



# **CHINA**

## **DECENT WORK COUNTRY PROGRAMME**

### **2016-2020**

**Developed by the ILO Country Office for China and Mongolia in close consultation and with the endorsement of MOHRSS, ACFTU, CEC and SAWS**



**China**  
**Decent Work Country Programme**  
**2016-2020**



## Foreword

This Decent Work Country Programme (DWCP) 2016-2020 sets out the country priorities identified by the International Labour Organization (ILO) Country Office for China and Mongolia, with government, employers' and workers' organization constituents in China. It supersedes the previous programme for the period 2013-2015 and follows the results-based programming management method of the International Labour Office. It draws from and aims to improve upon experience under the previous DWCP, following recommendations made in the China DWCP review (DWCP 2013 – 2015).

Consultations with the constituents on this DWCP began in late 2015 and continued into 2016. They aimed to establish priorities and hoped for outcomes that have been reflected in this programme as well as constituent ownership and accountability, taking into account the fact that a DWCP is initially an unfunded management tool for use by the ILO and its constituents. These consultations included meetings with representatives of the Ministry of Human Resources and Social Security (MOHRSS), the All-China Federation of Trade Unions (ACFTU), the China Enterprise Confederation (CEC) and the State Administration of Work Safety (SAWS). Subsequent tripartite consultations were held with a view to sharpening the draft and elaborating the foreseen monitoring and evaluation (M&E) mechanism which would involve a steering committee to ensure that the DWCP supports tripartite constituents to achieve national development goals, as well as contributing to outcomes of ILO's Strategic Policy Framework.

This DWCP reflects a joint vision of ILO support for China's efforts in advancing the four interdependent, interrelated and mutually supportive pillars of decent work – employment, rights, protection, and social dialogue – and doing so in an integrated manner. The desired results will be more decent employment opportunities throughout the country and globally. The DWCP is minimally financed through the ILO's internal resources. Its realization will benefit from China's political commitment to decent work for all by promoting quality jobs, strengthening fundamental principles and rights at work in labour market governance, promoting equality, pursuing social protection for all, and greening the economy as reflected in the 13<sup>th</sup> FYP and China's strategic engagement in international arenas.

The DWCP achievements count upon a robust M&E strategy that is jointly implemented by the ILO and its Chinese constituents. The ILO stands ready to work with its constituents in China to pursue mutually held objectives in the national and global Decent Work Agenda (DWA).



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## Executive summary

China is moving into a period of significant transition. The 13<sup>th</sup> Five Year Plan (FYP) for economic and social development prescribes a comprehensive strategy to achieve sustainable social and economic development and encompasses six areas of focus: (1) maintaining a medium-high rate of growth; (2) using innovation as a driver of development; (3) enhancing policy and budgetary coordination; (4) improving living standards; (5) greening the economy and consumption patterns and (6) deepening institutional reforms. The creation of employment and improving the quality of employment are central to China's development aspirations.

China's employment agenda is important not only for China but also for the world. Its population and geographic size, capacity of human resources, quantities of natural resources, experience, institutional capabilities and settings, and increasing integration into the global economy set a compelling stage for drawing together priorities and objectives to achieve more decent work – to which the ILO can usefully contribute – while realizing the Sustainable Development Goals (SDGs). In this decent work country programme (DWCP) 2016-2020, three priorities have been identified.

**Country priority 1. Increase the quantity and quality of employment.**

**Country priority 2. Promote and extend social protection in and out of the workplace.**

**Country priority 3. Strengthen the rule of law and the realization of fundamental principles and rights at work.**

Eight specific outcomes have been identified in areas of particular ILO expertise that the ILO's constituents in China have identified as being potentially useful for achieving common decent work objectives.

*Outcome 1.1 Capacity of government and social partners to assess and quantify employment quality strengthened with a view to decent work and sustainable development advocacy.*

*Outcome 1.2 Capacity of government and social partners to develop and implement inclusive and gender responsive employment policy interventions with a view to promoting freely chosen and productive employment strengthened.*

*Outcome 1.3 Quality and accessibility of rights-based employment services for rural migrant workers, young women and men improved, with a view to substantially reducing the proportion of youth not in employment, education or training.*

*Outcome 2.1 Government and social partners have taken measures to end poverty in all its forms by realizing universal and adequate social protection.*

*Outcome 2.2 Workplace compliance is improved to better protect labour rights and promote safe and secure working environments for all workers in line with national*

*laws and regulations and international standards, through strengthened labour inspection and increased preventative OSH culture.*

*Outcome 3.1 Institutions for negotiating working conditions, protecting labour rights for all workers, and for preventing and resolving labour disputes are improved, in line with national laws and international standards and the Chinese laws and regulations.*

*Outcome 3.2 Capacity of workers' and employers' organizations as labour market institutions is strengthened, with a view to ensuring responsive, inclusive, participatory and representative decision-making at all levels, consistent with national and international standards.*

*Outcome 3.3 Government is continuously strengthening the rule of law at national and international levels by ratifying and, with social partners' involvement, improving application of international labour standards.*

This DWCP draws on lessons learned and recommendations set out in a review of the previous. It is closely aligned with national development plans and harmonized to the current Memorandum of Understanding (MOU) between the ILO and the Ministry of Human Resources and Social Security.

A strengthened approach to tripartite DWCP ownership, within the context of national circumstances, and contemporaneous monitoring relies on the active engagement of a new Tripartite Steering Committee established for those purposes. This will make it possible for the ILO and its constituents to ensure DWCP objectives, implementation and monitoring modalities are in alignment with evolving national realities. The flexibility given through this new DWCP implementation steering process enables the precisions in respect of outcomes, strategies and indicators preferred by constituents, which are now set out in the DWCP. Provision is made for annual reviews of progress and a resource mobilization plan is set out.

## Abbreviations

ACFTU	All-China Federation of Trade Unions
CB	Collective Bargaining
CBDN	China Business and Disability Network
CEC	China Enterprise Confederation
CPC-CC	Communist Party of China Central Committee
DWA	Decent Work Agenda
DWCP	Decent Work Country Programme
DWI	Decent Work Indicators
EPZ	Export Processing Zones
EQEF	Employment Quality Evaluation Framework
FPRW	Fundamental Principles and Rights at Work
FYP	Five Year Plan
GDP	Gross Domestic Product
ILO Beijing	ILO Country Office for China and Mongolia
ILS	International Labour Standards
IR	Industrial Relations
M&E	Monitoring and Evaluation
MOHRSS	Ministry of Human Resources and Social Security
NBS	National Bureau of Statistics
OBOR	One Belt One Road
OECD	Organization for Economic Development and Cooperation
OSH	Occupational Safety and Health
RMB	Renminbi
SAWS	State Administration of Work Safety
SCORE	Sustaining Competitive and Responsible Enterprises Programme
SDG	Sustainable Development Goals
SME	Small and Medium Sized Enterprises
UNCT	United Nations Country Team
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
UNPRPD	United Nations Partnership on the Rights of Persons with Disabilities
WHO	World Health Organization
WISE	Work Improvements in Small Enterprises
YE	Youth Employment

## Decent work country programme at a glance

DWC P	<b>Country Priority 1.</b> Increase the quantity and quality of employment	<b>Country Priority 2.</b> Promote and extend social protection in and out of the workplace	<b>Country Priority 3.</b> Strengthen the rule of law and the realization of fundamental principles and rights at work
SDGs	<p><b>Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</b></p> <p><i>Additionally:</i></p> <p>Goal 1. End poverty in all its forms everywhere</p> <p>Goal 5. Achieve gender equality and empower all women and girls</p> <p>Goal 10. Reduce inequality within and among countries</p> <p>Goal 13. Take urgent action to combat climate change and its impacts</p> <p>Goal 17. Strengthen the means of implementation and revitalize the global partnership for sustainable development</p>	<p><b>Goal 1. End poverty in all its forms everywhere</b></p> <p><i>Additionally:</i></p> <p>Goal 3. Ensure healthy lives and promote well-being for all at all ages</p> <p>Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p> <p>Goal 10. Reduce inequality within and among countries</p> <p>Goal 17. Strengthen the means of implementation and revitalize the global partnership for sustainable development</p>	<p><b>Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels</b></p> <p><i>Additionally:</i></p> <p>Goal 5. Achieve gender equality and empower all women and girls</p> <p>Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p> <p>Goal 10. Reduce inequality within and among countries</p>
2016-20 UNDAF	<p>Priority Area 1: Poverty reduction and equitable development</p> <p>Priority Area 2: Improved and sustainable environment</p> <p>Priority Area 3: Enhanced global engagement</p>	<p>Priority Area 1: Poverty reduction and equitable development</p> <p>Priority Area 3: Enhanced global engagement</p>	<p>Priority Area 1: Poverty reduction and equitable development</p> <p>Priority Area 3: Enhanced global engagement</p>
ILO 2016-17 Strategic	<p>Outcome 1: More and better jobs for inclusive growth and improved youth prospects</p> <p>Outcome 4: Promoting sustainable enterprises</p> <p>Outcome A: Decent work advocacy</p>	<p>Outcome 3: Creating and extending social protection floors</p> <p>Outcome 6: Formalization of the informal economy</p> <p>Outcome 7: Promoting workplace compliance through labour inspection</p>	<p>Outcome 2: Ratification and application of international labour standards</p> <p>Outcome 8: Protecting workers from unacceptable forms of work</p> <p>Outcome 9: Promoting fair and effective labour migration policies</p> <p>Outcome 10: Strong and representative employers and workers organizations</p>

