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ORIGINAL ARTICLE

Evaluation and Reform of Self-Sufficiency Project in Korea¹

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ABSTRACT

In this paper, Self-sufficiency project reformation plan which responds to social economic condition changes was examined. Reform plans of Self-sufficiency project based on policy change. The suggested plans are improving the system in microscopic level, reinforcing the association with labour market policy, expanding work first strategy, building self-sufficiency support system in the local government, changing the roles of local self-sufficiency centre and changing government support policy. In the microscopic level of reform suggested the changes in operation method of self-sufficiency programs such as diversifying the goals of Self-sufficiency project, moving toward desire based wage system, changes in the roles of the local self-sufficiency centre, diversifying self-sufficiency providing agency and result based contract system etc. New Self-sufficiency project needs to equip with personalized self-sufficiency support route for Self-sufficiency project objects from the socially vulnerable class.

<Key-words>

Self-sufficiency enterprise, self-sufficiency work, self-sufficiency support centre, simple labour, up-grade type

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I . Introduction

The main purposes of this paper are to study the achievements and limits of Self-sufficiency project through historical consideration of it as a labour policy for social vulnerable classes and to suggest Self-sufficiency project reformation plan which

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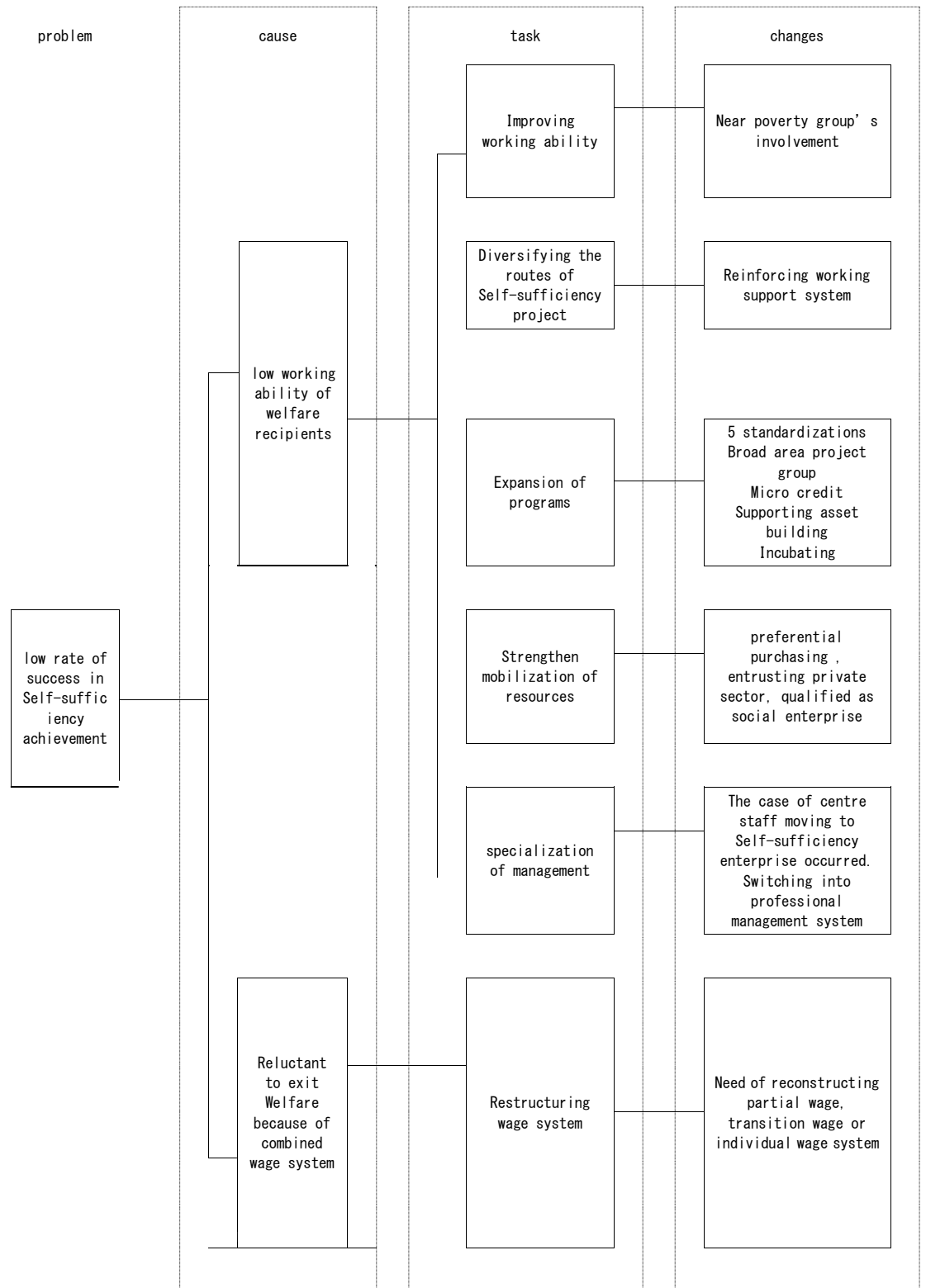
responds to social economic condition changes. After the economic crisis in 1997, government poverty policy focused on the legislation of Citizens Minimum Living Standard Security Act (CMLSS Act) in August 1999. A main feature of CMLSS Act is that if family income is less than the minimum cost of living, regardless age and ability to work, anyone can be qualified as a welfare recipient. Self-sufficiency wage, one of CMLSS Act wage systems takes the welfare recipient with ability to work as its objects. Local self-sufficiency support centre (Self-sufficiency Promotion Agency at that time) was designated to support self-sufficiency programs. Before institutionalisation, government established self-sufficiency support centres in 20 regions nationwide as a pilot project and entrusted them to private organizations. At the beginning, the main task of self-sufficiency support centres was to set up and to promote producers' cooperatives.

