

State Council Provisions on the Composition of Total Wages of the PRC

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Unofficial English translation prepared for reference only. The official Chinese text prevails.

Approved by the State Council on September 16, 1989 and promulgated by Order No. 1 of the National Bureau of Statistics on January 1, 1990

Effective: January 1, 1990

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Article 1 — These Provisions are formulated for the purposes of unifying the composition of total wages and ensuring that the State exercises unified accounting and statistical management of wages.

Article 2 — The total wages of all enterprises, public institutions, state organs, and social organizations within the territory of the People's Republic of China that are directly paid to all employees shall fall within the scope of total wages management.

Article 3 — The total wages as referred to in these Provisions means the total amount of labor remuneration paid directly by each unit to all employees of the unit within a certain period. The calculation of total wages shall be based on the total amount of labor remuneration paid directly to employees.

Article 4 — The total wages shall consist of the following six components: hourly wages; piece-rate wages; bonuses; allowances and subsidies; overtime wages; and wages paid under special circumstances.

Article 5 — Hourly wages mean labor remuneration paid to individuals according to the hourly wage standards (including the subsistence allowance for the floating part of regional wage differentials) and working hours. It includes: wages paid for completed work according to hourly wage standards; basic wages and job wages paid to employees under the structural wage system; apprenticeship wages for new employees; and athletic allowances for athletes.

Article 6 — Piece-rate wages mean labor remuneration paid for completed work according to piece rates. It includes: progressive piece-rate wages, direct unlimited piece-rate wages, above-quota piece-rate wages, and excess progressive piece-rate wages; piece-rate wages paid under the lump-sum wage system based on the approved fixed amounts and piece-rate unit prices; and wages paid under the method of payment according to the turnover amount or profit amount apportioned.

Article 7 — Bonuses mean the excess labor remuneration paid to employees and the labor remuneration for increasing revenue and reducing expenditure. It includes: production bonuses; economizing bonuses; labor competition bonuses; incentive wages under the responsibility system of government organs and public institutions; and year-end bonuses and other bonuses.

Article 8 — Allowances and subsidies mean allowances paid to employees to compensate for their special or extra labor consumption and for other special reasons, and price subsidies paid to employees to ensure that their wages are not affected by price factors. It includes: allowances to compensate for special or extra labor consumption of employees; health allowances, including allowances for health posts and allowances for medical and health institutions; technical allowances, including special-grade teacher allowances, scientific research allowances, and worker technical allowances; seniority allowances, including seniority allowances and teaching seniority allowances; and price subsidies, including various price subsidies paid to ensure that

wages are not affected by price increases or changes.

Article 9 — Overtime wages mean wages paid for overtime work as prescribed.

Article 10 — Wages paid under special circumstances include: wages paid for sick leave, work-related injury leave, maternity leave, family planning leave, funeral leave, personal leave, home leave, and regular leave in accordance with State regulations in accordance with the hourly wage standards or a certain proportion of the hourly wage standards; supplementary wages and retained wages; and the subsistence allowance portion of the floating wages of enterprises under the lump-sum wage system.

Article 11 — The following items included in the total wages shall not be treated as items of total wages: creativity and invention prizes, prizes for technical improvement, prizes for rationalization proposals, prizes for outstanding contributions in natural sciences, prizes for scientific and technological progress, and one-time bonuses paid for meritorious service, etc.; expenditures on labor insurance and employee welfare; expenditures on various retirement and resignation benefits; expenditures on labor protection; manuscript fees, lecture fees, and other fees for specialized work; traveling expenses for business trips, meal allowances, and transfer allowances for job transfers; tools and compensation fees paid to employees who bring their own tools, livestock, and other means of production; alimony, living allowances, and relief funds paid to employees who are employed by the unit through labor dispatch companies; and other items paid in accordance with relevant State regulations.

Article 12 — All units shall calculate total wages in accordance with these Provisions. The statistical statements on total wages shall be filled out and submitted in accordance with the relevant provisions on statistical statements.

Article 13 — The labor and personnel administrative departments and the statistical departments shall conduct supervision and inspection over the implementation of these Provisions by all units. Where a unit violates these Provisions, the labor and personnel administrative department and the statistical department shall order it to make corrections within a specified time limit.

Article 14 — The specific scope and interpretation of total wages shall be separately prescribed by the National Bureau of Statistics.

Article 15 — These Provisions shall apply to the units within the territory of the People's Republic of China and the Chinese employees of foreign-invested enterprises.

Article 16 — These Provisions shall take effect as of January 1, 1990.

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