DWC P	<b>Country Priority 1.</b> Increase the quantity and quality of employment	<b>Country Priority 2.</b> Promote and extend social protection in and out of the workplace	<b>Country Priority 3.</b> Strengthen the rule of law and the realization of fundamental principles and rights at work
13 <sup>th</sup> Five Year Plan	<p>Chapter 22: Implementing strategies to assert China as a powerful industrial country</p> <p>Chapter 58: To improve the support system of poverty alleviation</p> <p>Chapter 59: Advance the modernization of education</p> <p><b>Chapter 62: Adhering to the strategy of prioritizing employment</b></p> <p>Chapter 63: Narrowing the income gap</p> <p>Chapter 66: Safeguarding the basic rights and interests of women, minors and the disabled</p>	<p>Chapter 56: Reduce poverty with accurately targeting policy measures</p> <p>Chapter 58: Improve the supporting mechanisms for poverty reduction</p> <p>Chapter 60: Advance the building of a healthy China</p> <p>Chapter 61: Increasing the supply of public services</p> <p>Chapter 63: Reduce income disparity</p> <p><b>Chapter 64: Reforming and improving the social security system</b></p> <p>Chapter 65: Actively address the aging issue</p> <p>Chapter 66: Protect the basic rights and interests of women, children and disabled people</p> <p>Chapter 72: Improve the public security system</p>	<p>Chapter 52: Actively participating in global governance</p> <p>Chapter 62: Adhering to the strategy of prioritizing employment</p> <p>Chapter 66: Safeguarding the basic rights and interests of women, minors and the disabled</p> <p>Chapter 70: To improve social governance</p> <p><b>Chapter 75: Fully promoting the construction of a China under the rule of law</b></p>
DWCP Outcomes	<p>Outcome 1.1 Capacity of government and social partners to assess and quantify employment quality strengthened with a view to decent work and sustainable development advocacy.</p> <p>Outcome 1.2 Capacity of government and social partners to develop and implement inclusive and gender responsive employment policy interventions with a view to promoting freely chosen and productive employment strengthened.</p> <p>Outcome 1.3 Quality and accessibility of rights-based employment services for rural migrant workers, young women and men improved, with a view to substantially reducing the proportion of youth not in employment, education or training.</p>	<p>Outcome 2.1 Government and social partners have taken measures to end poverty in all its forms by realizing universal and adequate social protection.</p> <p>Outcome 2.2 Workplace compliance is improved to better protect labour rights and promote safe and secure working environments for all workers in line with national laws and regulations and international standards, through strengthened labour inspection and increased preventative OSH culture.</p>	<p>Outcome 3.1 Institutions for negotiating working conditions, protecting labour rights for all workers, and for preventing and resolving labour disputes are improved, in line with international standards and Chinese laws and regulations.</p> <p>Outcome 3.2 Capacity of workers' and employers' organizations as labour market institutions is strengthened, with a view to ensuring responsive, inclusive, participatory and representative decision-making at all levels, consistent with national and international standards.</p> <p>Outcome 3.3 Government is continuously strengthening the rule of law at national and international levels by ratifying and, with social partners' involvement, improving application of international labour standards.</p>

## ILO Conventions ratified by China

(By Convention number within category as of 22 March 2017, for updates see [NORMLEX](#))

Convention	Date of ratification	Status of instrument & recommended action
<b><u>Fundamental</u></b>		
Equal Remuneration Convention, 1951 (No. 100)	02.11.1990	Up to date
Discrimination (Employment and Occupation) Convention, 1958 (No. 111)	12.01.2006	Up to date
Minimum Age Convention, 1973 (No. 138)	28.04.1999	Up to date
Worst Forms of Child Labour Convention, 1999 (No. 182)	08.08.2002	Up to date
<b><u>Governance</u></b>		
Employment Policy, 1964 (No. 122)	17.12.1997	Up to date
Tripartite Consultation Convention, 1976 (No. 144)	02.11.1990	Up to date
<b><u>Technical</u></b>		
Right of Association (Agriculture) Convention, 1921 (No. 11)	27.04.1934	<i>Ratify C.87</i>
Weekly Rest (Industry) Convention, 1921 (No. 14)	17.05.1934	Up to date
Medical Examination of Young Persons (Sea) Convention, 1921 (No.16)	02.12.1936	Up to date
Equality of Treatment (Accident Compensation) Convention, 1925 (No. 19)	27.04.1934	<i>Out of date. Ratify 118</i>
Seamen's Articles of Agreement Convention, 1926 (No. 22)	02.12.1936	Up to date
Repatriation of Seamen Convention, 1926 (No. 23)	02.12.1936	Up to date
Minimum Wage-Fixing Machinery Convention, 1928 (No. 26)	05.05.1930	Up to date
Marking of Weight (Packages Transported by Vessels) Convention, 1929 (No. 27)	24.06.1931	Up to date
Protection against Accidents (Dockers) Convention (Revised), 1932 (No. 32)	30.11.1935	<i>Proposed to denounce. Ratify C. 152</i>
Underground Work (Women) Convention, 1935 (No. 45)	02.12.1936	<i>Proposed to denounce. Ratify C. 176</i>
Final Articles Revision Convention, 1946 (No. 80)	04.08.1947	Up to date
Labour Administration Convention, 1978 (No. 150)	07.03.2002	Up to date
Occupational Safety and Health Convention, 1981 (No. 155)	25.01.2007	Up to date
Vocational Rehabilitation and Employment (Disabled Persons) Convention, 1983 (No. 159)	02.02.1988	Up to date
Safety and Health in Construction Convention, 1988 (No. 167)	07.03.2002	Up to date
Chemicals Convention, 1990 (No. 170)	11.01.1995	Up to date
MLC - Maritime Labour Convention, 2006 (MLC, 2006)	12.11.2015	Up to date
<i>In accordance with Standard A4.5 (2) and (10), the Government has specified the following branches of social security: medical care; unemployment benefit; old-age benefit; employment injury benefit and maternity benefit.</i>		
<b><u>Not in force</u></b>		
Minimum Age (Sea) Convention, 1920 (No. 7)	AD on 28.04.2000 by C138	
Minimum Age (Trimmers and Stokers) Convention, 1921 (No. 15)	AD on 28.04.2000 by C138	
Minimum Age (Industry) Convention (Revised), 1937 (No. 59)	AD on 28.04.2000 by C138	

\* AD = Automatic Denunciation, upon ratification of a revising Convention

## 1. Country context

On the eve of ILO's centenary – and of the 40<sup>th</sup> anniversary of the reform and opening policy – China is the world's second largest economy, home to some 1.3 billion inhabitants – the world's largest consumer population – and nearly a quarter of the global workforce. China has progressed phenomenally in the recent past, having lifted 700 million people out of poverty in the past forty years.<sup>1</sup>

Yet to meet global as well as national challenges, Chinese leadership sees the need for new development – much of which lies in domains at the heart of the ILO's work and Decent Work Agenda (DWA). Facing head on the transformational drivers of climate, technological, economic and demographic change, the 13<sup>th</sup> Five-Year Plan for National Economic and Social Development (13<sup>th</sup> FYP) adopted in March 2016 by the National People's Congress sets the ambitious goal of finishing building a moderately prosperous society in all respects. The plan promotes innovative, coordinated, green, open, and shared development. Six areas are highlighted.

1. In terms of growth strategy, a *medium-high rate of growth should be maintained*, and medium-high end industries should be promoted.
2. *Innovation* is the primary driving force for development, thus efforts should be made to ensure that it does so energetically.
3. *Coordination should be enhanced*, balancing between urban and rural areas, and between regions; increasing consumption as a driver of economic growth; progress should be made in new urbanization and agricultural modernizations, and in global allocation of resources.
4. Continued progress needs to be made in *living standards* and *everyone should share* in the fruits of development.
5. *Greener ways of working and living* need to be encouraged, and efforts to conserve ecosystems and the environment sped up.
6. *Reform needs to be deepened* and new institutions created for development. This includes improving the economic system, establishing a modern system of property rights and promoting the rule of law in government.

In terms of decent work and in order to realize its long-term reform objectives aimed at eradicating absolute poverty, China is improving its labour market policies, expanding social protection and building harmonious labour relations, looking forward to becoming a more modern, higher-income market economy. As a global economic actor, China is a strong advocate of inclusive growth and Decent Work for All, in forums such as the G20, BRICS and the United Nations' 2030 Agenda to achieve the SDGs. The ILO is working with China in their mutual quest for social justice and fair globalization, by helping to improve social dialogue, promote equality for women and men and vulnerable groups in a dynamic and evolving Chinese economy and society.

### 1.1. China's new labour market and employment creation

Following China's 'reform and opening up' in 1978, the government aimed initially to alleviate poverty by transforming an abundant but low-skilled rural workforce into an engine of export-oriented industrial growth. China succeeded in realizing rapid economic growth, real wage increases (if not entirely aligned with productivity increases), and a steadily growing middle class able to work itself out of poverty. Today's labour supply and industrial demands need to match; the population is aging, benefiting from good health; employers look for skilled labour; college graduates search for jobs that can draw on their learned skills; workers face new opportunities after moving from jobs in overcapacity industries; and rural residents and others continue to strive to fill the top rungs of the labour market, currently characterized by urban residents, male workers, and non-disabled workers.<sup>2</sup>



The future of work itself depends on the character and rapidity of technological change currently taking place in China, which is very much linked to China's economic reforms, making it necessary for actors in the labour market to appreciate the broader meaning and implications of those changes, be they immediate or longer-terms. China's great interest in the ILO's Future of Work initiative flows from this need for understanding.