After foreign exchange crisis, the centres combined existing producers' cooperatives project and government Public Work projects. Producers' cooperatives and government work program were continued as self-sufficiency work and self-sufficiency enterprise programs after the legislation. To tackle mass unemployment and poverty issues, government tried to create social jobs in social services and environment areas, with cooperation and solidarity among civil society organizations. Through Self-sufficiency project, jobs were created for the vulnerable labour class in the areas of care service including care service, house repair project, recycling and reusing wasted resources such as computers, recycling food waste and sharing food. Addition to job creating effect, the project provided socially beneficial services (public interest service) for the vulnerable class. Self-sufficiency project fell into two categories: self-sufficiency work and self-sufficiency enterprise (Self-sufficiency community). Self-sufficiency work promoted welfare recipients' economical independency through partial dependency on government wage assistance. On the other hand, self-sufficiency enterprise directly assisted economical independency. Self-sufficiency program also promoted self-sufficiency and self-reliance of participants through the route of simple labour self-sufficiency work (employment based type) market entering (Up-grade type) self-sufficiency work self-sufficiency enterprise. The core of this route was to maximize participants' learning effect through labour. Taking the example of social care program, simple labour care service, mainly consisting of the beginners, takes responsibility of free care for recipients of CMLSS Act. Market entering type with some experienced carers, works in 'Affordable care service' or small hospitals. Carers' cooperative equipped with competitive power and well experienced carers through Self-sufficiency work project group finally comes to run care workers' group which can compete with private enterprises in middle sized and big hospitals. For its 10 year history, Self-sufficiency project achieved considerable amount of results. At the same time, Self-sufficiency project has been trying to reform itself to overcome its low achievement since very early days. This paper will examine reform plans reflecting social economical environment changes through evaluation of Self-sufficiency project.

II . Evaluation of Self-sufficiency Project

The key point of the evaluation of Self-sufficiency project is that self-supporting of the recipients, especially 'Welfare Exit' is very difficult to achieve. When Self-sufficiency project was planned, it aimed to forge business start-up supporting system for poor class who had difficulties to get into labour market. It also aimed to achieve economical independency through creation of stable jobs with the aid from business start-up supporting system. Difficulties were found in three areas. Firstly, because of very low level of working ability, welfare recipients could not survive in business market. Secondly, combined payroll system made welfare recipients try to remain in Self-sufficiency work and small income to maintain their eligibility to receive social welfare. Finally, the level of income in low wage labour market is not much higher than income from Self-sufficiency project, or considering labour intensity, it was even lower than income from Self-sufficiency project. It resulted in welfare recipients' reluctance to enter the labour market. In these reasons, reform of Self-sufficiency project naturally drawn to tackle first two difficulties ruling out labour market issue which the project could not interfere. In other words, the reform was focused on improving working ability and restructuring wage system. To work out these problems, various policy changes have been made such as encouraging near poverty group to take part in Self-sufficiency project, reinforcing working support system through the program as like Hope Reborn project and introducing Broad area project group and asset building program. Recently, discussion of restructuring wage system based on CMLSS Act has started (See <figure 1>. Lee et al., 2012).

Passing ten years, meaningful changes can be found in field of Self-sufficiency project. Firstly, local self-sufficiency support centre has taken various routes of programs. A little too unilinear pattern of 'self-sufficiency work - setting up self-sufficiency businesses' was the role of local centres before. However, recent policy trend of emphasizing on employment and case management influences the centres to diversify their routes. Secondly, differenced between local centres according to characteristics of the areas started being noticed. The differences were found in localization programs of the centres, usage of accumulated money and limit in the period of self-sufficiency work etc.



< figure 1> Awareness of reforming system and corresponding policies

1. Evaluation of main self-sufficiency programs

Evaluation of self-sufficiency program will be divided into two groups of programs: self-sufficiency work and self-sufficiency enterprise as typical self-sufficiency programs, and other programs. Self-sufficiency work was designed as a learning job system and a business set-up incubating system. However, self-sufficiency work is proved to have some problems such as under developed learning condition to improve working ability during self-sufficiency work period, lack of work motivation of conditional welfare recipients, restricted right of choice on projects, insufficient vision on long term plan of Self-sufficiency work project group and prolonged stay in self-sufficiency work. Suggested solutions of the problems are providing training time according to types of jobs in learning job system, putting more effort on early stage counselling, guaranteeing the right of choice, limiting the length of time for the participant to stay in Self-sufficiency project.

