

Ministry of Employment and Labor (MOEL):

Amendment for Special Employment Support for Tourism and Performance Industries

- ◆ Appointed from March 16 to September 15 and applies to companies of any size
- ◆ Strengthening support for employers and employees by raising the employment retention subsidy from 75% to 90%
 - According to the Amendment for Special Employment Support for Tourism and Performance Industries, supports including employment support and job training funds are strengthened from March 16 to September 15.
 - This amendment is a follow-up amendment upon the amendment announced on March 9.
- ◆ The entities must check for their business code registered to employment insurance.
 - The entities with registration and certification specified in the Tourism Promotion Act are also applicable for this support.
- ◆ Applicable businesses are:
 - (1) Tourism companies and other tourism companies (N752) or registered tourism companies according to the Tourism Promotion Act
 - (2) Hotels and similar entities (55103) or registered hotel companies according to the Tourism Promotion Act
 - (3) Chartered bus transportation (49232), passenger transportation (50111), passenger transportation (50121), other passenger and cargo transportation (50201), port passenger transportation (50202), and airport passenger transportation (51100)
 - (4) Creation and art related services (R901) or registered performance companies according to the Art Promotion Act

<Applicable Size of the Entity and Number of Employees>

- ◆ If the entity is registered with applicable business code, the support is applicable in disregard of the size of the entity.
 - According to the employment insurance database, the numbers of applicable companies are 13,845 and the numbers of applicable employees are 171,476.
 - Considering that the scope of applicable businesses stretches to the Promotion Acts of the applicable industries, the number of applicable companies and employees are expected to be higher than the above-mentioned numbers.

<Regarding Special Employment Support>

(1) Increase in the employment support for the applicable businesses

- Temporary layoff support is increased from 66% to 90%, daily limit from KRW 66,000 to KRW 70,000
- Unpaid layoff support requirement is adjusted from 90 days to 30 days and paid layoff from 3 months to 1 month
- Due date for employment and industrial accident insurances, disability requirement employment is extended for 6 months and penalty for delayed payments are waived.
- Penalties for delayed health insurance payments are waived.
- Support funds for job training is increased and ceiling is also increased from 240% to 300%.
*Priority support companies from 100% to 150%, companies with less than 1000 employees from 60% to 100%, and companies with more than 1000 employees from 40% to 90%.

(2) Support funds for employees and job seekers are strengthened

- Mortgage ceiling is expanded, and income requirements are reduced
- Living mortgage is expanded from KRW 10,000,000 to KRW 20,000,000, children education mortgage is expanded from KRW 5,000,000 to KRW 7,000,000 per year, and return period is extended from 5 years to 8 years.
- Mortgage income requirements are changed from KRW 1,810,000 to KRW 2,220,000, and other living expenses from KRW 2,590,000 to KRW 3,170,000.
- From March 9 to July 31, all living stability fund mortgage income requirements will be changed to KRW 3,880,000.
- Job training living mortgage limit is expanded from KRW 10,000,000 to KRW 20,000,000, and entity scope is expanded from 9 headcounts to 29 headcounts.
- The Tomorrow Learning Card interest coverage ratio for the employee is reduced from maximum 55% to maximum 20%, and training ceiling is also expanded from KRW 3,000,000 to KRW 4,000,000 for 5 years.
- Laid off employees from the priority support companies are waived from income requirements to be involved in successful employment package II.
- ◆ The government promised to make sure that the support funds are to be fully carried on and heavily advertised.