Women, rural migrant workers, persons with disabilities and college graduates face disadvantages in gaining productive employment. China has seen gradual improvements in increasing women's access to employment. From over a decade ago, there is an increase of 25 per cent of women employed in tertiary and secondary industries and 13 per cent of women occupying mid-management level positions, professional and technicians in the public sector.<sup>3</sup> The National Bureau of Statistics (NBS) reported in 2012 that "[t]he annual income of employed women was less than 60 per cent of that of men. In 2010, the income of employed women in urban and rural areas was respectively 67.3 per cent and 56.0 per cent of that of employed men."<sup>4</sup>

During the period of the 12<sup>th</sup> FYP (2011-2015), progress was made including the enactment of the domestic violence law, inclusion of an anti-discrimination clause in the labour law, an increase in the provision of statutory maternity leave from 90 to 98 days, and the promotion of gender equality promotion measures at the enterprise level. Yet a comprehensive gender gap assessment indicates a widening gender inequality in the labour market since 2010, as more and more women work in informal employment. The number of female entrepreneurs keeps growing, accounting for one quarter of the total number of entrepreneurs in China.<sup>5</sup> Measures to boost the employability of women and other disadvantaged people through entrepreneurship promotion and targeted support for them to take advantage of emerging industries may provide a solution in the short-term. Promoting the equality of opportunity and treatment in the reform of the vocational and technical education system and in labour market governance will help remove institutional and legal barriers that have been blocking women's access to productive and gainful employment of their own choosing.

The 13<sup>th</sup> FYP has put forward a new model of social and economic growth. The economy is being shifted to higher-skill production that is driven by local consumption and increased employment in tertiary industries, which will entail sharing the gains of growth with workers through higher wages and social benefits. The promise of the plan gives rise to greater expectations. But, in the new economy Chinese manufacturers are intricately woven into global supply chains, workfare will be influenced less by the state's power and more by market forces. Under these circumstances, creating mechanisms to ensure improvements in the quality of employment is as important as generating employment for an increasingly urbanized workforce.<sup>6</sup>

While data on China's economic growth always gets the most attention, for the Chinese government the employment situation in the country is the top concern.<sup>7</sup> This is because employment is traditionally seen as essential for maintaining household incomes and living standards. Employment trends have remained generally stable. During the 12<sup>th</sup> FYP, China created more than 64 million jobs in urban areas, recording around 12 million jobs per year and the registered urban unemployment rate hovered around 4 per cent.<sup>8</sup>

The 13<sup>th</sup> FYP of the MOHRSS sets a target of creating more than 50 million jobs in urban areas, keeping the unemployment rate at or below 5 per cent, implementing targeted measures to assist job seekers in disadvantaged positions, strengthening social protection, and improving the quality of employment. Priority will be given to boosting the capacity of college graduates to obtain jobs effectively on graduation, providing effective employment assistance to rural migrant workers, workers with disabilities, and workers in the overcapacity industries who are losing jobs. The paradox of a shortage in skilled workers and overall labour surplus will be tackled through various measures including



entrepreneurship promotion, strengthening vocational and skills trainings, improvement in employment services, expansion of the service sector, supporting new businesses and attracting foreign talent.<sup>9</sup>

With the decline in the working-age population, pressure to provide sufficient employment opportunities has been relieved to some extent.<sup>10</sup> At the same time, the structure of employment and efficient allocation of human resources is becoming a more prominent issue. Difficulties in recruiting qualified workers with required soft skills for a growing service industry, a shortage of skilled technicians, and peaking numbers of university graduates entering a labour market that does not necessarily demand their qualifications, all reflect problems in the structure of available employment – and underscore the emphasis on promoting higher quality employment in the 13<sup>th</sup> FYP.

Excess production capacity, the emergence of hidden unemployment during the process of state-owned enterprise reform, and the redundancy and unemployment caused by polluting or debt-laden enterprises also call for change. In the past, the supply of full employment depended mainly on the pulling force of high economic growth, which continued for many years. With slower, New Normal economic growth and the slow but steady shift to higher-skill production, the relationship between economic growth and employment growth has changed. A general argument is that, with the slowdown of economic growth, especially with the deep restructuring of the economy, structural unemployment is becoming inevitable.

From a positive point of view, China's economy is becoming more advanced with a more complex division of labour and a more diversified economy. China is well positioned for structural reform. There are good investment opportunities and adequate resources to support investment, at home and abroad, – and thus to create jobs. Investment opportunities stem from industrial upgrading (e.g. production of precision machinery, robotics, specialty materials or healthcare equipment), urbanization and infrastructure development in cities (e.g. waste disposal and treatment), and in initiatives that protect the environment, decouple economic growth from pollution and put China on a trajectory towards a resilient low-carbon economy. Resources stem from relatively low public debt allowing for fiscal space, high private savings, and some of the largest foreign exchange reserves in the world.<sup>11</sup> As a result, the employment elasticity of economic growth is likely to improve, but the quality of jobs may or may not improve substantially.

Yet maintaining economic growth will be more challenging in the future. In the past, China could expand its economy simply by shifting workers from rural agriculture to labour-intensive industries that offered higher value added per worker. Now, China will need to be able to foster economic growth by shifting workers from low-skill to high-skill industries – a more daunting process, particularly as it comes at a time of higher life quality expectations and improved rights awareness. The future of harmonious labour relations is likely to depend on innovations in labour market institutions that can provide the right mix between the protection of income and income generating capacity on the one hand and the promotion of employability on the other. Equally challenging will be achieving the income and opportunity distribution goals under the New Normal. Important interventions, including improving investment environments to enable enterprises' ability to improve their employment practices will be needed to do this, particularly if vulnerability is to be avoided as synonymous with the promotion of entrepreneurial enterprise as a basis for employment in economic activities.

Action on the quality of employment is likely to effectively address persistent problems in China's structure of employment and contribute to sustainable job growth. Underpinning China's pursuit of the 2030 Sustainable Development Agenda and commitments undertaken at the 2016 G20 Labour and Employment Ministerial meeting hosted by China in July 2016 are the 13<sup>th</sup> FYP.<sup>12</sup> It states national commitments to bring about changes in its economic development mode ... still crude and ... still fraught with problems from unbalanced, uncoordinated and unsustainable development.<sup>13</sup> Policy innovations, strengthened coordination and coherence will benefit greatly from an integrated system of labour and employment policy, research and statistics.

## 1.2. Social security

Faced with demographic challenges and a changing world of work, China's social security system has moved to grow and adapt. Key improvements in the past decades are many. The number of men and women covered by the social security system continues to increase. In 2015 there were more than 8.8 billion social security male and female cardholders. The level of benefits is improving and the operation of funds is generally stable. Schemes for urban and rural residents are being unified. By the end of 2015, more than 1.3 billion or 95 per cent of the population had subscribed to basic medical insurance. Other available social security insurance includes basic old-age, pension, unemployment, work injury and maternity.

China's aging population has a significant impact on the social security fund. It increases both the expenditure of social benefits and the number of people receiving benefits, such that the expenditure of the social security fund can outgrow its revenue. The state treasury has stood ready to subsidize the pay-out on pension obligations when the social insurance pension fund has faced insufficiencies.<sup>14</sup> The long-term balance and safe operation of the fund thus faces greater pressure. Accelerated urbanization efforts, integration of various schemes for rural and urban registered workers, and providing efficiency in services pose significant challenges to the country's social security administration machineries. Major progress has been made in extending social security coverage, however social protection coverage of rural migrant workers is still low. Along with their earlier statutory retirement age, women workers receive smaller old age benefits and pension packages due to their shorter working years. Statutory retirement age is 60 for men, 55 for female white-collar workers and 50 for female blue-collar employees. The government is making efforts to equalize the benefits between urban and rural residents, examining policy measures to progressively delay retirement age.

In sum, to achieve the goal of balanced social and economic growth during China's economic downturns, social security in China needs to further assure both the adequacy of benefits and long-term financial sustainability. This will be done by reforms to the social security system.

In the 13<sup>th</sup> five-year period, the government aims to build a more equitable and sustainable social protection system by:

- Achieving universal legal coverage by 2020;
- Providing more equitable and adequate old-age benefits, focusing on guaranteeing the livelihood of the vulnerable groups and better protecting rural migrant workers and the people in precarious employment;
- Improving the long-term financial sustainability of the social security system; and
- Enhancing the role of social protection in income redistribution and achieving more equitable and sustained growth of the country.

## 1.3. Safety and health at work

China's marked rate of progress and improvement in occupational safety and health (OSH) performance in recent years has demonstrated how much can be achieved with intensive effort and resourcing. Work safety features prominently in the 13<sup>th</sup> FYP as instrumental to both economic and social development. It is integrated in the aim of creating a healthy China by 2020.

Most available information suggests a trend in consistently falling fatality rates in the most hazardous industries.<sup>15</sup> Further, indicators about awareness and enforcement of work safety and health are improving and significant efforts have been made to address the adequacy of the legislative base and the scale and quality of enforcement initiatives. These progressive improvements are accompanied by

positive developments in policy areas complementary to OSH, namely public health governance, education, and in the institutional structures governing labour relations, labour administration and working conditions.<sup>16</sup> Despite this, major industrial accidents still mar China's work safety and health performance.

In most parts of the world, there is an upward trend in the reported number of occupational diseases.<sup>17</sup> In China, new workplace safety regulations were made in 2015 clarifying the requirements for employees at risk of occupational disease, such as coal miners etc., to undergo health checks prior to, during, and after their term of employment. The health checks, moreover, should cover the risks related to a broad range of hazards; exposure to dust, chemicals and biological toxins, material hazards, and radiation.<sup>18</sup> The impact occupational diseases and unsafe and unclean production processes have on individual workers, enterprises, local communities, the social security fund and the economy can be long lasting and may undergo a long period of latency. Comprehensive mitigation strategies that are jointly agreed and implemented by public health, work safety, and social security authorities, to name only a few, are needed.<sup>19</sup>

Evidence suggests reporting of non-fatal accidents and occupational diseases needs to be improved. Further, there is a lack of comprehensive and reliable data at the national level about the numbers of single and multiple fatalities, injuries, illnesses and diseases arising from work in small and medium sized enterprises (SMEs) and micro enterprises, particularly those employing large numbers of rural migrants.