Self-sufficiency enterprise is defined as 'a organization or cooperative, legitimate in Value Added tax act, which is founded by more than two welfare recipients or near poverty class and their cooperation'. It is considered as the final stage of Self-sufficiency project route. Local self-sufficiency support centres must pursue establishing more than 3 self-sufficiency enterprises, and market entering type self-sufficiency work project group is running under the aim of establishing self-sufficiency enterprises. The most urgent task is devising systematic support plans. Especially enhancing the image of self-sufficiency enterprise and management support system are the most prioritised issues. It is necessary to construct support system as like Social enterprise's one and to seek the methods of suitable management and support for individual enterprises. At the same time, rightsizing the support for self-sufficiency enterprises, diversifying development routes and formulating specialised support system according to each route are also necessary.

In addition to supporting self-sufficiency work and self-sufficiency enterprise, local self-sufficiency support centres run project groups related to government job creating project or companies' social contribution activities. Though CMLSS Act defines 'job placement', 'loan facilitation for operating business' and 'financial aid for self-employed entrepreneurship' as parts of local self-sufficiency support centre's roles, record shows that those have not made very successful results: only 8.1% of centres have experiences of financial aid for self-employment, and only 25.8% of more than 11 times of job placement though 73.4% of centres have more than one time of job placement (Kim et al., 2009).

2. Evaluation of reform program of Self-sufficiency project

For last 10 years, Self-sufficiency project has been running on the route of social service type self-sufficiency work market entering self-sufficiency work self-sufficiency enterprise. At the same time, Self-sufficiency project has been focusing on 5 standardization project. However, recent increasing importance of social service business

brought some changes into Self-sufficiency project. Participants from near poverty class already took more than half of total participant number in the project and it reflected a significant difference in local fields from the early days (Kim et al., 2009). Looking into current state of participants to local self-sufficiency support centre projects, typical private support organization, since 2008 the number of people from near poverty class and none welfare recipients exceeded the number of the welfare recipients (regular welfare recipient, conditional recipient and self-sufficiency exceptions. The fact that more than one third of total project groups were social service business group or other business group proves considerable changes in consists of project group, and shows that their businesses were not limited in self-sufficiency support program. It also shows that job placement achieved meaningful results in the route of self-sufficiency/self-supporting. In this reason, reforming self-sufficiency/self-supporting program focusing on self-sufficiency work was unavoidable. Gyeonggi Province self-sufficiency centre established job placement support centres in each city and district. From January to June 2006, some ten centres achieved 2,773 cases of successful job placement (1,192 employed, 343 linked to Self-sufficiency project). Building on such results, Result management type Self-sufficiency pilot project (Hope Reborn project) was set off, and it developed into actual project nationwide from 2013. Result management type Self-sufficiency pilot project cooperates with local governments and private sectors in broad area. The project, on the bases of individual counselling with participants, sets action plans for individuals, makes links and adjusts relationship with social service (child car, care service, social adaptation etc.) to provide job training and job placement and to promote work conditions. The project is supporting employment and setting up business through their result management program. Both Hope Reborn project and Package for successful job placement are the programs focusing on getting employed. Despite difference in participants, both programs try to allocate jobs through counselling and provide intensive for successful employment. This trend of emphasizing employment has significance in terms of diversifying Self-sufficiency project route which was rather uniliner as 'self-sufficiency work self-sufficiency enterprise'. And both programs are positively evaluated by the Ministry of Health and Welfare (Hope Reborn Project) and the Ministry of Labour(Package for successful job placement). Nonetheless, there are some problems cannot be missed. The biggest problem is that each government department runs similar programs individually. Secondly, in Hope Reborn case, as broad area centres take charge of running the project, their original role of supporting local self-sufficiency centres are not properly carried out. Thirdly, as participants with better work ability are allocated to Hope Reborn project or Package for successful job placement through case rearranging meeting, local centres tend to have relatively less able workers in their projects. Fourthly, the issue of participants' maintaining their employment status becomes another kind of problem. Finally, it is obvious that results of programs are different between regions. These differences are thought to be influenced by

differences in labour market among regions as well as differences in ability of executing organization (Lee et al., 2012).

