prescribed by the Presidential Decree. *<Amended by Act No. 7298, Dec. 31, 2004>*
- (5) Provisions on incorporated foundations in the Civil Act shall apply mutatis mutandis to matters concerning a vocational competency development training corporation not prescribed by this Act. *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*

## CHAPTER V

### Vocational Competency Development Training Instructors and Training Standards

#### **Article 33 (Vocational Competency Development Training Instructors, etc.)**

(1) Vocational competency development training instructors and others with expertise in relevant areas and prescribed by the Presidential Decree may teach workers for their vocational competency development training. *<Amended by Act No. 7298, Dec. 31, 2004>*

(2) A person who intends to become a vocational competency development training instructor shall be issued with a vocational competency development instructor certificate by the Minister of Labor after satisfying the criteria prescribed by the Presidential Decree, such as the completion of training courses to foster vocational competency development training instructors under Article 36. *<Amended by Act No. 7298, Dec. 31, 2004>*

(3) The types, grades and qualification standards of vocational competency development training instructors and other necessary matters concerning vocational competency development training instructors shall be prescribed by the Presidential Decree. *<Amended by Act No. 7298, Dec. 31, 2004>*

#### **Article 34 (Reasons for Disqualification)**

A person who falls under any of the following subparagraphs shall be disqualified from becoming a vocational competency development training instructor under Article 33 :

1. An incompetent or a quasi-incompetent;
2. A bankrupt who has not been reinstated yet;
3. A person who has been sentenced to imprisonment or a heavier punishment and for whom two years have not elapsed since the execution of the punishment was terminated (including the case where the execution is deemed to have been terminated) or exempted;
4. A person who was sentenced to the suspension of execution of imprisonment or a heavier punishment and is still in the suspension period;
5. A person whose qualification has been suspended or lost in accordance with a court ruling; and
6. A person for whom three years have not elapsed since

his/her qualification was cancelled pursuant to subparagraph 1, 3 or 4 of Article 35 (1). *<This Article Newly Inserted by Act No. 7298, Dec. 31, 2004>*

**Article 35 (Cancellation, etc. of Qualification as Vocational Competency Development Training Instructors)**

(1) If a person who has obtained his/her qualification as a vocational competency development training instructor falls under any of the following subparagraphs, the Minister of Labor may cancel the qualification or suspend the qualification for a period of less than three years: Provided that in the case of subparagraph 1 or 2, the qualification shall be cancelled:

1. In case the person is issued with the qualification certificate in false or other fraudulent ways;
2. In case the person falls under any of the subparagraphs 1 through 5 of Article 34;
3. In case the person causes a serious trouble to vocational competency development training due to his/her negligence in performing duties; and
4. In case the person let others use his/her qualification certificate.

(2) Detailed criteria for the cancellation and suspension of a qualification under paragraph (1) shall be determined by the Ordinance of the Ministry of Labor in consideration of reasons for cancellation and suspension and the degree of offence.

*<This Article Wholly Amended by Act No. 7298, Dec. 31, 2004>*

**Article 36 (Cultivation of Vocational Competency Development Training Instructors)**

(1) The State, a local government, a public organization or a corporation or group announced by the Minister of Labor may establish and operate training facilities or training courses to cultivate vocational competency development training instructors. In this case, when a person other than the State and local governments intends to establish and operate training facilities or training courses, he/she shall gain approval from the Minister of Labor. *<Amended by Act No. 7298, Dec. 31, 2004>*

(2) A person who intends to gain approval pursuant to paragraph (1) shall meet the following requirements : *<Amended by Act No. 7298, Dec. 31, 2004>*

1. The person should have human resources, facilities and equipment required to properly operate training facilities or training courses intended to cultivate vocational competency development training instructors; *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*