The working conditions and safety and health arrangements in the workplace will also need to be attuned to specific needs of workers, particularly women and workers with disabilities. With economic and social development, women in China, like those in other countries, are increasingly concentrated in the service and care economies, where they may face unstable, dangerous and unprotected working environments. Their occupational safety and health conditions needs to be further improved. This hence gives an opportunity for systematic examination to increase protection and improve their working conditions.

As in most countries, efforts in China to address workplace safety can be made more comprehensive by improving the ability of those involved to monitor and evaluate interventions designed to reduce risks of occupational diseases and hazards. The efforts will translate into action China's commitments to improve work safety and health performance that are evidenced in China's ratification of key ILO OSH Conventions, the national and ministerial 13<sup>th</sup> FYPs and China's active endorsement of OSH-related decisions of the G20 Summit of Labour and Employment Ministers since 2014.

Looking forward, attention to ensuring the improvement of people's well-being – as the stated starting point and ultimate goal of China's rapid expansion and market reform programmes – and ensuring that a healthy population is one of the products of China's developing socialist market economy, OSH is an on-going high priority for ILO's constituents in China.

#### **1.4. Harmonious labour relations**

Labour relations in China are generally harmonious. With the changing labour supply and demand situation, male and female workers have more choices in term of employment; their voice increases as a result.

The Chinese government attaches great importance to building harmonious labour relations and has formulated a series of laws, regulations, policies and measures to implement and has achieved positive results. The opinion of the Communist Party of China Central Committee (CPC-CC) and the State

Council on Harmonious Labour Relations as of March 21, 2015 recognizes that effective management of labour relations is an important guarantee for the sound and sustainable development of the economy. However, actors in labour relations and their interests are becoming more diversified, which makes the task of building harmonious labour relations more challenging.

### **1.5. ILO-China strategic partnership and relations with social partners**

In 2001, the ILO and China's MOHRSS memorialized their cooperative relationship in a Memorandum of Understanding for Cooperation. Having defined the priority areas for mutual cooperation on promoting decent work, the MoU has been fundamental for China's DWCP. The results of the most recent 8<sup>th</sup> Biannual Joint Review of Progress under the MoU in 2015 contributed to this DWCP. It has also led to the forging of an updated MoU establishing a strategic partnership with the office.

The updated MoU foresees an expanded development partnership. China will continue emerging as the ILO's South-South Triangular Cooperation partner, sharing its experiences with other countries in partnership with the ILO. This strategic partnership covers a number of areas today and is set to expand in line with the rolling out of SDGs. Areas of cooperation will focus on international labour standards (ILS), the promotion of fundamental principles and rights at work, quality and quantity of employment, social protection and social dialogue. The ILO is also poised to explore the expansion of geographic scope – throughout ASEAN and among countries engaged in the One Belt One Road (OBOR) initiative, for example – as well as diversification of funding into direct trust funds and public-private partnerships. The improvement of compliance governance in the global supply chains of Chinese brands may also be explored in partnership with the ILO.

Both China and the ILO will also jointly endeavour to deepen mutual understanding by promoting:

- The expansion of research capacity on labour market policies and research methodologies for decent work in the government as well as academic institutions in China;
- Sharing of knowledge between the ILO, China's academic and research communities, and international research and expert networks;
- The programmes of the International Training Centre in Turin among constituents, academia and the private sector; and
- The exchange of information and publications.

In addition, the parties will endeavour to deepen mutual understanding by cooperating with a view to:

- Keeping jobs at the heart of the 2030 Sustainable Development Agenda and the G20 objective of strong, sustainable and balanced economic growth;
- Promoting mechanisms for global development finance that supports all dimensions of decent work, including global and regional development banks; and
- Contributing to the Future of Work Centenary Initiative and the realization of goals the ILO will pursue in its second century.

### **All-China Federation of Trade Unions**

The All-China Federation of Trade Unions' (ACFTU) total membership stood at 290 million workers in 2015, including some 129 million rural migrant workers. The number of migrant workers joining trade unions increased from 960,000 in 2011 to 1,250,000 in 2015. To date thirteen million rural migrant workers have been unionized. Among all the enterprises and public institutions with trade unions throughout the country, 5.059 million have established a separate system of workers' congresses. Regional (professional) workers' congresses cover 1.873 million enterprises, and 4.207 million non-

public sector enterprises have established a separate system of workers' congresses, accounting for 94.6 per cent, exceeding the target of 80 per cent.<sup>20</sup>

With reforms brought in under the 2001 Trade Union law, priority was given to the ACFTU's primary duty of safeguarding the legitimate rights and interests of workers, rather than the overall interests of the entire Chinese people as under the previous Trade Union law of 1992. This has opened up more opportunities for unions. As a result there are now many more formal institutions – promoting trade unionization, collective negotiations, and workers' congresses, as well as tripartite consultations. The Trade Union law provided for the establishment of multi-enterprise trade unions and multi-employer sectoral collective bargaining (CB), and expanded the scope for local and sectoral unions. In addition, the law formalized tripartite consultations at various levels between the government, the ACFTU, and the China Enterprise Confederation (CEC) (and in some cases, local branches of the All-China Federation of Industry and Commerce). The ACFTU, particularly in light of the changing labour market, has been active in providing comprehensive services to its members including CB training, legal aid, protecting women workers' rights, and skills training.

### **China Enterprise Confederation**

With respect to employers' and workers' organizations, the CEC is the ILO's employer organization constituent. Within the vision of the 13<sup>th</sup> FYP, the CEC has prioritized support from the ILO to:

- Help enterprises to maintain and improve labour standards and working conditions for their employees under New Normal conditions and emerging corporate social responsibility trends;
- Develop compensatory packages and re-employment mechanisms for workers made redundant by enterprise restructuring and the transition to a Green Economy; and
- Conduct research on labour costs, in relation particularly to productivity, technological innovation, OSH and the promotion of green jobs.

### **State Administration of Work Safety**

The State Administration of Work Safety (SAWS) is the national authority of a ministerial stature directly under the State Council, responsible for safety inspections in all enterprises, including establishing work safety laws, regulations and guidelines, supervision, training and international cooperation concerning work safety with foreign governments, international organizations and non-governmental organizations.<sup>21</sup>

The ILO has partnered with the SAWS on the promotion of OSH prevention and management in China. SAWS's 13th FYP for improving safety and health in Chinese workplaces has identified the following main objectives:

- Improving the overall workplace safety and health situation through enhanced inspections and supervision of workplaces;
- Reducing workplace accidents and fatalities, particularly reducing the number and improving management of serious workplace health and safety incidents (those involving more than ten fatalities); and
- Better control of occupational health problems.

## 2. Country priorities and outcomes

The three country priorities of the DWCP 2016-2020 have been identified in consultations during late 2015 and into 2016 with the ILO's tripartite constituents: the MOHRSS and the SAWS on behalf of the government, the ACFTU and the CEC. Eight resulting outcomes to which ILO support is intended to contribute are identified, described and elaborated below.

### **Country priority 1. Increase the quantity and quality of employment**

- Outcome 1.1 Capacity of government and social partners to assess and quantify employment quality strengthened with a view to decent work and sustainable development advocacy.
- Outcome 1.2 Capacity of government and social partners to develop and implement inclusive and gender responsive employment policy interventions with a view to promoting freely chosen and productive employment strengthened.
- Outcome 1.3 Quality and accessibility of rights-based employment services for rural migrant workers, young women and men improved, with a view to substantially reducing the proportion of youth not in employment, education or training.

### **Country priority 2. Promote and extend social protection in and out of the workplace**

- Outcome 2.1 Government and social partners have taken measures to end poverty in all its forms by realizing universal and adequate social protection.
- Outcome 2.2 Workplace compliance is improved to better protect labour rights and promote safe and secure working environments for all workers in line with national laws and regulations and international standards, through strengthened labour inspection and increased preventative OSH culture.

### **Country priority 3. Strengthen the rule of law and the realization of fundamental principles and rights at work**

- Outcome 3.1 Institutions for negotiating working conditions, protecting labour rights for all workers, and for preventing and resolving labour disputes are improved, in line with international standards and the Chinese laws and regulations.
- Outcome 3.2 Capacity of workers' and employers' organizations as labour market institutions is strengthened, with a view to ensuring responsive, inclusive, participatory and representative decision-making at all levels, consistent with national and international standards.
- Outcome 3.3 Government is continuously strengthening the rule of law at national and international levels by ratifying and, with social partners' involvement, improving the application of international labour standards.

The three policy drivers of (1) international labour standards, (2) social dialogue, and (3) gender equality and non-discrimination are relevant to and crosscut all eight outcomes. As fundamental principles and means to achieving decent work, they are promoted and applied in actions under all eight outcomes, as described in the strategy statements for each.

Furthermore, green jobs in a greener economy are promoted in the country programme outcomes where appropriate. Opportunities for improving the application of ratified Conventions specifically in line with comments of the relevant supervisory bodies will be sought throughout implementation of the DWCP.



### 3. Outcome strategies

The ILO's plan for cooperation with its Chinese constituents is specified in this part, organized in terms of the three country priorities and intended outcomes supported by ILO cooperation. A rationale motivating support is indicated for each outcome, along with a strategy for carrying out that rationale.

