MIGRATION POLICY OF CONSTRUCTION INDUSTRY AND ANALYSIS OF EMPLOYMENT POLICY OF OVERSEAS WORKFORCE

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Abstract - We have seen the Korean government facing internal conflicts between immigration policy and employment policy in the foreign employment market due to local job protection and concern about national technology leakage while faced with the problem of product deterioration due to lack of local labor supply and aging of the professional worker. We expect more studies to be conducted on the case of conflicts between policies of this immigration policy in future research, noting that conflicts between these policies are not only a problem in the construction industry sector but also throughout Korea's immigration policy.

Keywords: Immigration policy, Plant construction industry policy, Foreign employment policy.

I. INTRODUCTION

Generally, Fourth Industrial Revolution and the advancement of the Intelligence Information Society tend to consider as an opportunity of economic growth. However, some scholars emphasizes that those of transformation could be a new threat. In particular, prior research indicates the stagnation of growth rate in South Korea. The economic growth rate, which has been rapidly declining since 2008, is good evidence of the negative effect of those of new transformation. In fact, Korea's economic growth rate has sharply declined from 10.53 percent in the 1970s to 6.68 percent in the 1990s, 5.39 percent in 2000 and 3.10 percent in 2008-2015. Regarding this trend, Lee Min-hwa (2017) and his/her colleague argue that Korea start to fall a low-growth New Normal era where GDP growth and national competitiveness are low. Kim Seong-tae et al. (2017) mentioned the phenomenon the recession of economic growth and depressed economic dynamics; with this current, some nation-state tries to revive protectionism. Recently, distorted anti-globalism has expanded with economic uncertainties and cultural exclusivism. The movement of the population is a history of humankind, and globalized world system stimulates more intensive movement of the population. Generally, one of the most important reason of immigration is demand for labor; however, demographic, humanitarian, or political reasons is considerable. Although regardless of socioeconomic background that require adequate immigration, the way of immigration policy is very controversial; because of the comprehensive effect of immigration on domestic economy. As a result, the immigration policy of each country has changed according to circumstances. Recently, the traditional immigrant countries such as Australia and Canada, or Britain, which had been open to immigration before, The phenomenon of taking a very friendly position in Germany can be understood from this point of view. Despite the importance of immigration policy, the lack of systematic policy discussions is due to the complacency of future issues and the difficulty of active responses at present. The fact that the immigration policy is behind the policy of raising the birth rate and that there is social rejection against the phenomenon of immigration seems to be the reason for the reluctant response. But in retrospect, immigrations are already deeply embedded in Korean society in a variety of forms such as foreign worker issues, ethnic Koreans and married immigrants. Furthermore, the policy is expected to be more important considering changes in the population structure of Korean society as a result of low birthrate and aging population. This article focuses on the main issues of immigration policy in Korea. However, since the subject of immigration policy is very broad, we focus on immigration policy and discuss the direction of Korea's immigration policy based on the example of the plant construction industry.

II. COMPARATIVE ANALYSIS OF FOREIGN EMPLOYMENT SYSTEMS

2.1. Korea's Foreign Employment System

The influx policy is to manage the process of accepting immigrants. It is concerned with how and in what way, how and to whom, the inclusion policy is related to how well immigrated immigrants are incorporated into host countries. In relation to the influx policy, there are a system for setting or prioritizing objects to be accepted, a quota system for limiting the number of immigrants, and a point system for receiving scores based on the score of immigrants. The policy for inclusion controls the way in which the imported immigrants are incorporated into the host country society. From this point of view, this study will look at the "Act on Employment of Foreign Workers, etc." and the policy of entering the

