

Global Unions solidarity mission to Korea: the need for an inclusive and sustainable growth model to exit the current political crisis Paris, 18 November 2016

TUAC took part in an international trade union solidarity mission to South Korea on 10-15 November 2016 to support the Korean labour movement in a context of severe government repression against trade unions, regressive labour market reforms and failure, ever since joining the OECD over 20 years ago and the ILO 25 years ago, to meet basic labour rights. The visit was marked by a far reaching political crisis triggered by a corruption scandal exposing the toxic proximity between global Korean businesses, the "Chaebols", and high level government officials.

It is time to embark towards a truly inclusive growth model in which corporate wealth is shared equitably with the Korean people. With the support of international organisations, including the ILO and the OECD, the Korean government can take immediate steps to exit the political crisis and bring the country in line with international standards on labour rights including:

- engaging in transparent and democratic dialogue with all components of the Korean civil society and labour movement, including the Federation of Korean Trade Unions (FKTU) and Korean Confederation of Trade Unions (KCTU);
- releasing and drop all charges against trade unionists in the fulfilment of their trade union duties, including the president of the KCTU;
- ratifying without delay ILO Conventions n°87 & n°98 on freedom of association; and
- reverse regressive labour reforms and measures to effectively reduce precarious work and the proportion of non-regular workers.

The OECD in particular should help Korea strengthen its public and corporate governance regime by:

- ensuring that Korean Chaebols meet OECD standards of corporate governance, transparency and responsible business conduct standards at home and in their global supply chains;
- making recommendations to strengthen public governance, regulatory reform and public integrity in Korea.

The international trade union solidarity mission was held on the occasion of a mass civil society rally on 12 November for democracy, labour rights and ending corruption, gathering over 1 million people in the streets of Seoul. It was a show of force of Korean citizens, their unions and social movements. In addition to TUAC, represented by Senior Policy Advisor Pierre Habbard, the international trade union delegation included the General Secretaries of the BWI and IndustriALL as well as representatives of ITUC, ITUC-AP, ITF, UNI Global, CGIL, SEIU and UAW.

Together with the ITUC and ILO representatives, TUAC met with members of the Parliamentary Committee on Environment & Labour and participated in a symposium at the

National Assembly on labour rights in Korea in the context of the 25th and 20th anniversaries of Korea's membership to the ILO and the OECD respectively.

TUAC and members of the international trade union mission had bilateral meetings with the leadership of the FKTU and of the KCTU and visited the Seoul Detention centre where several trade unionist are imprisoned on the ground of "obstruction to traffic", including KCTU president Han Sang-gyun. TUAC also contributed to a KCTU seminar on corporate governance and responsible business conduct of Korean Chaebols, and had meetings with workers of Samsung and LG subcontractors.

TUAC stands by its Korean affiliates, the FKTU and the KCTU, in their joint efforts to bring Korea in line with international standards on labour rights and to bring the country on an inclusive and sustainable growth path. The political crisis must end and Korean government institutions have to meet public governance standards and practices.

Korean Chaebols are net beneficiaries of globalisation. The enormous profits and wealth that they generate are captured by a few controlling families and are not shared with the Korean people and workers in global supply chains. The Korean economy features both a very high level of integration in global value chains and the highest levels of inequality and of precarious jobs of all OECD economies.

With the support of international organisations, including the ILO and the OECD, the Korean government can take immediate steps to exit the political crisis:

- engage in transparent and democratic dialogue with all components of the Korean civil society, including trade unions;
- release and drop all charges against Han Sang-gyun, President of the KCTU, and other KCTU officers in the fulfilment of their trade union duties;
- ratify without delay ILO Conventions n°87 & n°98, and engage ex-post revision of the Korean labour law in close coordination with the ILO; and
- reverse regressive labour reforms and measures to effectively reduce precarious work and the proportion of non-regular workers in the labour market, which is one of the highest of all OECD economies.

The OECD in particular should help Korea strengthen its public and corporate governance regime by:

- Ensuring the Chaebols meet OECD standards of corporate governance including
 preventing abusive related party transactions, ensuring adequate financial and tax
 reporting and auditing, full board and shareholder accountability and upholding
 worker rights to information consultation and responsible business conduct
 standards, at home and in their global supply chains including aligning the Korean
 NCP functioning with OECD-wide best practices under the OECD Guidelines for
 MNEs;
- Engaging an in-depth reviews and make recommendations on public governance, regulatory reform, public integrity and corruption, based on relevant OECD norms and practices.