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#### Country Priority 1: Increase the quantity and quality of employment

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*The 13<sup>th</sup> FYP of the MOHRSS sets the target of creating more than 50 million jobs in urban areas, keeping the unemployment rate at or below 5 per cent, implementing targeted measures to assist job seekers in disadvantaged positions, strengthening social protection, and improving the quality of employment. Priority will be given to providing effective employment assistance to workers with disabilities, and workers in overcapacity industries who are losing jobs. The paradox of a shortage of skilled workers and an overall labour surplus will be tackled through various measures including entrepreneurship promotion, improvements in employment services, expansion of the service sector, supporting new businesses, and attracting foreign talent.<sup>22</sup>*

*China knows well how to create jobs with rising real wages, done by producing infrastructure and physical products. It will continue to do so in the short to medium term. The challenge comes in putting job creation and employment on a long-term, sustainable decent work trajectory. Decent work – like the 13<sup>th</sup> FYP – sees job creation in terms of both quantity and quality, and this can only be done with adjustments that require an understanding of the linkages between economic and social engines and coordination and cooperation among various competent authorities. China realizes the importance of the four interdependent, interrelated and mutually*

*supportive pillars of decent work, and will partner with the ILO to improve employment policy making, specifically with quality outcomes in mind.*

*How can China ensure that growth and job creation is inclusive, providing good opportunities for women, as well as the disabled and rural migrant workers? How can the promotion of entrepreneurship avoid becoming a means by which work, albeit of low productivity, is made available? How can the transition from school to work be optimized both for the economy and the individual? How can new formal employment be created, and informalization hindered? What effects does a low-carbon economy have on job creation, skills and employment structures? The capacity of government and social partners to develop employment policy interventions that tackle these and related issues, and selected interventions in support of improving labour market outcomes for young women and men workers, will continue to be subject areas of the ILO-China development partnership.*

*China's active engagement in the 2030 Agenda provides an important impetus for international cooperation in sharing China's employment promotion experiences with other countries and further collaborate in the improvement of the quality of employment in China and around the world.*

## **Outcome 1.1 Capacity of government and social partners to assess and quantify employment quality strengthened with a view to decent work and sustainable development advocacy**

### **Rationale:**

There are many challenges to monitoring and measuring employment quality; defining quality employment is the first. The Decent Work Indicators (DWI) and the 13 indicators for the SDGs that are under ILO custodianship serve as the international standards in defining quality of employment. After that, many macro- and micro-level factors can be observed affecting characteristics of employment quality. Employment quality can be analysed with the help of various indicators brought together within appropriate measurement frameworks. Once well understood, actions may be taken to improve employment quality by adjusting the factors that increase the identified indicators of quality. The MOHRSS has been working with the ILO in developing an employment quality evaluation framework. This work is set to continue and be combined with SDG monitoring and reporting. In addition to its recent collaborative work in China, the ILO will draw on its long-standing expertise in labour statistics, methods for their generation and publications, as well as labour market analysis and policy formulation.

### **Box 1: DWCP and custodial SDG indicators**

#### **The ILO will cooperate with China in developing its capacity to report on sustainable development**

In 2016, the United Nations agreed a set of indicators offered as a standardized tool to countries to measure change moving towards the SDGs. These indicators make it possible to assess progress in moving toward SDGs uniformly around the world. As a specialized agency of the UN, the ILO is charged with reporting on, and supporting countries' ability to report measurement on 13 of these indicators, as they move toward the SDGs. The DWCP includes this support within outcome 1.1. Many of these indicators are also measures of decent work; see Box 3: DWI, SDGs and DWCP monitoring for more details.

### **Strategy in brief:**

The MOHRSS' employment quality evaluation framework (EQEF) – developed with ILO assistance to bring them in line with DWIs – has been tested in the provinces of Guangdong, Jiangsu and Hubei. The framework's primary function is to monitor employment trends, measure any changes in employment quality and support accurate identification of responsive measures to raise employment quality to a minimum standard appropriate to different target groups in different localities and sectors.

With experience from the three pilot provinces, MOHRSS will introduce the EQEF to others in 2016-17, with a goal of ultimately doing so nationwide. The EQEF is a foundation upon which Chinese partners can build toward their goals of enhancing the quality of employment, monitor, evaluate and report on developments in terms of the DWA and SDGs.

ILO cooperation intends to:

- Strengthen labour statistics to effectively reflect employment quality;
- Support research and surveying to monitor and report on the SDGs;
- Promote where possible the disaggregation of labour statistics consistent with international standards on labour statistics; and
- Improve alignment of national labour statistics with international standards on labour statistics and norms in the development of national DWIs.



## **Outcome 1.2 Capacity of government and social partners to develop and implement inclusive and gender responsive employment policy interventions with a view to promoting freely chosen and productive employment strengthened**

### **Rationale:**

As G20 Presidency during the July 2016 Beijing meeting of Labour and Employment Ministers, China was able to inject into global policy coordination its experience in generating job opportunities by intervening with targeted active labour market policies and employment services, coordinated with social protection systems. These and other supportive policy orientations are now in the G20 Ministers' commitments to promote decent work, enhanced employability and adequate job opportunities. They resonate clearly in the context of the reforms deemed necessary as part of the 13<sup>th</sup> FYP, which aims to foster China's economic transformation, including addressing excessive production capacities in certain economic sectors.

In the last three decades China's macroeconomic policies – acknowledged at the G20 meeting to having played an essential role in generating job opportunities – mainly focused on the demand side, at a cost to the quality and efficiency of economic development. Natural resources have been exhausted and the environment polluted. Excessive capacity and “zombie” enterprises have become conspicuous with the decline in economic growth experienced in the last two years. Under these circumstances, the decision has been taken to implement supply-side reforms. Efforts to reduce industrial overcapacity have led to job losses. According to recent forecasts, 1.3 million people in the coal industry and 500,000 workers in the steel industries are expected to be made redundant, representing 15 per cent of the workforce of these two industries. According to preliminary estimates, 800,000 workers in the steel and coal industries will be resettled in 2016 in connection with capacity reduction.<sup>23</sup> Significant losses are foreseen also in cement, shipping and petrochemical industries. Many of these workers are of peak working age but many of them have few skills relevant for the modern economy. Reskilling for re-employment needs to happen at scale; reconversion of labour is pledged in the 13<sup>th</sup> FYP.

In addition to this, many enterprises have faced difficulties in production and operation during the recent economic downturn. They have not been able to maintain employment levels: women have been the first group facing the risk of layoff, potentially increasing the gender gap in the labour market.

It is hoped that the service sector will help absorb redundant labour, doing so would also facilitate the sector's transformation and upgrading and release huge demand potential. According to national statistics, in 2015 the share of the service sector in GDP rose to 50.5 per cent – making it the largest component of GDP, 16.7 percentage points higher than the industrial sector. The sector is expected to lead economic growth in the future. Meanwhile China's new industries, new forms of business and new products took shape and grew more rapidly. The added value of high-tech industries was up 10.2 per cent year-on-year, growing much faster than traditional industries; the gradual orientation toward a green economy will certainly help maintain and spur technology-based employment and productivity gains.

Recourse to entrepreneurship is seen both nationally and internationally to be a feasible and potentially fruitful employment strategy. This is seen in the G20 Minister's 2016 commitment to entrepreneurship action planning, China's promotion of entrepreneurship education and training (see Outcome 1.3 in respect of young persons and rural migrants), strengthening services for entrepreneurs, and helping entrepreneurs address challenges and sustain business development, while at the same time protecting the rights and interests of entrepreneurs and their employees. Strategies for enhancing employability through, for example, skills development and improved recognition and use made of them, and quality apprenticeship, are similar to G20 commitments made under China's Presidency of the G20.

In response to employment pressure created by industrial restructuring and an economic slowdown, the central government has issued policies favouring the re-employment of laid-off workers.<sup>24</sup> Four approaches have been defined as following:

- Offer timely training to re-employed workers and encourage enterprises to relocate workers within the enterprise;
- Transfer to other jobs or start-up business;
- Apply earlier retirement if workers meet the qualification and if agreed between the workers and employer; and
- Provide publicly financed positions to workers having difficulties in finding jobs.

The ILO is able to draw on its normative tradition, as well as broad country and sector level expertise to support its constituents in developing employment policies designed to address their specific needs.

## **Box 2: Rural migrant workers**

### **Rural migrant workers: Contribution and challenges**

Rural migrants in cities have made a very significant contribution to economic development in China, especially with respect to national economic growth and the economic transition from a traditional rural economy to a modern society, symbolized by urbanization and industrialization.<sup>25</sup> According to the National Bureau of Statistics (NBS) estimates, the number of rural migrant workers in 2015 was 277.47 million. In terms of the overall population, the number residing in areas other than their household registration and have been away from there for over six months reached 294 million in 2015, 3.77 million less than that in the preceding year.<sup>26</sup>

Despite higher earning incomes from urban employment, rural migrant workers face a number of employment-related challenges. For example, a 2011 study on rural migrant workers in Shenzhen quantified practical limitations in accessing housing, vocational training, timely and proper payment of wages, signed labour contracts, cover by medical insurance, pensions, workplace injury, unemployment and maternity insurance, as well as the particular initiatives undertaken in Shenzhen to address them.<sup>27</sup> A focus is placed on this group of vulnerable and disadvantaged workers in all activities outlined in this DWCP.

### **Strategy in brief:**

In 2016-17, the ILO will assist the Chinese tripartite constituents in addressing employment challenges through developing effective, gender-responsive measures to support the re-employment of laid off workers, while searching for new drivers and impetus to achieve more inclusive, balanced and sustainable growth. Cooperation will look to share comparative experience from countries with similar challenges arising from economic restructuring. These efforts will support China's dialogue on the application of the ratified Employment Policy Convention, 1964 (No. 122) with the relevant supervisory bodies. The ILO cooperation intends to focus on:

- Supporting establishment of an M&E framework to assess the effectiveness of policy interventions to promote quality and quantity of employment for men and women;
- Improving macroeconomic policies conducive to creating full and quality jobs for men and women;
- Developing gender-sensitive active labour market policies and action programmes to support laid-off workers and new job seekers; and
- Analysing the impacts and potentials (including for green jobs) of new technologies and sectors on economic growth and employment.