III. Changes in environment of policy related to Self-sufficiency project

1. Getting into stride of education-employment-welfare link and wide spread of employment policy for vulnerable class

In Europe where unemployment issue is really serious, link and adjustment between not only employment policy and social welfare policy but also and education policy are the most important policy agenda alongside integration issues of individual policies between countries. To reflect flexibility of labour market, construction of lifelong education system and providing social welfare service have to be supported. In low birth and aging era, fundamental power for development of state is human resource development which aims to improve the quality of human resource. To meet its aim, it is necessary to premise of the association, adjustment and integration of individual social policy tasks such as improving education level, strengthening education and employment link and improving welfare level through education and employment. Social policy tasks need to heal the tendency segmentalization in social classes so that they can function as the motivating power of economic growth. The main problem of employment and welfare is the weak association between production-employment-welfare. In other words, the relationship within growth, employment and welfare is not as simple as in the past any longer. To resolve the problem, it is necessary to find integral social policy which organically associates education, training and welfare through the employment. Such organic integral social policy not only will include the socially neglected by capitalistic economic system and bring them into the society and labour market, but also will function as a long term protection for capitalistic economy by supplementing the failure and incompleteness of the market. Unless economic policy integrates with social policy which aims social solidarity, the success of national strategy of maximizing open and diverse systems cannot be guaranteed. To achieve the goal of the integrity between economic and social policy, government should provide the institutional framework which can guarantee the partaking of economy agents without being socially excluded because of innovation and openness and this framework has to be the integral social policy. The most important thing in this integral social policy is to strengthen the association of employment-education welfare link (Lee · Jeon, 2006).

Reinforcing work associated welfare resulted expansion of employment policy for socially vulnerable class such as the elderly and the disabled as well as vulnerable working class. Since its first institutionalization as Self-sufficiency project in 2000, labour policy for the socially vulnerable class has been extended to Senior Employment Program in 2004. Senior employment program is functioning as enhancement of senior workforce as well as one of the income generating tools after retirement. In 2006, social

employment policy faced another big change. The policy declared the new motive power of growth: job creation through expansion of social service as national strategy. Social service jobs became drive force to pursue two aims, reinforcing social service and appropriate job creation at same time. On this, in 2009, social employment policy changed its title into Social service Employment Policy.

2. Spread of social economy activity and establishing social economic system

Since 2000, Self-sufficiency project has become more active, various project have been in progress without much association or integration. Those are Social enterprise of Ministry of Employment and Labour, Community business project of Ministry of Knowledge Economy, Social-efficiency project of Ministry of Health and welfare, Rural community enterprise project of Ministry of Agriculture and Forestry, Immigrant woman's Self-sufficiency project of Ministry of Gender Equality and Family and Social enterprise in culture and art of Ministry of Culture, Tourism and Sport. Therefore, it is considered as a priority to establish governance system to encourage various social, economical activities. Consistent supporting system, from central, broad area to local government is urgently needed. Reorganization of Self-sufficiency project must be considered in the light of establishing the social economic system.

It is necessary to seek the roles of central support centre, broad area support centre and local support centre from the view point of social economic ecosystem. Social economic ecosystem means network between various interested parties of social economic organizations, which provide organic ecosystem for growth of social economic organizations. In other words, it is the network forming virtuous circle of symbiotic and coexistence of various interested parties with the purpose of producing progressive values in every possible business. Social economic ecosystem consists of capital infrastructure which helps success of social economy and social economic and cultural conditions. Capital infra means human resource, social political capital, financial capital and intellectual capital. Social, economic and cultural conditions mean social economy policy, media public relation and cultural awareness, economy-social condition and other related areas (Lee · Hwang, 2013).

First of all, to strengthen the ability of support centres, it is necessary to improve the cooperative relationships with local governments. At the same time, interim support agents of social business project such as social enterprise support agent, village enterprise support agent, community enterprise support agent and social enterprise support agent must try to find the ways of cooperation through network within themselves. Central support centre not only has to improve social economy system, human resource, financial resource, intellectual resource and social political resource, but also takes the important role of constructing the social economic policy, publicity and information system and cooperative relationship between social economic agents. Broad area support centre, in a wide aspect, aims to carry out the roles of central support centre

in broad area. Local support centre aims to inspire willingness of self-supporting of socially vulnerable class and improve the ability to be independent. It has to take the role of network building hub with various social economic agents, build up Social-efficiency project related intellectual capitals and deliver those into the area. In May 2012, Seoul city launched 'Social economic ecosystem development project' and set up local social economy support centres to promote to establish the models of social economic ecosystem and to empower the local communities. This project of Seoul is not segmented social enterprise support but social economic ecosystem improvement project based on private and public cooperative governance in local sectors. Such project is expected to bring the virtue circle of local economy growth through social economic results (Lee et al., 2012).

3. Self-sufficiency project and changes of system around it

1) Self-sufficiency project and social enterprise

After the legislation of CMLSS Act, the most significant change in Self-sufficiency project is that it became one of public aid. As self-sufficiency project became a tool of condition fulfilment, civil organization and participants were no longer the principal subject of the project. New tasks that did not exist in Producers' community time occurred. The biggest challenges were to inspire the participants (conditional welfare recipients) to have willingness of self-supporting and to stop them to settle for the status of welfare recipients. In institutional aspect, reforming combined wage system according to CMLSS Act was the priority task. Since Self-sufficiency project changed to public aid, Social Enterprise improvement Act (2007) and Cooperative Act (2012) have been legislated, and social economy has widen its area. Experiment of social economy activities through self-sufficiency project had great influence to activities of social enterprise. Self-sufficiency enterprise provided rich material foundation and experimental zone for the social enterprise. Such influence can be found in the fact that the self-sufficiency enterprise and the self-sufficiency labour groups are taking a great part in the social enterprise. At the same time, expand of the social enterprise has significant effect on improvement of the self-sufficiently enterprise. First of all, the social enterprise influenced in ownership and management system and in corporate governance structure of the self-sufficiency enterprise. The self-sufficiency enterprise could move from being managed by local support centre staffs based on community business set up to having various ownership systems and governance structure, and it enabled the self-sufficiency enterprise to explore wider possibilities. Secondly, positive public opinion about social awareness and support for the social enterprise started widely spread because of government's effort on maximizing employment effect of the social enterprise. Many self-sufficiency enterprises started being qualified as the social enterprise and used positive public opinions of the social enterprise for their marketing (Lee et al., 2012).