2. The person should have experiences of providing education and training, required to properly operate the training facilities and training courses concerned; *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
  3. The person should not fall under any of the subparagraphs of Article 29; and *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
  4. The person should meet other requirements needed to cultivate vocational competency development training instructors and prescribed by the Presidential Decree. *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
- (3) If a person who has gained approval pursuant to paragraph (1) falls under any of the following subparagraphs, the Minister of Labor may order a correction or cancel the approval : Provided that in the case of subparagraph 1 or 2, the approval shall be cancelled : *<Amended by Act No. 7298, Dec. 31, 2004>*
1. In case the person gains the approval in false or other fraudulent ways ; *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
  2. In case the person falls under any of the subparagraphs of Article 29 : Provided that in the case of subparagraph 10 of Article 29, the case where the executive is replaced within three months shall be excluded; *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
  3. In case the person falls short of the requirements for approval under paragraph (2); *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
  4. In case the person has not conducted training to cultivate vocational competency development training instructors for one year or more without justifiable reasons; *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
  5. In case the person does not comply with the correction order; and *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
  6. In case the person violates this Act or orders under this Act. *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
- (4) Necessary matters concerning types of training facilities and training courses under paragraph (1), approval procedures, details of requirements for approval under paragraph (2) 1 and 2, detailed criteria for the issuance of a correction order and the cancellation of approval under paragraph (3) shall be prescribed by the Ordinance of the Ministry of Labor.  
*<Newly Inserted by Act No. 7298, Dec. 31, 2004>*

**Article 37 (Development of Competency of Vocational Competency Development Training Instructors)**

(1) The Minister of Labor may conduct vocational competency development activities to develop the competency of vocational competency development training instructors. *<Amended by Act No. 7298, Dec. 31, 2004>*

(2) If a person conducts vocational competency development activities to develop the competency of vocational competency development training instructors, the Minister of Labor may provide him/her with support or loans for the necessary expenses. *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*

(2) Necessary matters concerning the contents of activities prescribed in paragraphs (1) and (2), implementation methods, and the requirements, contents, procedures and levels of support shall be prescribed by the Presidential Decree. *<Amended by Act No. 7298, Dec. 31, 2004>*

**Article 38 (Training Standards for Vocational Competency Development Training)**

(1) The Minister of Labor may set training standards with regard to training goals, contents, facilities and equipment, instructors, etc. in order to carry out vocational competency development training in a systematic and effective manner. *<Amended by Act No. 7298, Dec. 31, 2004>*

(2) The details of training standards under paragraph (1) and procedures for their establishment and change shall be prescribed by the Presidential Decree. *<Newly Inserted by Act No. 6455, Mar. 28, 2001>*

**CHAPTER VI**

**Evaluation, etc. of Vocational Competency Development Activities**

**Article 39 (Evaluation of Vocational Competency Development Training Facilities, etc.)**

(1) The Minister of Labor may evaluate matters described in the following subparagraphs for those who are entrusted with vocational competency development training pursuant to Article 16, vocational competency development training facilities, vocational competency development training corporations, those

who conduct vocational competency development activities pursuant to Articles 20, 22 and 23, those who have gained approval pursuant to Article 36 (1) and those who have received support or loans for expenses pursuant to Article 37 (2), and may open the results of the evaluation to the public: *<Amended by Act No. 7298, Dec. 31, 2004>*

1. Matters concerning the ability to conduct vocational competency development training, such as the ability to secure and operate training facilities, training equipment and training human resources; *<Amended by Act No. 7298, Dec. 31, 2004>*
2. Matters concerning the development and operation of vocational competency development training courses, such as the systematicity of training demand surveying and training planning; *<Amended by Act No. 7298, Dec. 31, 2004>*
3. Matters concerning training outcomes, such as the completion of training by trainees, the employment of trainees after training, the acquisition of qualifications by trainees; *<Amended by Act No. 7298, Dec. 31, 2004>*
4. Matters concerning the management of trainees, such as vocational guidance and counselling; *<Amended by Act No. 7298, Dec. 31, 2004>*
5. Matters concerning the connectivity between the vocational competency development activities concerned and the demands of industrial sites; and *<Amended by Act No. 7298, Dec. 31, 2004>*
6. Others deemed necessary to evaluate in order to improve the quality of vocational competency development activities and prescribed by the Ordinance of the Ministry of Labor. *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*