### **Outcome 1.3 Quality and accessibility of rights-based employment services for rural migrant workers, young women and men improved, with a view to substantially reducing the proportion of youth not in employment, education or training**

#### **Rationale:**

Youth unemployment is a major challenge for China, particularly as related to university graduates, young rural migrant workers, and young disabled persons. In terms of employment opportunities and expectations, large numbers of youth graduate from tertiary education with the expectation that their education will be used on the job. While jobs continue to generally remain available, they are often manual operational works and in the informal economy, where the bulk of new jobs are created. They often do not draw on the learning and skills provided in higher education, resulting in a mismatch and frustrated expectations. For young women and men rural migrant workers, challenges are more in terms of poor quality employment and a lack of enforcement of rights at work. Institutional barriers such as the Hukou registration system continue to impede young rural migrant workers' access to equal rights at work. And for disabled youth, the overall employment rate for persons with disabilities is estimated at only 34 per cent, and only 35.8 per cent of employed persons with disabilities are women. Youth with disabilities – especially women among them – face institutional inequality, limited employment services and training, excessive protection of family, as well as other institutional exclusion and discrimination.

In 2014-15, the ILO supported constituents in reviewing the effectiveness and impacts of the national employment policies and action programmes to support youth employment (YE) and to assess the public employment services provided to young people. The review found that –

- The quality of public employment services for young people is rather poor, staff capacity and knowledge to help young people are very limited, and labour market information could not reach out to most of young people;
- Information on the results and impacts of national/provincial YE initiatives is fragmented;
- Young people often have lower wages, longer working hours, hazardous or unsafe working conditions and lack legal and social protection; and
- Social dialogue mechanisms on employment offered youth a weak voice, the strengthening of which would provide the opportunity to address a range of rights at work for young people which are currently poorly enforced.

In a further study, MOHRSS found that public employment services to youth with disabilities face enormous barriers in access to those services due to a lack of capacity as well as poor collaboration among employment service providers, their constituents, and employers.

To advance employment, the 13<sup>th</sup> FYP targets these challenges by potentially seeing youth as a group for which generally targeted policies are to be particularly implemented. There is potential for raising awareness to a higher level, targeting for better-coordinated action the particularities of the labour market faced by youth. The ILO supports China in applying the ratified Employment Policy Convention, 1962 (No. 122) and addressing the comments of the Committee of Experts on the Application of Conventions and Recommendations, which has called for strengthening efforts supporting YE. Global technical expertise resides with the ILO in promoting YE, developing employment services, developing and deploying small enterprise development and improvement tools.

#### **Strategy in brief:**

The ILO will continue its long-standing partnership with China in advancing employment for young workers in China and abroad. ILO cooperation will help China improve the application of the

Employment Policy Convention, 1964 (No. 122), Discrimination Convention, 1958 (No. 111), Equal Remuneration Convention, 1951 (No. 100), and the Vocational Rehabilitation and Employment (Disabled Persons) Convention, 1983 (No. 159), particularly in respect of young women and men. The ILO will further collaborate with UN agencies and national partners in the promotion of the UN Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW) and the UN Convention on the Protection of the Rights of Persons with Disability.

The ILO intervention will focus on:

- Improving the quality and delivery of public employment services for both young women and men, including persons with disabilities;
- Strengthening actions and mechanisms of government and social partners (including those of social dialogue) to promote the rights of young workers at work;
- Improving M&E to ensure YE initiatives equally benefit young women and men, including rural migrants and the disabled;
- Implementing labour market policies/programmes that can assist young women and men to improve their opportunities for better employment; and
- Improving the quality of youth entrepreneurship training programmes through upgrading and sharing of the ILO's state of the art entrepreneurship promotion training tools and programmes, including Start and Improve Your Business (SIYB), GET Ahead and Know About Business (KAB).

When feasible, partnerships with the private sector and third party governments will be explored to share China's successful approaches and strengthen the capacity of overseas Chinese investors in promoting YE at the site of their investment.

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## Country Priority 2. Promote and extend social protection in and out of the workplace

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*The 13<sup>th</sup> FYP targets advancement in building a healthy China. Social protection takes central stage in the plan, which foresees building a more equitable and sustainable social security system, improving both healthcare and insurance systems – achieving universal legal coverage of the later before 2020. The MOHRSS is the primary implementing agency.*

*Features figuring in national developments include establishing incentive mechanisms to encourage contribution; achieving universal legal coverage; improving long-term financial sustainability of the social insurance funds and achieving actuarial balance; equalizing and gradually extending the retirement age; building a multi-pillar pension system; achieving the national pooling of the Urban Employees' Pension Scheme; establishing a pension benefits adjustment mechanism; improving the portability of benefits; reforming the management and provider payment mechanism of health insurance to control medical costs; merging maternity insurance with health insurance; developing and piloting long-term care insurance; strengthening the role of unemployment insurance and employment injury insurance; achieving the provincial level pooling of employment injury insurance, strengthening employment injury prevention and rehabilitation; and expanding social security coverage among people in flexible employment and rural migrant workers.*

*Long-term sustainability of social protection is to be achieved by maintaining a balance between the income rate of the social security fund and obligations against it, as well as by improving efficiency in using the fund through lifting the pooling level of social security funds. As the key*

*goal of the 13<sup>th</sup> FYP is transformation of the growth model towards one that is consumption-led, social protection can and should play an increasing role in promoting these objectives.*

*The ILO has been a partner for many years with the SAWS – the ministry responsible for OSH in China, working to reduce risks that could lead to a contingency requiring a social insurance payout. SAWS has completed its 13<sup>th</sup> FYP for improving safety and health in Chinese workplaces. It has identified four main objectives for the next five years:*

- Improving the overall workplace safety and health situation through enhanced inspection and supervision of workplaces;*
- Reducing workplace accidents and fatalities;*
- Reducing the number and improving management of serious workplace health and safety incidents (those involving more than ten fatalities), and*
- Better control of occupational health problems.*

*The ILO has well-developed and resourced partners in MOHRSS and SAWS. The ILO strategically contributes comparative practices and approaches to similar challenges found elsewhere, knowledge of international social, safety and health standards, and experience in capacity building and strategic adjustment by using approaches that are new to the Chinese environment.*

*The ILO and China will partner in sharing and learning from China's social protection programme experiences with other countries through the South-South Triangular Cooperation modality.*

## **Outcome 2.1 Government and social partners have taken measures to end poverty in all its forms by realizing universal and adequate social protection**

### **Rationale:**

Despite having recorded exceptional progress in extending social protection coverage to the rural population and vulnerable groups in urban areas, the social security system in China faces major tasks ahead in building a more equitable and sustainable universal social protection system.

- **Tapping the fiscal space to increase public spending on social protection.** Currently, overall public spending on social protection is still well below the level of OECD countries. This limits the impact of social protection transfers as a driver of economic stability and transformation of the economic growth model. Meanwhile, voices are growing for individualization of risks, in turn gaining currency in terms of policy discussions.
- **Strengthening the financial viability of the social insurance funds.** The fragmentation of funds and current system parameters, such as early retirement age in the context of increased longevity, undermines the economic sustainability of the system. Pension parameters, such as the formulae for the calculation of individual pensions and pension benefits adjustment, eligibility criteria and retirement age, need to be reformed in line with the need to achieve long-term fund sustainability. The role of actuarial analysis and forecasting needs to be strengthened for this purpose.
- **Improving social protection for vulnerable groups, including rural residents, rural migrant workers and people in precarious employment.** The benefits level of the Pension Scheme for Rural and Urban Residents is low and needs to be gradually increased. The coverage of rural migrant workers is to be expanded, since at present roughly one out of four rural migrant workers participate in the five social insurance schemes for urban employees. When they do participate, limits to portability between provinces and cities undermine the preservation, maintenance and transfer of acquired social security rights and worker mobility. More efforts need to be made to expand social protection coverage among workers in flexible employment, particularly those working in SMEs and or in temporary or seasonal jobs.
- **Promote more gender-responsive social protection. Women and other vulnerable groups face challenges to get adequate protection.** One factor for women is the earlier retirement age and less stable working careers. The role of maternity insurance is to be strengthened to better level the playing field for women in terms of equality of opportunity and treatment due to its low coverage.

Improvements in social security are expected to create new demands and supplies in the economy, and pose the potential biggest dividend for China's transformation-based development. Progress is needed to the reform of the dual Hukou household registration system so that rural migrant workers are entitled to the same social benefits and quality of life as their urban peers. In these circumstances, a series of policy reforms – on taxation, pension portability, household registration, and social spending – are needed to maintain labour market stability, and achieve effective economic transformation. The ILO is well placed with decades of normative and technical expertise developed and shared both globally and more recently in China in addressing these issues.

### **Strategy in brief:**

Over the years, the ILO has been engaged with its partners in social security policy development in China. Contributions have been made in support of the development of a legal framework for social

insurance, actuarial capacity building, pension reform, and improving social protection for rural migrant workers, etc.

Building a more equitable and sustainable universal social protection system is an important part of the 13<sup>th</sup> FYP. Focusing on the tasks of social security reform as outlined in the 13<sup>th</sup> FYP, the ILO will technically support the efforts of its Chinese constituents in the following areas:

- Preparing for the ratification of the Social Security (minimum standards) Convention, 1952 (No. 102) the social dialogue and technical support;
- Improving the coverage, adequacy, financial sustainability and gender-responsiveness of social insurance schemes by supporting policy research on improving the pension formulae and retirement age, reforming the provider payment mechanism to control the cost of medical care, and developing long-term care insurance;
- Strengthening social protection for vulnerable groups such as disadvantaged women, rural migrant workers and people in precarious employment through research and capacity-building activities to identify challenges facing these groups in accessing social protection, document good practices such as convenient community services, strengthened labour and social security inspection, etc. and provide policy recommendations;
- Enhancing social protection for women by supporting studies to identify the gender gaps of social protection and provide policy recommendations on how to address them; and
- Documenting and sharing experience and good practices between China and other countries by strengthening South-South Triangular Cooperation.