2) Self-sufficiency project and social cooperatives

Cooperative Act was legislated at the end of 2011. Self-sufficiency project, which once gave up worker's cooperative type producers' community, are seeking the ways to change the governance structure of the self-sufficiency enterprise into the social cooperative. The social cooperative, unlike traditional worker's cooperative, includes all parties of interest like consumers and cooperating groups as its members. It is a type of cooperative that pursues social goals such as creating jobs for the socially vulnerable and providing social services. In Korea, the social cooperative is considered as the organization with similar nature of non-profit cooperation. In this reason, it is important and necessary to examine if the changes of the self-sufficiency enterprise which has more profit cooperative nature into social cooperative structure is possible or appropriate (Lee et al., 2012). The social economy has been providing core philosophy and tolls to Self-sufficiency project. And, despite being limited as the social aid, Self-sufficiency project has been trying to maintain its core spirit. A lot of self-sufficiency works, establishing and running the self-sufficiency enterprise, developing social services in different areas and pursuing sustainable financial system were the firm base of legalizing the social enterprise and the social cooperative and did crucial role in development of social economy in Korea.

3) Vitalization of Self-sufficiency project and Social service

Social service policy provides important opportunity for improvement of Self-sufficiency project (Lee, 2010). Quite a lot of self-sufficiency labourers' groups and self-sufficiency enterprise carry out the role of 'social service project group'. The social service project group has its foundation on the participation of local people and local community. It is similar with the social enterprise because it has the characteristic of hybrid, combining 'public interest' of non-profit organizations and 'innovativeness' of profit organizations. This characteristic of self-sufficiency social service group considerably corresponds to the one of social service. Creating jobs in social economy area such as social enterprise can be recognised as main friend of social service. In Europe, employment in social jobs taking up the social service rapidly increased, and as a response to this the interest in social service policy grew significantly. The tendency to 'social economy' of social service policy presents the possibility of solidarity with self-sufficiency practice fields in local communities. Because of expanding social service job policy reformation of the performance system of Self-sufficiency project is inevitable. Existing local self-sufficiency centre mainly supported incubating of self-sufficiency and self-supporting of Self-sufficiency project participants, and majority of participants were conditional welfare recipients. Newly required roles of the self-sufficiency centre are, adding to minimizing its existing role of executing organization for conditional recipients, to do general support works to select, educate and train the participants for the newly developed social service jobs such as care, labour, future human resource development and to manage the cases in the fields. In this case, the self-sufficiency social service

project group clearly has to carry out the role of co-producer of social service. The social service project group should encourage people to become active agents of intervention to social service providing, rather than passively remain as consumers of social service providing market or voters for the politics. The group also has to benchmark complex interested party model of the social enterprise which organizes partaking of various interested agents in local communities, breaking away from decision making system and profit sharing principle which include only workers or consumer members. Local interested agents include service providing workers, managements, users, relating civil organizations, local government and financial supports.

IV. Reform of Self-sufficiency project

1. Outline of reform of Self-sufficiency project

There are possible reform plans can be chosen as well as maintaining the frame of present system (Lee et al., 2012. Lee, 2012). As significant parts of limited achievement of Self-sufficiency project are related to systematic limit of CMLSS Act, the reform plans are studied on the premise of changes in the Act.

Firstly, diversification of Self-sufficiency project goals has been suggested since the beginning of the project. To diversify the goals as to Welfare Exit (Poverty Exit), employment and social integrity, self-sufficiency routes have to be prepared according to each goal. Secondly, as desire based wage system is considered, proportion of conditional welfare recipients will decrease. Considering such situation, expansion of possible participants in Self-sufficiency project is inevitable. During the process of this expansion from present conditional recipients to conditional exemption and people from the near poverty class, the means to provide necessary services and ways of their deliverance have to be considered. Thirdly, main role of local self-sufficiency centre is to allocate the participants to each organization and support the setting of self-sufficiency enterprises through self-sufficiency incubating programs and market entering type self-sufficiency work. It can be called supporting agent' role in Self-sufficiency project. For the local centres to accomplish their roles and duties as strengthened support agents, legal and institutional ground has to be set to help building the relationship with local governments and employment centre. And local centres are required to have internal capacity go carry out their roles. According to ongoing reform plan for Self-sufficiency project, public case management function of local government is likely to be strengthened. In this case, sharing of roles between local government and private project executing organizations such as local self-sufficiency centre is likely to rise to the surface and adjustment will be required. Fourthly, if the possible participants of Self-sufficiency project expand, diversifying self-sufficiency providing agencies and performance contracting system are necessary measures. The agencies executing self-sufficiency works and Hope Reborn project have to be selected through the contest to help their open

managements. It is also required to reinforce the evaluation function of central self-sufficiency centres and to strengthen self-sufficiency marketing function of broad area centres.

