



LABOUR AND EMPLOYMENT LAW UPDATES IN THE PEOPLE'S REPUBLIC OF CHINA

This newsletter serves to provide a brief update on labour and employment law in China, to enable foreign investors to keep abreast of the evolving standards in the PRC in relation to the labour law.

THE REGULATIONS ON THE LABOUR PROTECTION OF FEMALE EMPLOYEES ("REGULATIONS")

Enhanced benefits for female employees

The Regulations took effect on 28th April 2012. As reflected from the name, the Regulations set out provisions for labour protection of female employees, especially during pregnancy. In brief, the enhanced benefits are as follows:-

Types of leave entitlement

Maternity Leave	98 days (previously 90 days)
Miscarriage Leave	15 days (during the first 4 months of pregnancy) 42 days (if happens thereafter)

Apart from the abovementioned provisions on the required leave to be granted as well as other provisions regulating the maternity leave pay and the types of work which should not be assigned to female employees, this is the first time that an administrative regulation has been promulgated to specifically state that employers shall prevent and stop sexual harassment against female employees at work.

Consequences of non-compliance:-

- Economic penalty (ranging from RMB1,000 to RMB300,000)
- Order for cessation of business

The Regulations require the PRC Government to recognise the contributions of female employees and keep track to international standards.

THE SPECIAL WORKING HOURS MANAGEMENT REGULATION (FOR CONSULTATION)

On 8th May 2012, the captioned draft regulation was released. The draft regulation serves to provide detailed regulations on the working hours of an employee. In particular, it sets out the types of work that an employer may adopt, regarding a system of special working hours ("System"):-

1. irregular working hours for specific job positions, e.g. director, manager, etc., and
2. comprehensive calculation of working hours for employees engaged in specific types of industries (electricity, petroleum, petrochemical and financial industries are newly added).

It also regulates the maximum allowable working hours per day and per prescribed period (e.g. weekly, monthly or quarterly) even if the System is adopted. Although the actual regulation is yet to be implemented, it can be noted that the underlying intention is for protection of PRC employees from prolonged working hours.

It is recommended that one monitors the development of the draft regulation, especially if the arrangement of special working hours for employees is necessary due to their business needs.