(2) In providing support or loans under this Act, the Minister of Labor may differentiate in accordance with the results of the evaluation under paragraph (1). *<Amended by Act No. 7298, Dec. 31, 2004>*

(3) The methods of the evaluation under paragraphs (1) and (2), the disclosure of the results, the criteria for and contents of differentiated support, and other necessary matters concerning the evaluation shall be prescribed by the Presidential Decree. *<Amended by Act No. 7298, Dec. 31, 2004>*

#### **Article 40 (Guidance, Supervision, etc.)**

- (1) The Minister of Labor may order a person who falls

under any of the following subparagraphs to make a necessary report or to submit necessary materials, or have a related public official, etc. provide guidance and supervision by visiting the place where vocational competency development training, etc. is conducted, and investigating relevant documents or questioning a relevant person. *<Amended by Act No. 7298, Dec. 31, 2004>*

1. A person who is entrusted by the Minister of Labor to conduct vocational competency development training pursuant to Article 16; *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
2. A person who is authorized pursuant to Article 24; *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
3. A person who receives support or loans pursuant to Articles 20 through 23 and 37; *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
4. A public organization which installs and operates a public vocational training facility and a person who installs and operates a designated vocational training facility; *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
5. A vocational competency development training corporation; *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
6. A person who operates training facilities or training courses to cultivate vocational competency development training instructors after gaining approval pursuant to Article 36; and *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*
7. A person who carries out work vicariously pursuant to Article 44. *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*

(2) A public official who visits and provides guidance and supervision pursuant to paragraph (1) shall carry a certificate indicating his/her authority and show it to a relevant person. *<Amended by Act No. 7298, Dec. 31, 2004>*

(3) Necessary matters concerning the contents of the report under paragraph (1), the method of the report, the submission of materials, and necessary matters concerning the guidance and supervision shall be prescribed by the Ordinance of the Ministry of Labor. *<Newly Inserted by Act No. 7298, Dec. 31, 2004>*

#### **Article 41 (Required Financial Resources)**

The financial resources needed to conduct vocational competency development activities and provide support or loans for them under this Act shall be financed from the general account, the

Employment Insurance Fund under the Employment Insurance Act, etc. *<Amended by Act No. 7298, Dec. 31, 2004>*

**Article 42 (Cash Rewards for Reporting)**

(1) The Minister of Labor may give cash rewards within the limits of budgets to a person who reports fraudulent acts committed by a person who conducts or is entrusted with vocational competency development activities under this Act.

(2) Necessary matters concerning the report of fraudulent acts and the payment of cash rewards under paragraph (1) shall be prescribed by the Ordinance of the Ministry of Labor.

*<This Act Newly Inserted by Act No. 7298, Dec. 31, 2004>*

**Article 43 (Fees)**

Any person who desires to be issued with a vocational competency development training instructor certificate shall pay a fee under the requirements prescribed by the Ordinance of the Ministry of Labor.

**Article 44 (Vicarious Execution of Work)**

(1) The Minister of Labor may have a person prescribed by the Presidential Decree vicariously carry out part of the work prescribed in Articles 6 through 8, 22 through 24, 28, and 37 through 39.

(2) Necessary matters concerning procedures for the vicarious execution of work and support for expenses required for the vicarious execution of work shall be prescribed by the Presidential Decree. *<This Article Newly Inserted by Act No. 7298, Dec. 31, 2004>*

**Article 45 (Delegation and Entrustment of Authority)**

Part of the authority given to the Minister of Labor under this Act may be delegated to the head of a regional labor office or the head of a local government, or may be entrusted to a person prescribed by the Presidential Decree, such as the head of a public organization, under the requirements prescribed by the Presidential Decree. *<Amended by Act No. 7298, Dec. 31, 2004>*

