

Table of Contents

I. Introduction	1
1. Overview of Korea's Wage System	
2. Economic Significance of Wages	
3. Significance of Wages in Labor Laws	
II. Purpose and Legal Properties of Wages in the Labor Standards Act	9
1. The Concept of Wages	
2. The Scope of Wages	
3. Average Wages and Normal Wages	
4. Methods of Wage Payment	
5. Protection of Wages	
6. The Prescription of Wages	
7. Priority of Claim for Payment of Wages	
8. The Wage Claim Guarantee System	
III. Wage Level	53
1. Wage Level	
2. Composition of Wages	
3. Wage Levels by Size of Business and Wage Increase Rates	
4. Wage Disparity	
IV. Type of Payment	61
1. Meaning of Type of Payment	
2. Payment for Time Worked System	
3. Output Payment System	
4. Annual Salary System	
5. Ways to Improve the Wage System for the Motivation of Workers	
V. Wages and Labor Relations	93
1. Major Disputed Points between Labor and Management on Wages	
2. The Procedure for and Strategy of Collective Bargaining on Wages	

3. Development of Wage Policies of Labor, Management, and the Government

VI. Wage Payment System of Korean Companies 103

1. Type of Wage Payment
2. Wage Payment System
3. Allowances
4. Bonuses
5. Wage Increase Rates According to Promotion and Collective Bargaining
6. Wage Disparity by Job
7. Guidelines on Wages

VII. Minimum Wage System 113

1. Significance of the Minimum Wage System
2. Content of the Minimum Wage Act

VIII. Retirement Allowance System in Korea 129

1. Introduction
2. Operation and Current Status
3. Future Development of the Retirement Allowance system

IX. Competitiveness of Korea's Wages and Recent Trends in the Wage System 161

1. Wages and International Competitiveness
2. Wages in Manufacturing Sector to per Capita GNP Ratio
3. Wages and the Payment by Performance System
4. Trends in Wages and New Personnel Management System

X. Improvement of Korea's Wage System 177

1. Overview
2. Improvement of the System of Wage Determination
3. Rationalization of the Wage Composition System

Guidelines on the Determination of Normal Wages
(Regulations of the Ministry of Labor, No. 327, March 27, 1997)