

Generation MZ and Changes in Labor Movement

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1. Introduction

As the form of labor has constantly been changing according to various variables such as the background of the times and the development of technologies, labor movement has also gone through many changes in its subject (or leading force), method, form and purpose.

Let's see the history of labor movement in South Korea: until the 1990s, its main topic was labor-management relations of organized workers in large-sized establishments such as automobile or heavy chemical industries. In the 2000s, the labor-management relations in the public sector such as power generation/gas-related public companies and public institutions stood out and in the 2010s, the focus moved to the labor-management relations engaging temporary employees such as workers in special employment types in industries such as cleaning, security and distribution.

But recently, with the inflow of the so-called "Generation MZ (a combination of Millennials and Generation Z; the demographic cohort born between 1981 and 2010)" in the labor market, we see a growing number of white-collar labor unions being established mainly by employees in clerical or administrative positions who are working in large corporations.

Time, an American news magazine, assessed Millennials who consist of MZers as "Me Me Me Generation," meaning they put themselves over anything else. Due to such nature, they have been known that "be loyal to your company" doesn't work to them unlike it did work to their seniors and if they are asked to have a sense of ownership to their companies, they would react against it, saying "how could I have a sense of ownership to the company as long as I don't actually own it? That is just an absurd remark trying to exploit me." Such nature of MZers has caused "the pursuit of reasonable labor as prescribed in the contract and the demand for fair compensation," opening a new chapter of labor movement.

Below, we will briefly view the changes in the labor movement following the emergence of Generation MZ and major issues.

2. A new phenomenon in the recent labor movement: Emergence of white-collar labor unions mainly led by MZers

White-collar labor unions being established by MZers are one of the main characteristics of the recent labor movement. Such white-collar labor unions have emerged from the following background and causes: (i) new generation's antipathy to the existing unions which are obsessed with the militant labor movement while having inflexible culture and lacking communications inside; (ii) the tendency of MZers who value fairness and individuality; and (iii) socio-economic conditions such as severe unemployment and the widening gap with the established generation.

White-collar labor union in South Korea was first established by the office workers of SK Hynix around September 2018 and it was followed by many other large corporations such as National Samsung Electronics Labor Union in November 2019, National Labor Union for Chemical Fiber Food Industries Hyundai Oilbank Labor Union of Technical & Clerical Workers Branch in October 2020, LG Electronics "Person-centered" Labor Union of Clerical Workers in February 2021, Hyundai Motor Group "Talent-respecting" Labor Union of Clerical and R&D Workers in March 2021 and Kumho Tire Labor Union of Clerical Workers in April 2021.

3. Characteristics of white-collar labor unions made by MZers

White-collar labor unions are assessed to have the following characteristics:

First, when being established, MZers can collect opinions quickly by maximizing the use of SNS and such collection process is largely in public. Also, rather than militant words, they appear to use euphemistic terms such as "Person-centered" or "Talent-respecting."

Second, in terms of how to develop union activities and industrial action, MZers go for untact (online) solutions with the use of SNS channels rather than using the conventional methods (i.e., banners, occupation, rally, slogans). Also, they show low level of dependency to the executives of labor union or upper organizations while showing strong interdependence among members via active communication in SNS channels.

Third, by participating in labor unions, MZers aim for the following values and objects: (i) realizing fair compensation in line with individual performance or capability; (ii) striking balance between work and personal life; and (iii) establishing a horizontal and free decision-making structure



4. Main issues predicted to rise on MZer's white-collar labor unions

Due to the above-listed characteristics of white-collar labor unions made by MZers, the following issues are predicted to rise in corporate labor-management relations:

First, MZers may demand fractional bargaining in order to exercise independent bargaining rights apart from their existing labor unions (i.e., the case of SK Hynix) and if the employer refuses to accept such demand, they are likely to file a request for separating bargaining units (i.e., the cases of LG Electronics and Kumho Tire). Provided, however, that under the current interpretation of the Labor Relations Act, such request for separation of bargaining units is unlikely to be accepted, unless there are any special circumstances such as the existence of significant differences in working conditions, employment types or bargaining practices.

Second, due to the orientation of MZers regarding fair compensation, a favorable environment can be created where the compensation system can be changed from the existing seniority-oriented one to a job/performance-oriented one.

Third, as their frequent use of SNS channels naturally exposes various opinions and information, we could face an increasing number of conflicts and mutual slanders raised among the members, and this can lead to a new type of labor-labor conflict.

5. Closing

It remains to be seen whether Generation MZ and the emergence of white-collar labor unions will be a temporary phenomenon, or they will affect the future direction of labor movement. However, we all know that when the major members of labor market change along with the changes of the times, the labor movement and labor-management relations will also change accordingly. Thus, we can assume that the impact of the emergence of Generation MZ on future labor-management scene will not be small.

Therefore, the parties of labor-management relations and the government need to establish healthy and sustainable labor-management relations by accurately understanding the flow of these changes and coming up with appropriate countermeasures.