**Article 46 (Fictitious Public Official in Application of Penal Provisions)**

Any person who engages in the work entrusted by the Minister of Labor pursuant to Article 45 shall be regarded as a public official in application of Articles 129 through 132 of the Criminal Act. *<This Article Newly Inserted by Act No. 7298, Dec. 31, 2004>*



**Article 47 (Hearing)**

The Minister of Labor shall hold a hearing in the case of any of the following subparagraphs :

1. In case the Minister of Labor cancels the recognition of vocational competency development training courses under Article 25 (1);
2. In case the Minister of Labor cancels the approval for a public vocational training facility pursuant to Article 27 (2);
3. In case the Minister of Labor cancels the designation as a designated vocational training facility under Article 31 (1);
4. In case the Minister of Labor cancels the permission for the establishment of a vocational competency development training corporation under Article 32 (2);
5. In case the Minister of Labor cancels the qualification as a vocational competency development training instructor under Article 35 (1); and
6. In case the Minister of Labor cancels the approval for training facilities or training courses under Article 36 (3).

*<This Article Newly Inserted by Act No. 7298, Dec. 31, 2004>*

**Article 48 (Fine for Negligence)**

(1) A person who falls under any of the following subparagraphs shall be punished by a fine for negligence not exceeding three million won : *<Amended by Act No. 7298, Dec. 31, 2004>*

1. A person who fails to pay accident consolatory benefits in violation of Article 11;
2. A person who fails to make the report under Article 28 (3);
3. A person who fails to return training expenses in violation of Article 30 (2);
4. A person who fails to make the report under Article 40 or makes a false report;
5. A person who fails to comply with the order to submit materials under Article 40 or makes false materials; and
6. A person who gives a false answer to the question asked by a related public official pursuant to Article 40 or refuses, obstructs, evades guidance or supervision provided by a related public official.

(2) The fine for negligence under paragraph (1) shall be imposed and collected by the Minister of Labor under the requirements prescribed by the Presidential Decree.

(3) A person who is dissatisfied with the imposition of a fine for negligence under paragraph (2) may raise an objection

against the Minister of Labor within 30 days of the notification of the imposition.

(4) If a person on whom a fine for negligence is imposed under paragraph (2), raises an objection pursuant to paragraph (3), the Minister of Labor shall notify the competent court thereof without delay, and the competent court shall try the case under the Non-contentious Case Litigation Procedure Act.

(5) If a person fails to pay a fine for negligence without raising an objection within the period prescribed in paragraph (3), the fine for negligence shall be collected in accordance with the examples of disposition of national taxes in arrears.

### **Addenda** <Act No. 7298, Dec. 31, 2004>

#### **Article 1 (Enforcement Date)**

This Act shall enter into force six months after its promulgation.

#### **Article 2 (Transitional Measures Concerning Authorization of Training Courses)**

Training courses which, after being authorized or designated by the Minister of Labor pursuant to the previous provisions, are providing vocational competency development training at the time of implementation of this Act shall be seen as having been authorized as vocational competency development training courses under the revised provisions of Article 24 until the end of the training courses concerned.

#### **Article 3 (Transitional Measures Concerning Vocational Competency Development Training Facilities)**

(1) Public vocational training facilities installed with the approval of the Minister of Labor at the time of implementation of this Act shall be seen as having gained approval from the Minister of Labor pursuant to Article 27 of this Act.

(2) Vocational competency development training facilities established after being designated by the Minister of Labor at the time of implementation of this Act shall be seen as having been designated by the Minister of Labor pursuant to Article 28 for one year from the enforcement date of this Act.

#### **Article 4 (Transitional Measures Concerning Vocational Competency Development Training Corporation)**

Vocational competency development training corporations permitted to be established pursuant to the previous provisions at the time of implementation of this Act shall be seen as

vocational competency development training corporations permitted to be established pursuant to Article 32.

**Article 5 (Transitional Measures Concerning Qualification as Vocational Competency Development Training Instructor)**

A person who acquires the qualification as a vocational competency development training instructor pursuant to the previous provisions at the time of implementation of this Act shall be seen as a person who acquires the qualification as a vocational competency development instructor pursuant to Article 33.