labor sector focusing on the implementation of the employment permit system. First of all, the employment permit system is implemented in order to reduce the labor shortage in small and medium-sized businesses and promote sustainable economic growth by systematically introducing foreign workers under the principle of protecting employment opportunities for local workers. It also includes the intention of establishing a system to efficiently manage employment for foreign workers and protect their rights as workers. The employment permit system, which is enforced for this purpose, is continuously revised to solve various problems arising from the implementation of the system. Employment of foreign workers at construction under the Employment Permit System reviews and announces the matters concerning the business and size of introducing foreign workers annually by the Foreign Labor Policy Committee under Article 4 paragraph 2 of the Act on Employment of Foreign Workers. Each vice-minister of The Ministry of Economy and Finance, the Ministry of Foreign Affairs and Trade, the Ministry of Justice, the Ministry of Commerce Industry and Energy, the Ministry of Employment and Labor, the Ministry of SMEs and Startups and the 20 members who exercise important voting rights in the process, including the president. In connection with the trend of domestic labor force supply, the government decides the scale of introduction of foreign workers and the allowed industries, and selects the country of origin. The legal basis and related laws include the Immigration Control Act, the Employment of Foreign Workers Act, the Enforcement Decree on Employment of Foreign Workers, and the Enforcement Rules on Employment of Foreign Workers. A legitimate foreign worker at a construction site can get a job by issuing non-specialized job certificate (E-9) and an H-2 in the construction industry. In comparison to the employment permit system (H-2) in the construction industry, foreign workers are mainly working at SOC sites except for cases where the transfer is not free but basic wages are paid and construction licenses are industrial environmental facilities.

Construction is, in principle, if one in every construction possible employment of foreign workers, power plants, steel mills, the construction license of construction companies of the petrochemical plant construction site is industrial environment, and are excluded, calculated on the quota of foreign workers in the construction industry and construction 0.4 people per Amount billion new jobs limit is calculated amounts to 0.3 deaths per 100 million won Corporation.

Table 2: Allowance of Foreign Workers in Construction Industry

Annual average construction amount	Coefficient	New employment permit issued limit
Less than 1.5 billion	Five person (Without Coefficient)	less than three persons (Without Coefficient)
over 1.5 billion	Construction amount × 0.4	Construction amount × 0.3 (Up to 30 person)

2.2. Implication point

Over the past decade, each country ' s immigration policy have tended to converge in some areas. For example, each countries are promoting and guiding the employment of people with expertise or skills in specific fields through visa policies and encouraging them to live longer periods of time. The United States is embracing IT professionals around the world through H-1B visa. In Canada and Australia, professional workers are also providing a way to acquire permanent residency through various methods (such as recommendation by employers or local governments) after getting a job. English-speaking countries such as the United States, Canada, Australia, Singapore and Hong Kong are becoming a major destination for the professional workers. In addition, the government start to execute an immigration policy for overseas students to hold professional workers. In Australia, those who receive a master's degree in science, technology, engineering, and mathematics(STEM) or an IT field can receive additional points when applying for permanent residency through the score system. These students are considered part-time students while studying, and are considered human resources to provide them with work after school. In the United States, a student who graduated from a university or graduate school on an F-1 visa will extend his or her one-year stay in the United States to three years for applicants. Japan is also actively attracting foreign students to utilize their labor after graduation. Another convergence phenomenon is the phased-in immigration policy. In traditional immigrant countries such as the United States, Canada, and Australia, it is possible for immigrants to acquire permanent residency at the same time they enter the country, the biggest difference between Europe and East Asia. However, traditional immigrant countries are increasingly acquiring permanent residency after entering the country as a temporary stay for jobs and academics.

III. CURRENT STATUS AND PROBLEMS OF LABOR UTILIZATION IN PLANT CONSTRUCTION INDUSTRY

3.1. Instability of local professional worker supply

The plant construction industry sector was found to be suffering greatly from difficulties in the supply and demand of local workers, and was higher than other construction sector.(KRIMFI, 2015)

According to 「3rd Basic Plan for Employment Improvement for Construction Workers」 that forecast capital investment and labor force demand and supply, regardless of increasing capital investment and labor force demand, a quantity of skilled and unskilled workers are insufficient.

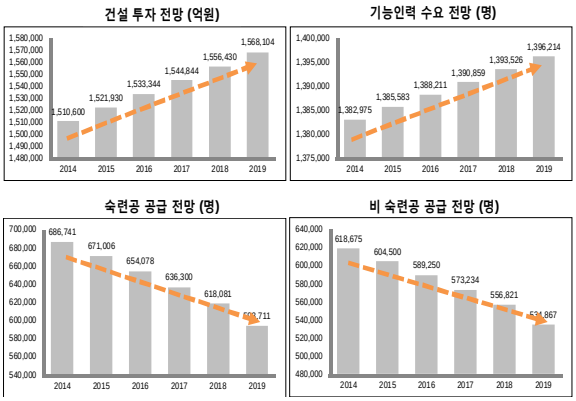


Fig.1. Investment Forecast in the Construction Industry and Supply and Demand of Functional Worker

3.2. A Study on the Aging Level of Local worker

The aging of the skilled workforce is seen as a problem for the construction industry as well, and it is also seen as a serious problem at the plant construction site. As a result of investigating the reasons for aging the skilled workforce of Koreans at the plant construction site, "Because the younger people are recognized as 3D industries," the report said. "Because there is no continuous introduction of young skilled human resources."(KRIMFI, 2015)

Actually, figure 2 shows that the proportion of 50s 60s is increasing after 2000s. In 2007, the economically active population in their 50s jumped dramatically after passing the 20-something economically active population. In 2014, workers in their 50s turned over workers in their 30s, and workers in their 60s are on a steady rise.