2. Effort to associate with active Labour market policy and expansion of Work first strategy

Active labour market policy means various government programs which help the unemployed to get jobs and creating jobs. Active labour market policy began with job introduction service for the unemployed in 1960s, extended to job training and job rehabilitation in 1970s and developed into various areas including creating jobs at the present. The category of active labour market policy suggested by OECD includes job placement, education and training, unemployment subsidy and creating jobs in public sector. According to research on 130 active labour market policies in Europe, positive effects were presented in order of supporting job finding effort, wage subsidy policy for permanent employees, counselling, job training and job creating (Konning, 2007).

Considering changes in social economic condition, Self-sufficiency project needs to put more effort to strengthen the association with active labour market policy. Especially it has to expand employment strategy. In this sense, it is to look carefully into recent trend of work associated welfare system in the UK, which provides employment service based on public-private partnership. As mentioned before, integration of similar programs such as Hope Reborn project of Ministry of Health and Welfare, and Package for successful job placement of Ministry of Employment and Labour has to be premised for 'work first strategy', providing welfare service and market mechanism in delivery system. In providing employment service, private sector's participation and result centred competition are increasing. To provide welfare-employment-training service to local government sectors, central and broad area government need to establish appropriate strategy and prepare financial support. Reformed Self-sufficiency project must include its targets to not only conditional welfare recipients but also the exceptional cases of Self-sufficiency project (working poor) and near poverty class. Also reformed Self-sufficiency programs have to be changed from supporting the starting self-sufficiency enterprise to employment support for the individuals.

To provide appropriate level of employment support service for self-sufficiency objects, local government, employment centre and the local self-sufficiency centre need to build the partnership with private service providing agencies.

However, more than 90% of private employment service provides simple connection between recruitment and employment in day labour. Furthermore, because of their petty scale of business, they are lack of specialized service proving ability. In this reason, it is most important to cultivate organized capacity of private employment service agents including local self-sufficiency centre. As like capacity of private agents, public service needs extension in its quantity and innovation in the system. As long as public sector

fulfils their duties of receiving service objects at the beginning, making decision and continuous management beforehand, then private sectors can play their roles in supplementing the areas the public sector cannot cover (Jeon, 2013).

3. Constructing self-sufficiency support system centred on local government

There have been continuous efforts to reform self-sufficiency programs such as adapting contest system, result management subsidy and moving into case management employment support program, and employment support pilot project is in progress. It is necessary to establish personalized support system according to the ability and willingness of local people under the association between self-sufficiency support service providers. Reform of self-sufficiency program is a shift from limited self-sufficiency support system relying on local self-sufficiency centre project group to personalised service providing system centred on local government. Local self-sufficiency system can be constructed with public sector such as employment support centre and private sector such as local self-sufficiency with local government as the central figure. To make it possible, individual local governments are considering establishing integrated support centres with the purpose of providing one stop service through employment and welfare link, and utilizing local community centres as the first line employment-welfare service providing organizations (Kang, 2013).

Self-sufficiency program includes labour market policy programs focusing on employment support, and is trying to provide personalized self-sufficiency program to the participants adapting case management system. For self-sufficiency support service providers to provide personalized support, two subsystems are required. Firstly, reform plans have to establish local public self-sufficiency support system through continuous cooperate system between local governments and employment centres. Using this system, employment support project of employment centres (Employment Package project) should build cooperative partnership with public sector employment support project (such as Result management type employment support project of Ministry of Health and Welfare). Secondly, local government needs to establish support and control system about employment package project and private employment support agencies that carry out result management type employment support project in fields. Self-sufficiency program must consist of business start support, temporary workplace project and protected workplace project as well as employment support program.

4. Building personalized self-sufficiency route

Reform of Self-sufficiency project needs to have personalized self-sufficiency route for the objects from socially vulnerable class. First of all, conditional recipients (36 thousand by 2011) and special cases of Self-sufficiency project (6 thousand) start self-sufficiency incubating level from local self-sufficiency consultative group, move to private support agencies such as local self-sufficiency centre, and then use temporary