**Article 6 (Transitional Measures Concerning Reasons for Disqualification of Vocational Competency Development Training Instructor)**

Notwithstanding the provisions of Article 34 (6), a person whose qualification as a vocational competency development training instructor is cancelled at the time of implementation of this Act shall be subject to the previous provisions.

**Article 7 (Transitional Measures Concerning Punishment for Fraudulent Acts)**

A person whose qualification awarded by the Minister of Labor is cancelled or suspended, who is restricted from entrustment and who is restricted from authorization or designation pursuant to the previous provisions of Articles 10, 17-2 and 28-2 at the time of implementation of this Act shall be seen as having his/her qualification cancelled or suspended, being restricted from entrustment and authorization pursuant to Articles 35, 16 and 25.

**Article 8 (Transitional Measures Concerning Penal Provisions)**

The application of penal provisions and a fine for negligence to acts committed before the enforcement of this Act shall be subject to the previous provisions.

**Article 9 (Revision of Other Laws)**

(1) The Act on Special Measures for the Promotion of Businesses, etc. Specializing in Parts and Materials shall be revised as follows :

"In the case of being authorized as the training courses prescribed in Article 28 (1) of the Vocational Training Promotion Act, according to the requirements prescribed in paragraph (3) of the same Act" in Article 12 (3) shall be changed to "in the case of being authorized as the training courses provided in accordance with the training standards

prescribed in Article 38 of the Workers' Vocational Competency Development Act pursuant to Article 24 (1) or (2) of the same Act".

(2) The Act on Employment Promotion and Vocational Rehabilitation for the Disabled shall be revised as follows:

"A facility as prescribed in the subparagraph 2 of Article 2 of the Vocational Training Promotion Act" in subparagraph 7 of Article 2 shall be changed to "a vocational competency development training facility prescribed in subparagraph 3 of Article 2 of the Workers' Vocational Competency Development Act".

Article 8 (2) 5 shall be revised as follows:

5. Vocational competency development facilities under subparagraph 3 of Article 2 of the Workers' Vocational Competency Development Act

(3) The Act on Human Resources Development Service of Korea shall be revised as follows:

Subparagraph 4 of Article 14 (1) shall be revised as follows :

4. Revenues from being entrusted with vocational competency development training by the State and a local government or revenues from being entrusted with vocational competency development training by employers, etc. under Article 16 of the Workers' Vocational Competency Development Act;

(4) The Polytechnic College Act shall be revised as follows :

"Subparagraph 1 of Article 2 of the Vocational Training Promotion Act" in subparagraphs 1 and 4 of Article 2 shall be changed to "subparagraph 1 of Article 2 of the Workers' Vocational Competency Development Act".

"The Vocational Training Promotion Act" in subparagraph 5 of Article 5-2 (2) shall be changed to "the Workers' Vocational Competency Development Act".

Subparagraph 3 of Article 6 (2) shall be revised as follows :

3. Basic plan on vocational competency development under Article 5 of the Workers' Vocational Competency Development Act;

"The Vocational Training Promotion Act" in the former part of Article 8 (3) shall be changed to "the Workers' Vocational Competency Development Act" and "Article 9 of the Vocational Training Promotion Act" in the latter part of the same Act to "Article 33 of the Workers' Vocational Competency Development Act".

"Subparagraph 2 of Article 2 of the Vocational Training

Promotion Act" in Article 21 (2) shall be changed to "subparagraph 3 of Article 2 of the Workers' Vocational Competency Development Act" and "subparagraph 1 of Article 2 of the Vocational Training Promotion Act" to "subparagraph 1 of Article 2 of the Workers' Vocational Competency Development Act".

**Article 10 (Relations with Other Laws)**

In case the previous Vocational Training Promotion Act is cited or applied mutatis mutandis in other laws at the time of implementation of this Act, and there are corresponding provisions in this Act, it shall be considered that the corresponding provisions of this Act are cited or applied mutatis mutandis in place of the previous provisions.