

## National Report – Full year 2006

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Country: China

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### ? - Legislative and Policy Developments

1. Could you describe the most important changes of national legislation that have affected your activities in the last 12 months?

The Labour Contract Law .

2. Please characterise the evolution of the relationship to your national government in the past 12 months.

Keeping close contact with the departments concerned of the government.

3. For which sectors is it still prohibited to use agency work in your country (tick as appropriate)

Until now, no.

Sector	Yes
Construction	No
Public Services	No
Health Care	No
Others (please describe)	Might appear

4. What are the 3 main policy priorities / dossiers you have identified as being most important for your federation in the forthcoming year?

(1) Monitoring regulation to the Labour Contract Law.

(2) Arrange training programmes for our members to fit the law.

(3) To well provide services for the Olympic Games in Beijing in 2008.

## **? – Restrictions to temporary agency work services**

The Ciett Board agreed in February that the Ciett Secretariat should gather information on restrictions faced by temporary work agencies for non-EU countries.<sup>1</sup> In order to obtain the required information from its members, the Secretariat has set up this new section in the national reports. The information provided by Ciett members will be compiled and made available to all Ciett members on the Ciett intranet, which will be launched in the coming months.

- 1. Is there are licensing system or authorisation scheme in place for temporary work agencies? If yes, is this system linked to disproportionate or unjustified obligations or requirements?**

**Yes, the system existed. As for disproportionate or unjustified obligations or requirements, that would be adjusted and bettered in order to make it more harmonious by the relevant regulation of the Labour Contract Law which has not been issued out.**

- 2. Do agencies have to provide financial guarantees? How do you assess these obligations?**

**No, but the staffing agencies should be qualified and proper capital are requested by the Law in registration.**

- 3. Are there restrictions with regard to reasons for use of temporary agency work services?**

**The draft of Labour Contract Law has three requirements in the working post(temporary, replaceable and auxiliary posts), which shows the opinion from some social partners that the agencies could not provide a full protection to the workers.**

- 4. Do sector restrictions apply for temporary agency work services?**

**Until now, no restrictions to the sectors in the below form, but there might be restrictions to the temporary, replaceable and auxiliary posts in some sectors in future.**

- Construction**
- Dangerous sectors**
- Public sector**
- Health care**
- Others, please specify:**

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<sup>1</sup> Eurociett has collected information on this topic in the framework of its public affairs actions on the Agency Work Directive. The Eurociett list of restrictions is available at the Secretariat upon request.

5. Are services provided by agencies restricted to temporary work activities or are they allowed to offer also other HR services (e.g. recruitment, outplacement)?

The restriction would be subject to the regulation related to the Labour Contract Law promulgation.

Now the agencies are allowed to offer other HR services.

6. Is a maximum length of assignment for agency work services applicable in your country?

The agencies should sign a contract based on 2 years with the labourer requested by the Law .

7. Which other restrictions apply with regard to the contracts of agency workers (e.g. prohibition to offer open-ended contracts, limitation on temporary contract renewals or waiting periods)?

The Law requests the contract must contains the following articles and items : duration, working content and site, working time and holiday, payment, social insurance, working protection, condition and vocational protection.

8. Please specify further restrictions faced by temporary work agencies in your country!

The Labour Departments of government will set up relevant regulation in line with the Labour Contract Law and the judicial organ also do the same thing.

## ? - Market Developments

1. Please indicate the economic development of your national market (including especially the top 5 companies in the market and information on revenue & sales figures for the total market)

Sales figures of our top five members :

A. Beijing Foreign Enterprise Service Group(FESCO)	680	million euros
B. Shanghai Foreign Service Co.Ltd	790	million euros
C. China International Intellectech Corp.	680	million euros
D. China Star for Int'l Economic & Tech Corp.	110	million euros
E. Guangdong Friendship Service Co.	110	million euros

2. Please characterise the evolution of the private employment agency sector in comparison to the general, economic development in your country.

From our statistics, It shows that our industry grows together with our country's economy, but our industry is more rapid in both quantity and the business income due to deepening of the country's economic reform and more development of the outplace service market.

## ? - Statistics

The Ciett Secretariat collects on a regular basis general economic indicators (unemployment rates, GDP, developments in selected economic sectors etc.) that are published by international organisations (OECD, Eurostat, World Bank etc.). In order to complete them with sector specific information, please complete the following table. In case you use figures of the mentioned international organisations, please refer to the source.

<b>Number of Private Employment Agency (PrEA) companies active in your country, irrespective of whether they are member of your national federation or not (N.B.: one company can have several branches)</b>	<b>35747</b>
<b>Number of PrEA companies that are member of your national federation (N.B.: one company can have several branches)</b>	<b>116</b>
<b>Number of branches of all PrEA companies</b>	<b>unknown</b>
<b>Number of branches of all PrEA companies belonging to your federation</b>	<b>153</b>
<b>Number of Agency Workers (full-time equivalent) employed through all PrEA companies (members &amp; non-members of your national federation)</b>	<b>15.38million</b>
<b>Number of Agency Workers employed through all PrEA companies being member of your national federation (full-time equivalent)</b>	<b>1.05 million</b>
<b>Number of permanent staff employed by all PrEA in your country</b>	<b>unknown</b>
<b>Agency Workers as a percentage of total workforce (members of your federation)</b>	<b>0. 11%</b>
<b>Agency Workers as a percentage of total workforce (all PrEA companies)</b>	<b>1. 49%</b>
<b>Total national workforce (including public sector)</b>	<b>1.31 billion</b>
<b>Turnover of the sector in 2006 (million €)</b>	<b>310 million euros ( sales from our industry)</b>

Note: The above figures come from statistics of our association and our Labour & Security Ministry and the State statistical Brueau.