employment/business start route such as self-sufficiency work etc. For some participants, protected employment work places are temporarily required. Secondly, employed recipients (127 thousand) and participants from near poverty class are encouraged to take part in 'Employment Package project' of employment centre or 'result management type employment project' of Ministry of Health and welfare according to individual employment characteristics. If social service link can be used for the people who can be employed immediately, like young adults, middle aged people and family members, the objects with more possibility of employment are placed to employment centres. Participants who already went through temporary workplace or other employment candidate from socially vulnerable class are placed to private support agencies such as local self-sufficiency centre through the local government. Thirdly, young adults and middle aged people are placed to employment support project (employment package project) in employment centre after case adjustment meetings. On the other hand, people from near poverty class are to be placed to private employment support organizations such as local self-sufficiency centres after the case adjustment meetings. Meanwhile, rural agricultural areas require special programs as employment and setting up business in the areas are not easy. Rural areas in Korea have problems of population outflow, aging, unilinear industrial structure and weak financial ability of local government. Because of these problems, achieving the goals of policy will be difficult, if self-sufficiency program sets its goals as employment. Satisfactory level of self-sufficiency work wage in rural area is greater than one in cities, self-sufficiency work in rural area can be considered as relatively better ones. Therefore instead of market entering type self-sufficiency work, continuous social service providing, through social service type self-sufficiency work, can contribute more to improvement of quality of life in rural area and to vitalize community. In this case, as moving toward high level of program is not the aimed, it is more appropriate not to set the time limit in self-sufficiency program participating. Only, depending on the circumstances of the area, employment and start business program can be operated (Lee, 2011).

The objects with complex employment obstructive factors are the employment vulnerable class with low work ability or failed cases of employment support during set period. As these people require higher level of expertise in understanding and approaching skill, private agencies such as the local self-sufficiency centre takes responsibility of providing service for them.

5. Improving the role of the local self-sufficiency centre

There are 247 local sufficiency centres nationwide in 2012 present. Their main roles are to run both market entering type and social service type work self-sufficiency work project groups and to help self-sufficiency enterprises to start. At 2010 present, there are more than 2,000 Self-sufficiency work project groups, about 24,000 participants, more than 1,200 self-sufficiency enterprises and about 5,000 participants in local

self-sufficiency center projects nationwide. The local self-sufficiency centre has a few problems. Firstly, project operating system in local self-sufficiency centres has been based on the one of Self-sufficiency project group. Such system has become culture of the project in local centres. Secondly, as the local centre has received government fixed amount subsidy and carried out government policy projects, it has the risk of becoming one of rigid welfare organizations. Thirdly, systematizing specialized project according to characteristics of the areas is not sufficient enough. Fourthly, as working condition of local self-sufficiency centre is very poor, turnover rate of employees is very high (Lee et al., 2012).

It is easily expected that there will be significant changes in roles of the local self-sufficiency centre under new Self-sufficiency project system. Above all, do they still have to pursue management function such as incubating conditional recipients' self-sufficiency community? Or do they have to shift to social service policy support providing organisation for the people from the near poverty class and exceptions of imposing conditions? Regardless of which becomes the prime role, case management of employment welfare for socially vulnerable class will be defined as a basic role. One of the three roles suggested below can be chosen according to characteristics of the areas, and multiple choices can be made, too.

1) Work associated welfare system and the role of local self-sufficiency centre

Supposing the change of Self-sufficiency project system, the roles of local self-sufficiency centre as a work associated welfare provider can be classified into two prime functions and a few additional functions. The local centre has to take the roles of case manager including education and guidance of self-sufficiency objects. The first prime functions of the local centre are to encourage willingness of self-sufficiency of local vulnerable class and to improve self-sufficiency ability. For this, the local centre intervenes from entry level to self-sufficiency level. However, key roles are self-sufficiency incubating program and temporary work place level. Secondly, self-sufficiency incubating program and temporary work place level are actual project for encouraging willingness of self-sufficiency of local vulnerable class and improving self-sufficiency ability. And they work as an axis of case management, education and operating Self-sufficiency project group. Therefore, these are the core projects of the local centre. Mentioning the additional function, firstly, the local centre needs to take the role of network building hub between various levels of social economic agencies in local government level. Secondly, the local centre has to accumulate intellectual capital related to Self-sufficiency project in local government level and distribute into and within the areas. Though the awareness of social economy is growing recently, in most areas, the local self-sufficiency centre is the organization with the richest experience and knowhow (Lee et al., 2012).

2) Expansion of social service policy and social service support centre

Because of expanding social service work place policy, reform of Self-sufficiency project performance system became inevitable. The local self-sufficiency centre takes responsibility to incubate self-sufficiency and self-support of Self-sufficiency project participants focusing on conditional recipients. Newly required roles of the local centre are minimizing existing role as a performance agency for the conditional recipients, and taking responsibility of general support roles. The general support roles mean selection of participants to newly required social service area such as care work and developing future human resources, education and training and managing the cases in the fields. Such work can be very strong alternative in farming and fishing areas and small and medium-sized cities where there is great desire for social service and the local centre is performing great roles already.

3) Social economy policy and social economy development centre

Considering full-scale enforcement of social economy policy such as social enterprises and cooperatives as well as Self-sufficiency project, the role of local self-sufficiency centre can be defined as social economy development centre (Lee et al., 2012). Reorganizing the local self-sufficiency centre as the social economy development centre, its function of case management, social economy development and education and training has to be strengthened. On this base, the local centre can perform as a social economy systematization hub at local government level. Possible practical roles are supporting integrated service in work-welfare-culture-education specialized for the individual (or each family), supporting social economy enterprises, training potential business persons for the social enterprises, job training for the individual participants and supporting management skill etc.