The technical support of the ILO in promoting rights-based social protection are grounded in the principles of the international labour standards on social security, in particular the Social Security (minimum standards) Convention, 1952 (No. 102) and the Social Protection Floors Recommendation, 2012 (No. 202).



## **Outcome 2.2 Workplace compliance is improved to better protect labour rights and promote safe and secure working environments for all workers in line with national laws and regulations and international standards, through strengthened labour inspection and increased preventative OSH culture**

### **Rationale:**

It is incumbent upon China – in its important position as both source and recipient of investments and jobs in global supply chains – to be at the forefront among countries striving for safe, healthy, and compliant workplaces. Efforts to improve workplace safety and health in recent years – backed by the Chinese top leadership in line with G20 commitments – have yielded progress.<sup>28</sup> Fatality and injury rates in the most hazardous industries have fallen. Yet, occupational safety and health protection measures are inadequate in many sectors, including the health care sector where women are concentrated. It is imperative to take effective policy measures and interventions to prevent occupational diseases and illnesses caused by industrial pollutants and waste. As manufacturing is still the main driver of economic growth, it is important to further foster an OSH prevention culture, which will help improve economic competitiveness. Nevertheless, a growing labour market and increasingly complicated employment relations will pose major challenges to labour inspectors.

The government's efforts have emphasized the role of labour inspections for building harmonious labour relations. Accordingly, the number of full-time MOHRSS and SAWS inspectors has risen to 26,000 and 29,000 respectively.

For labour, safety and health inspection, there is a need to gradually build a preventative culture at both the enterprise and societal level. The role of inspectors need to be expanded from mainly relying on enforcement to giving appropriate weight to their advisory function in helping willing employers abide by the law. Social dialogue and tripartite mechanisms, particularly with inputs from women workers, should play a more important role in improving compliance by employers on laws and collective agreements through more active dialogue at both workplace and national levels. The ILO is the global leader supporting these types of efforts, drawing on normative and technical expertise residing centrally and regionally.

### **Strategy in brief:**

Based on consultations with the constituents and relevant partner organizations, the ILO will focus its efforts in strengthening national, provincial and enterprise capacity to plan, develop and implement strategies to strengthen workplace compliance with ILS, national labour laws and collective agreements.

In the 13th FPY period, the technical service of the ILO will be focused on supporting the efforts of the government and the social partners to:

- Prepare for the ratification of the Labour Inspection Convention, 1947 (No. 81), the Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187) (including updating the national OSH profile), and the Prevention of Major Industrial Accidents Convention, 1993 (No. 174).
- Enhance dialogue with the ILO's supervisory bodies and improve the application of the ratified Safety and Health in Construction Convention, 1988 (No. 167), Occupational Safety and Health Convention, 1981 (No. 155), and Chemicals Convention, 1990 (No. 170);
- Revise the Basic Norm of Enterprise Work Safety Standardization to strengthen the role of workers' participation in OSH management by integrating Sustaining Competitive and Responsible Enterprises (SCORE) methodologies and in line with the relevant ILS;



- Support local SAWS in pilot localities to strengthen the service-orientation of inspectors through organizing SCORE training, setting up advisory-service committees, and utilizing the E-inspection system;
- Through the SCORE project, pursue where appropriate and possible partnership with the private sector, including through providing training to third-party OSH consultancy agencies;
- Strengthen the capacity of SAWS in the area of occupational health, focusing on prevention, promotion and protection;
- Promote a preventative OSH culture at both the enterprise and society level by organizing advocacy events such as the China International Work Safety Forum and SAFEDAY commemoration events;
- Promote South-South Triangular Cooperation for OSH through strengthening OSH experience-sharing and exchange programmes with countries in the ASEAN region and other parts of the world; pursue where appropriate and possible partnerships with the private sector, including through providing training to the third-party OSH consultancy agencies;
- Support the ACFTU, CEC and other national partners in improving safety and health conditions in SMEs and supply chains by promoting ILO OSH tools such as Ergonomic Checkpoints, Essentials of Occupational Safety and Health, gender-sensitive OSH practices, Work Improvements in Small Enterprises (WISE), etc.;
- Support MOHRSS, the National Institute of Occupational Health and Poisoning Control (NIOHP) and other relevant stakeholders in taking gender-responsive initiatives to prevent and manage occupational diseases and hazards in the workplace, with special attention to workplace maternity protection and work safety issues that disproportionately affect women and other disadvantaged populations, including people with HIV/AIDS and the Hepatitis B virus (HBV), and employment discrimination as a result of contracting such communicable diseases; and
- Support MOHRSS, NIOHP, other relevant stakeholders and constituents in improving OSH in the health care sector in line with the Occupational Safety and Health Convention, 1981 (No. 155) through promoting OSH management systems in hospitals.

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### Country Priority 3. Strengthen the rule of law and the realization of fundamental principles and rights at work

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*The 13<sup>th</sup> FYP recognizes that comprehensively deepening reforms and promoting the rule of law has created new positive momentum and stimulated new vitality. The call has been made to continue this effort – as a matter of principle and reliable guarantee of development – and to put social development on to a legal track by improving the social governance system.*

*In deepening engagement with the global community through public and private institutions and investments, China is effectively bound to demonstrating its commitment to the international regime of labour and social standards that have been forged within the ILO and incorporated in a variety of multi- and bi-lateral agreements and rule of law schemes operating at the international level. China's partnership with the ILO aims to showcase fundamental principles and rights at work in China and its two special administrative regions Hong Kong and Macau and in China's overseas investments, including the One Belt*

*One Road initiative. By pursuing all DWCP outcomes in a manner that demonstrates the interdependent, interrelated and mutually supportive character of its four pillars, the systems and substance of fundamental principles and rights at work and ILS will be likewise strengthened.*

*Specifically, the ILO will work with Chinese constituents to improve frameworks for determining and protecting working conditions and dispute resolution consistent with international standards, for harmonious industrial and employment relations. The efforts of Chinese social partners to promote the interests of their constituents will be supported within rule of law frameworks that reflect international commitments to realize fundamental principles and rights at work. The government's own initiatives and efforts to ratify and implement ILS will likewise be energetically supported.*

### **Outcome 3.1 Institutions for negotiating working conditions, protecting labour rights for all workers, and for preventing and resolving labour disputes are improved, in line international standards and the Chinese laws and regulations**

#### **Rationale:**

China faces a new set of challenges as its economy and society upgrades and more deeply integrates into the global economy, including re-orientation of its development model. The New Normal anticipates a moderately high overall growth rate, accompanied by elements of restructuring. It calls for attention to domestic development. More and more, the promotion of inclusive growth, a fair distribution of income, and support for continuous change will raise challenges in the overall governance of the labour market. In this regard, the development of sound regulatory and institutional frameworks and of industrial relations (IR) – institutions, mechanisms and practices will be vital.

There is an urgent need to bring to the fore some key working condition issues as a main area of concern to be addressed in the course of achieving the goal of a moderately prosperous society. Central in this are wage determination mechanisms, working hours and paid leave, prevention of and recourse against discrimination in employment practices and employment security, including skills development. In the context of restructuring, the protection of working conditions, and particularly wages, will likewise be important. Social dialogue, CB and strengthened representation of workers and employers are key mechanisms that can ensure the confidence in the process and outcomes in these areas.

While efforts to strengthen collective bargaining and build industrial relations systems up to now mostly focused on building their basic components, this task needs to be refitted and upgraded in the context of the challenges presented by the New Normal, especially in the situation of industrial restructuring and economic downturns, the rapid emergence of new patterns and sectors of employment and economic activity and global commitments and demands for fool proof respect of workers' fundamental rights. The ILO is uniquely placed in terms of its global scope, comparative expertise, normative foundations and tripartite orientation to support Chinese constituents in meeting their industrial relations challenges.

#### **Strategy in brief:**

As a development partner, the ILO will continue to facilitate the sharing of international experience and the use of relevant international standards as normative benchmarks for the evolution of development as foreseen by the New Normal.

The ILO will assist the Chinese constituents in addressing the challenge of developing effective CB as a means of preventing and resolving labour disputes, and determining working conditions and IR mechanisms and practices, through improvements in the institutional framework and capacity-building, and effectiveness in addressing key issues of concern. With China, the ILO will seek to engage other development partners to synchronize efforts to promote labour rights and workers' voices in the improvement of working conditions and IR.

ILO cooperation intends to focus on:

- Documenting good practices of CB in China for further reviews and replication;
- Research and training for workers' and employers' organizations in the use of CB as a means of determining wages, working conditions and prevention of labour disputes;
- Providing legal and policy advisory services with a view to strengthen institutional frameworks for CB and dispute resolution at the workplace and sectoral levels; and
- Engaging other development partners to synchronize efforts to promote labour rights and workers' voices in the improvement of working conditions and IR.

### **Outcome 3.2 Capacity of workers' and employers' organizations as labour market institutions is strengthened, with a view to ensuring responsive, inclusive, participatory and representative decision-making at all levels, consistent with national and international standards**

#### **Rationale:**

The development of industrial relations in China remains centrally managed. It is guided by the highest-level policy document in this area, *Opinions on Building Harmonious Labour Relations* issued jointly by the State Council and the Central Committee of the Communist Party of China in March 2015. It is supported by the work of the ACFTU focusing on *Improving the Quality of Collective Bargaining and the Effectiveness of Collective Contracts* and the *Work Plan for Intensifying Collective Bargaining 2014 – 2018*. In respect of the engagement of the social partners in labour market governance, developments in the labour market and in current governance institutions – including the social partners – augers well for the chances of enhancing their engagement in policy development. In this context, the ILO's individual social partner constituents in China have called upon it to offer technical assistance on matters in which it has demonstrated expertise, offered in the framework of its system of international standards. The ILO carries a strong comparative advantage in this area, with experience in supporting national social partners globally, with a fundamental normative basis at the core of that work.