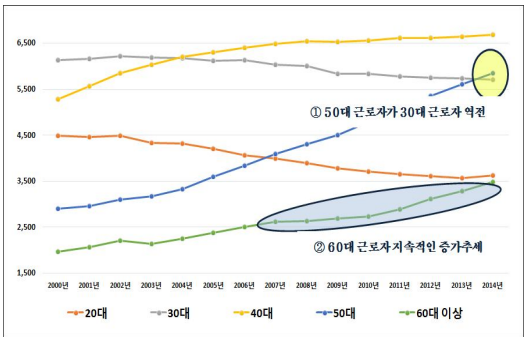


Fig.2. Changes in Economic Activity Population by Age

In the case of construction workers aged 40 or older, the annual rate of construction workers is expected to increase steadily to 81.8 percent of the total skilled workforce in 2014, and the trend is expected to continue for some time unless issues such as 3D industry images are resolved.

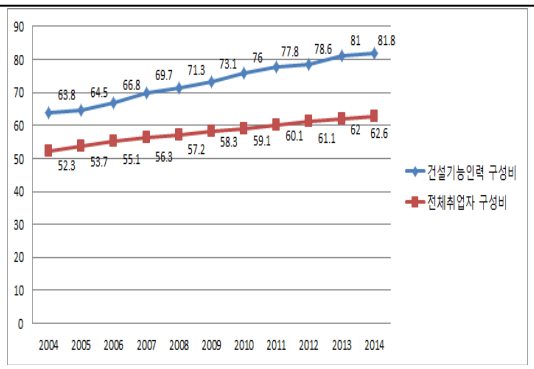


Fig.3.The ratio of people aged 40 or older to those who are employed and functionally employed in the construction industry

The aging problem is also illustrated in the Institute for Occupational Research (2015)'s "2014-2024 Employment Outlook" report. If you look at the percentage of 50 or more jobs in the construction sector, 21.4 percent of professionals have 50 or more jobs, compared with 46.7 percent of the total employees and 56.5 percent of simple workers. The aging of the construction workforce in Korea is very serious compared to Japan, which has entered the super aging society in the world.

Table 3: Construction Workers Under 20s in Korea and Japan

Category	2000Y	2013Y
KOREA	13.0%	5.1%
JAPAN	20.5%	11.1%

*Source: Nailsinmun,2015

3.3. Foreign worker utilization problem

Despite these aging and disproportionate workforce problems, there are many regulations in utilizing foreign labor force in the local plant industry.

As regulations on the current employment permit system are limited to plant construction sites, some say that foreign workers must be employed to ensure smooth construction of the plant construction site

IV. REVIEW OF FOREIGN EMPLOYMENT POLICY FOR PLANT CONSTRUCTION INDUSTRY

4.1 Review the technical leak

The biggest regulation in hiring foreign workers in the nation`s plant construction industry is limiting the use of foreign workers, citing the leakage of national technology. Despite the large share of the domestic plant industry as it did in the preceding issue, it will be time to discuss deregulation or abolition of regulations amid an industrial crisis due to an imbalance in labor force supply and demand and an aging Korean professional. The issue of technology leakage due to the participation of foreign workers in the plant construction industry can raise the question

of fairness of regulations, as many locals (foreigners) are participating in overseas construction plants. The amount of foreign worker at overseas construction sites increased 173 percent to 208,000 in 2012 from 76,000 in 2008 as local companies increased their overseas orders. From 2009 to 2013, when began to record annual $50 billion in overseas construction orders, the number of foreign workers increased by about 180,000 annually, about 3.7 times from the average of 49,000 from 2001 to 2008. The proportion of foreign workers in total overseas construction has increased from 87.6 percent in 2005 to 92.1 percent in 2010, but has declined slightly since 2010.