6. Changes in government support policy

The changes in the roles of the local self-sufficiency centre have to be accompanied by changes in government support policy. Taking the example of shifting to social service support centre, reform plans of government support policy to the local centre are suggested (Lee et al., 2010).

First of all, amount of financial support needs to be flexible according to changes in the amount of project the local centre carry out. Standard operation expenses and project expenses (self-sufficiency work, self-sufficiency community etc) have to be divided, and wages of the staff has to be included in project expenses. The standard operation expenses are subdivided into basic operation expenses and necessary expenses for the operation of conditional recipient project. The basic operation expenses mean all the costs for necessary administration and accountancy as an organization, education and training, cultivating manpower and case management in the field. The expenses for the operation of conditional recipient project means the costs for mandatory Self-sufficiency project to

pay self-sufficiency wage based on CMLSS Act. The level of government support can be analogized from the present project the local centre is carrying out.

Secondly, in the case of subsidising the wages of the staff, guideline of the size of project group (the number of participants) that each staff has to take responsibility for according to individual project type, has to be set. It will allow the local self-sufficiency centre to receive wages for the staff as well as project expenses from its responsible social enterprises and social service work place project. Professional staffs can be hired according to the needs of the organization.

Thirdly, the local self-sufficiency centre has to be reorganized as a system which can receive requests from various department of the local government. Social service work place policy includes 11 central government projects including Ministry of Health and Welfare, Ministry of Employment and Labour, Ministry of Gender Equality and Family and Ministry of Education. Self-sufficiency support centre should conduct the roles of supporting agency for providing social service which the local community requires. In that case, making project operating organization contract with local government has to be considered, too.

V. Conclusion

In this paper, Self-sufficiency project reformation plan which responds to social economic condition changes was examined. Self-sufficiency project entered its 13th year of history, as a pay to help self-sufficiency of conditional recipients under CMLLS Act as well as work associated welfare program. Self-sufficiency project, with the aid of self-sufficiency work and self-sufficiency enterprise, provided jobs directly for the socially vulnerable class and helped their self-sufficiency through setting up community business. Furthermore, the project provided crucial opportunity of expansion of social economy such as social enterprise, cooperatives and community enterprise through providing the experience of resolving social problems not by government or market but by local community.

Traditional route to self-supporting through self-sufficiency work-self-sufficiency enterprise faced lowering effectiveness, and it forced the reform of Self-sufficiency project which reflects new social economic conditions such as expansion of social economy and social service. For last ten years, there have been various changes relating to Self-sufficiency project like growing participation in Self-sufficiency project from near poverty class, Hope Reborn project as reinforcement for employment support, adaptation of broad area project group and building asset program. In addition to them, recently reform of wage system in CMLLS Act such as adapting desire based wage system is discussed. In this paper, reform plans of Self-sufficiency project based on policy change. The suggested plans are improving the system in microscopic level, reinforcing the association with labour market policy, expanding work first strategy, building

self-sufficiency support system in the local government, changing the roles of local self-sufficiency centre and changing government support policy.

Firstly, in the microscopic level of reform suggested the changes in operation method of self-sufficiency programs such as diversifying the goals of Self-sufficiency project, moving toward desire based wage system, changes in the roles of the local self-sufficiency centre, diversifying self-sufficiency providing agency and result based contract system etc. Most of all, Self-sufficiency project should reinforce more its association with labour market policy. On the premise of integration of similar programs between central government bodies such as Hope Reborn of Ministry of Health and Welfare and Package for successful employment project of Ministry of employment and Labour, market mechanism has to be adapted to welfare service providing and delivery system focused on 'work first strategy'. To provide appropriate level of employment support service for self-sufficiency objects, local government, employment centre and the local self-sufficiency centre need to build the partnership with private service providing agencies. In other words, two sub systems are required for the self-sufficiency support service providers who provide various programs through building of local self-sufficiency system to supply mutually connected personalized supports. One of the two sub systems is establishment of public self-sufficiency support system in local level, based on continuous cooperating system between local government and employment centre. The other is support and control system of the local government on private employment support agencies which carry out, in field, employment package project of the employment centre and result management type employment support project of Ministry of Health and Welfare.

New Self-sufficiency project needs to equip with personalized self-sufficiency support route for Self-sufficiency project objects from the socially vulnerable class. At the same time, various programs can be performed depending on local situation. There are problems of population outflow, aging, unilinear industrial structure and weak financial ability in rural areas. As these areas have difficulties in employment and setting up business, they require different types of programs. In reformed Self-sufficiency project system, it is possible to predict significant changes in the roles of local self-sufficiency centre. On the bases of project results by now, its roles can be predicted as maintaining the management function as like incubating self-sufficiency community of conditional welfare recipients, shifting to specialised employment support agency for the people from the near poverty class and exceptions of imposing conditions. Regardless of which becomes the prime role, case management of employment welfare for socially vulnerable class will be defined as a basic role. The local centre can choose any of these roles according to characteristics of the areas, and multiple choices can be made, too. The changes in the roles of the local self-sufficiency centre have to be accompanied by changes in government support policy.

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