



China Employment Law ALERT

Employer Be Careful - Noncompliance Events Will Be Published

The Chinese Ministry of Human Resources and Social Security (“**MHRSS**”) implemented the *Measures on Publication of Significant Violations of Labor and Social Security Laws* (“**Measures**”) effective January 1, 2017. The Measures require local counterparts of MHRSS (“**Bureaus**”) to record and publicize certain employer violations of labor and social security laws through official websites, local newspapers, television and other media platforms.

What Violations Will Trigger Publication?

“Significant violations” include serious noncompliance with overtime rules, annual leave rules, social security rules, child labor laws and the delay, reduction of or failure to pay required salary, among other rules.

However, the Measures do not provide clear parameters regarding which violations fall specifically within the ambit of the legislation. Instead, Bureaus determine the specific application at their discretion.

As such, the standards for publication vary widely among cities depending on the local economy and what Bureaus’ officials happen to deem important. For example, in Beijing an employer’s “resistance” to an inspection is a category covered by the Measures. In Hubei Province, an employer’s refusal to pay labor remuneration will be published along with the penalties assessed.

What Information Will Be Published?

- Employer’s full name, address
- Employer’s unified social credit code (or registration number)
- Name of employer’s legal representative or person in charge
- Details of violation(s)
- Fines or other sanctions imposed by authorities (if any)
- Other relevant information

At the prefecture and county level, Bureaus will announce violators on a quarterly basis. At the national and provincial level, announcements will be biannual.

What Are The Implications For Employers?

Publication of violations may cause a series of consequences to the employer, including decreases of the employer's credit, certain penalties, and random inspections by Bureaus.

The Measures along with the recent grading statute ([click here for details](#)) can be considered a strong sign that the Chinese government is establishing a more stringent regime to deter and penalize labor law violations.

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