Fig.4. Scale and weight of foreign worker in overseas construction

According to the human resources input status of overseas nuclear power plants carried out by Korean companies, the ratio of skilled and unskilled labor input is quite high despite the need for high technical information. In view of this, the employment of foreign workers at overseas plant construction site is becoming common, and the government's claim to limit employment of foreign workers at plant construction sites due to technology leaks needs to be reviewed.

4.2. Review the Problems of Job Protection for Local Workers

According to the report, "Migration in OECD countries – Labor Market Impact and Integration Issue," which analyzed the effects of foreign workers on the local labor market for OECD countries, the number of immigrants increased by 1 percent, wages decreased by 0.12 percent and local workers' employment decreased by 0.02 percent. As a result, it can be judged that the impact of foreign workers on the local labor market is minimal and has little or no effect in the mid- to long-term. As foreign workers provide a variety of labor necessary for the economy in their country to stay, they say it creates positive effects in various aspects, including providing young workers and eliminating the imbalance in the supply of labor force. In the Ministry of Employment and Labor ' s " 2011 A Plan for Foreign Employment Permit Implementation Evaluation & System Improvement " , There is a view that the employment of foreign workers does not affect the employment of local workers and contributes substantially to the maintenance of local jobs. Therefore, the construction industry, like any other industry, contributes substantially to maintaining local jobs, which contrasts with the domestic workers` job protection, which the government claims as a reason for limiting employment of foreign workers at plant sites.

Table 4: The Effect of General Foreign Workers on the Employment of Local Workers

Category	Case (person)	lost job strongly	lost job partially	No relation	Positive Keep the job	Strongly positive	No response	Total	Likert scale
All	679	1.6	7.4	22.2	48.6	11.3	8.8	100	3.7
Manufacturing	355	2.3	5.6	20.3	54.1	13.0	4.8	100	3.7
Construction	80	2.5	12.5	22.5	46.3	11.3	5.0	100	3.5
Service	183	0.5	9.8	24.0	36.6	8.7	20.2	100	3.5
Agricultural and fishing	61	0.0	3.3	27.9	55.7	9.8	3.3	100	3.7

4.3. Foreign worker Policy for the Supply of Labor Market

Population structure is one of the important factors to affect immigration policy in Korea. Although they agree on the need to expand the influx of foreign workers in terms of securing labor, there is much controversy over how the influx of immigrants will approach population policies in response to the aging population with low birthrate. It is possible to simply estimate the amount of labor needed and accept through immigrants the lack of local worker. To this end, a mid- to long-term supply and demand forecast has been attempted to assert the need to resolve a portion of local labor supply through foreign worker inflows. However, there is a significant amount of opposition. Nevertheless, a decrease in the production population since 2016 is likely to lead to a stuck-up of low growth, which is likely to lead to the rise of social conflict such as deepening polarization. Therefore, the government suggests that not only increase the utilization of the Korean people but also increase the influx of immigrants by 300,000 to 400,000 every year. In addition, the increase in the quantity of immigration is expected to play a key role in boosting the competitiveness of the labor market and increasing the efficiency of society as a whole(Oh-kyu Kwon, 2014). However, it is suggested to set up immigration as a national strategy in order to solve social integration and cost problems with increasing immigrations. According to the report, "Migration in OECD countries – Labor Market Impact and Integration Issue," which

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CONCLUSIONS

The immigration policy varies from country to country. This is because different policy measures were taken depending on the background or characteristics of immigration. In East Asia, especially Korea and Japan, insufficient labor force is most important reason to accept foreign workers. However, Korea and Japan, with no population free to move to neighboring countries such as the EU, are actively introducing simple labor migrant workers by intervening in efforts to solve the shortage of labor, especially in simple labor sectors. It is increasingly limited and strict for non-professional immigrant workers, while more open to professional immigrant workers. In addition, it is becoming mandatory to test the labor market, including the efforts of local workers to protect jobs in Korea, increasing incentives such as longer retention periods to address labor shortages in the industry and rural areas are also found in many countries.

This study explained the duality and process of Korea's immigration policy through the foreign employment system in the domestic construction sector, especially in the plant construction sector. Despite the lack of labor force and aging professionals in Korea, the Korean government has been at odds with foreign employment policies due to concerns over job protection and the leakage of national technology.

We expect more studies to be conducted on the case of conflicts between policies of this immigration policy in a future study, noting that conflicts between these policies are not only a problem in the construction industry sector but also throughout the nation's immigration policy.

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