

RECONCILING LABOR REALITIES WITH POLICY: THE EPS AND THE OVERSEAS FILIPINO WORKERS IN SOUTH KOREA

by Krista Kyla D. Seachon

In response to the unmet demand for labor in small and medium enterprises (SMEs) in the country, South Korea allowed the entry of foreign labor migrants from countries such as the Philippines in 1993. In Southeast Asia, the Philippines has the second largest number of migrants in South Korea next to Vietnam. As of 2012, there were 68,911 Filipinos working in both unskilled and skilled fields under the Employment Permit System (EPS).

Before the establishment of the EPS, the South Korean government enforced the Industrial Trainee System in 1993, which enabled foreign migrants to work as trainees from six months to three years in select industries critical to South Korea's economic development. In this scheme, the Korean Federation of Small Business (KFSB), and later on the Korea International Training Cooperation Corps (KITCO), in partnership with foreign recruitment agencies, managed the employment of workers. Exorbitant fees required by these entities, in addition to other problems like runaway trainees seeking new employers and abuses from the workplace, led to its discontinuation.

The EPS was established in 2004 to address these labor concerns. It differs from the previous system in that it utilizes a government-to-government approach to lessen illegal recruitment and to protect migrant workers against discrimination based on race, ethnic origin, religion, sex, and social status.

The EPS is also a significant legislation governing foreign labor migrants in South Korea, given that labor migration from the Philippines to South Korea is expected to increase. It is important to consider that South Korea establishes measures such as the EPS to protect its locals from the influx of foreign labor/workers. In particular, the EPS reflects the opinion of some that the nation's prolonged reliance on relatively cheap foreign labor has adverse effects on the employment opportunities available to locals.

Implementing EPS in the Philippines

In 2004, the Philippine and South Korean governments signed a Memorandum of Understanding (MOU) regarding the implementation of the EPS. The Philippines ranks second among countries with the greatest number of EPS workers in South Korea. To date, the EPS requires potential OFWs to pass the Korean Language Exam and medical exam before they are included in the candidate roster eligible for employment by the Human Resources (HR) Department of Korea.

Although the signing of the EPS is an avenue for the Philippine government to increase labor cooperation with South Korea, dilemmas in the EPS itself hinder cooperation in moving forward. Instead of lessening the number of illegal migrant workers, the establishment of the EPS has led to a steady increase of illegal migrants coming to Korea. A number of Korean firms are willing to hire illegal workers since they can withhold proper compensation or benefits stipulated in the EPS, thus reduce costs. OFWs avoiding the stringent EPS process, meanwhile, enter South Korea under tourist visas. In addition, illegal migrants can switch employers whenever they want, as opposed to remaining with a single employer for three years under the EPS.

There are also many problems faced by OFWs and other labor migrants who work under the EPS scheme related to the annual renewal of contracts, restrictions on changing employers, and accountability of EPS employers. Although an EPS visa lasts up to three years, migrant workers have to renew their contracts annually, thus limiting opportunities to voice out their employment concerns for fear of termination from their jobs. Migrant workers risk deportation if they leave without em-

ployer consent since they would be in violation of the EPS. Also, if migrant workers are unable to find new employment within three months, they would lose their legal status. Furthermore, there are problems of holding employers accountable for their actions despite complaints filed by migrant workers.

Moving forward

The Migrant Workers and Overseas Filipinos Act of 1995 states that: "The protection of the Filipino migrant workers and the promotion of their welfare, in particular, and the protection of the dignity...shall be the highest priority concerns of the Secretary of Foreign Affairs and the Philippine Foreign Service Posts."

To ensure the safety of Filipinos in Korea, especially those under the EPS scheme, the Philippine government should undertake a review of the existing EPS policies as well as conduct other systemic checks. More urgently, EPS policies regarding undocumented workers, the restrictions on charging employers, and renewal of contracts. Given that the initial signing of the EPS MOU in the Philippines took place in 2004, it is necessary that the Philippine government, together with the South Korean government, assess the relevance of the existing policies and other grievance mechanisms. The Philippine Overseas Labor Offices (POLOs) in Philippine embassies and consulates could serve as institutional checks to monitor the consistency of the provisions stated in the EPS vis-à-vis the realities experienced by the OFWs overseas. The Philippine government could also strengthen its existing programs on Korean language training. The Technical Education and Skills Development Authority (TESDA) provides Korean language training for Filipinos who wish to work in Korea through the EPS. Further promotion of this program could help ease language difficulties faced overseas. ❀

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Endnotes

¹ Yoon Ah Oh, Jai-joon Hur, Daehang Kang, Yoomi Kim, Mingeum Shin, "Southeast Asian Labor Migration to Korea: Origin-Country Factors and Policy Implications." *World Economy Update* 3 (2013): 1-6.

² "Baldoz congratulates South Korea on 10th Anniversary celebration of the Employment Permit System." *Official Gazette*, 2014. <http://www.gov.ph/2014/09/16/baldoz-congratulates-south-korea-on-10th-anniversary-celebration-of-the-employment-permit-system/>, (accessed 23 September 2014).

³ Andrew Eungi Kim, "Demography, Migration, and Multiculturalism in South Korea." *The Asia-Pacific Journal* (2009).

⁴ Sarah Hasan, "Labor Migration to South Korea: Policies and Problems related to Illegal Workers." http://congress.aks.ac.kr/korean/files/2_1357629284.pdf, (accessed 4 August 2014).

⁵ Amnesty International, "Abusive Labor Migration Policies", <http://www.amnesty.org/en/library/asset/IOR42/002/2014/en/044bd3fa-ac0e-48c0-9150-756c554409a0/ior420022014en.html>, (accessed 4 July 2014).

Krista Kyla D. Seachon is a Foreign Affairs Research Specialist with the Center for International Relations and Strategic Studies of the Foreign Service Institute.

Ms. Seachon can be reached at kkdseachon@fsi.gov.ph.

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