#### **Strategy in brief:**

The ILO's cooperation with the ACFTU and the CEC will build on the areas of past cooperation and the strategic priorities of each organization.

With the ACFTU, the areas of ILO's cooperation will focus on:

- Strengthening ACFTU's capacity to promote women workers' rights, the management of OSH in the workplace, surplus labour, and the transition to a green economy;
- Applying ACFTU's programme of collective bargaining and promoting democratic management and participation in the development of collective bargaining agreements at the enterprise and sectoral level, including in export processing zones (EPZ);
- Researching and providing policy advice on wage fixing and wage negotiations;
- Improving legal awareness and the ability of the ACFTU and workers to participate in OSH management at the workplace;
- Strengthening cooperation in the area of social protection, with particular attention paid to social protection for rural migrant workers;
- Promoting the ratification of international labour standards, and strengthening the application of ratified ones;
- Through research and policy advisory services improve the labour dispute settlement system; strengthening the ability of trade unions' legal expertise so as to enhance the effectiveness of their legal services; monitoring of the implementation of standards and promoting bipartite cooperation at the enterprise level and unions' ability to efficiently engage in the management of labour disputes and the prevention of industry-level disputes;
- Supporting South-South Triangular Cooperation between the ACFTU and trade unions in other countries where Chinese enterprises are important so as to ensure compliance with workers' fundamental principles and rights at work and international labour standards in times of investment; and
- Advocacy of the SDGs by workers' organizations and strengthening the ACFTU's engagement in international and national discussions on responsible investment and responsible business conduct, global supply chains, and the Future of Work.

With the CEC, the areas of ILO's cooperation will focus on:

- Supporting research on wages, the impact of industrial transformation and changes in the labour market;
- Examining best practices in wage standards and remuneration systems as inputs for policy recommendations on minimum wage determination;
- Researching and developing enterprise-level tools for use in labour force forecasting, productivity assessments, and wage determination specifically in the contexts of industrial transformation, emerging industries and new production methods;
- Advising on labour and safety laws and related regulations;
- Documenting international and national good practices in collective bargaining and dispute resolutions and related capacity building support to CEC and its members, including the development of practical tools and long-term training programmes;
- Advocacy and support of employer's action to promote equality of opportunity and treatment for women workers and persons with disabilities through the nascent China Business and Disability Network and the existing ILO's 3-plus-1 programme on gender equality;
- Promoting labour, safety and health compliance in enterprises, especially SMEs, through the Sustaining Competitive and Responsible Enterprises (SCORE) China programme and sharing of various ILO tools on OSH and labour compliance;
- Advocacy of the SDGs by employers and the private sector and strengthened CEC's engagement in international and national discussions on responsible investment and responsible business conduct, global supply chains, and the future of work;
- Supporting effective management of the employers' organization as CEC undergoes institutional reform and reorganization; and
- Raising the awareness of Chinese enterprises going global concerning international labour standards and promoting CEC's cooperation with employers' organizations from other countries.

### **Outcome 3.3 Government is continuously strengthening the rule of law at national and international levels by ratifying and, with social partners' involvement, improving the application of international labour standards**

#### **Rationale:**

China's labour laws have close linkages with international labour conventions; reform of labour laws can reflect improved application of ILS and principles. Twenty-two ILO Conventions are now ratified and in force in China. The Maritime Labour Convention was most recently ratified, in November 2015.

China has made recognized progress in promoting ratification and application of ILS. Yet, the number of ratifications is relatively low compared to other G20 and BRIC countries.<sup>29</sup> Only three ratifications were registered in the last ten years, and of the 20 currently in force, the ILO Governing Body considers only 13 to be up-to-date. China is in a group of 11 countries that have ratified four or fewer of the ILO fundamental Conventions. It continues to need to ratify the governance Conventions on labour inspection, particularly in light of institutional development efforts being made. As noted in the DWCP Review (DWCP 2013-2015), knowledge of international labour Conventions remains limited. Compared with principles of ILS, the national legislation and policies need further improvement to enable men and women to enjoy equal opportunities and treatment in employment, social protection, working conditions, as well as participation and representation in social dialogue.

International labour standards are relevant to China's pursuit of prominence in international development and global economies. They provide principles and practical guidance to cultivate responsible investments and right guarantees for migrant workers in China and Chinese workers abroad. The One Belt and One Road initiative provides a platform to cultivate responsible investment among Chinese investors. By establishing a labour migration framework, China would be able to attract and manage flows of talented workers to China and protect its workers employed overseas.

**Strategy in brief:**

The ILO will advocate and assist China in its efforts to ratify international labour Conventions and strengthen the national legal system and social dialogue in terms of ILS.

The ILO's cooperation will focus on:

- Ratification of Conventions No. 29 on Forced Labour and its Protocol, 102 on Social Security (Minimum Standards), 187 on a Promotional Framework for Occupational Safety and Health Convention, 81 on Labour Inspection, and 174 on the Prevention of Major Industrial Accidents;
- Strengthening, as appropriate, dialogue on application and actual application of ratified fundamental Conventions No. 100 on Equal Remuneration, 111 on Discrimination (Employment and Occupation), 138 on Minimum Age, and 182 on the Worst Forms of Child Labour, and other Conventions No. 14 on Weekly Rest (Industry), 19 on Equality of Treatment (Accident Compensation), 26 on Minimum Wage-Fixing Machinery, 32 on Protection against Accidents (Dockers), 144 on Tripartite Consultation (International Labour Standards), 150 on Labour Administration, 159 on Vocational Rehabilitation and Employment (Disabled Persons) and the Maritime Labour Convention, in line with the comments of the ILO supervisory bodies;
- Promoting the ILS strategy and principles of Convention No. 95 on Protection of Wages, 131 on Minimum Wage Fixing, 183 on Maternity Protection, and 189 on Domestic Workers; and
- Advocating better understanding of the relevance of ILS to China's trade and development agenda.

The partnership with the European Union (EU) and the International Organization for Migration (IOM) through support to the EU-China Dialogue on Migration and Mobility project seeks to increase migration management capacities of competent Chinese authorities, including the Ministry of Commerce, China International Contractors' Association, MOHRSS, and State Administration of Foreign Experts Affairs. Cooperation and capacity building activities are also extended to the ACFTU and overseas employment agencies.

## 4. Management, implementation planning, monitoring, reporting and evaluation arrangements

### 4.1. Implementation, performance monitoring and evaluation arrangements

This DWCP will be implemented by the ILO, in close partnership with Chinese constituents and under the advice of a Tripartite Steering Committee (TSC). The TSC will be composed of ILO Beijing management, and representatives of MOHRSS, ACFTU, CEC and SAWS. The TSC will oversee and ensure the involvement of the constituents in on-going monitoring of the results of this DWCP, particularly as they relate to the SDGs. Building on the recommendations of the DWCP review (DWCP 2013-2015), consultative monitoring of this DWCP will be regular and periodic during its life. Consultations will be designed, *inter alia*, to revisit, confirm and revise theories of change underpinning the DWCP results framework; review the achievement of expected DWCP results; revise the DWCP results framework in the light of developments; review the adequacy of resources for programme implementation; promote and confirm engagement of social dialogue in achievement of outcomes; and identify joint resource mobilization strategies by the ILO and its Chinese constituents.

With the support and involvement of its constituents, the ILO will propose quarterly technical meetings of a monitoring/knowledge-sharing character with constituents directly involved in technical work, and an annual TSC meeting at which progress under the DWCP can be jointly reviewed with these constituents and any other agreed stakeholders. The timing of the TSC annual meeting should be coordinated with UNDAF's anticipated yearly reviews so that the observations on the ILO's work can contribute to the monitoring of outcome-level progress under the unified priorities of the UN system as set out in the UNDAF. The process will also be linked and contribute to internal ILO outcome monitoring.

The M&E arrangement is consistent with the requirements of the ILO, UNDAF 2016-2020, the ILO's development partners, the government and its social and development partners. Emphasis is placed on setting out expected outcomes and indicators of progress. They are designed to be both specific enough to properly capture developments supported with ILO contributions, yet flexible enough to allow for the shifts in course that will inevitably arise during the five year life of this programme. On-going monitoring would be against a monitoring plan that will be endorsed, reviewed and adjusted, as required, by the steering committee. The ILO will prepare an annual report on DWCP progress, which shall be streamlined with UNDAF annual reporting and ILO's programme and budget implementation report.

In implementing the DWCP, the ILO will continue its coordination, collaboration and partnership with the other 23 funds, programmes and specialized UN agencies resident and members of the United Nations Country Team (UNCT) in China. Joint advocacy and research has been an important form of the partnership during the last DWCP. Engagement similar to that in support of China's proposed Family Violence Legislation involving UN Women, UNICEF, UNESCO, UNFPA, UNDP, WHO and UNAIDS can be foreseen.<sup>30</sup> Opportunities for deeper collaboration especially with respect to the promotion of the United Nations Partnership on the Rights of Persons with Disabilities (UNPRDP), CEDAW and the SDGs will be pursued.



### Box 3: DWI, SDGIs and DWCP monitoring

#### **Note on DWI and SDG indicator sets**

An indicator is a quantitative or qualitative variable that provides a simple and reliable means to measure change. Working with a broad range of specialists and tripartite experts starting in 2008, the ILO published guidance on DWI in 2012.<sup>31</sup> This set of indicators is offered as a standardized tool to countries that want to monitor the development of the quality of work nationally. DWIs and SDGIs (see Box 1: DWCP and custodial SDG indicators, on page 10) are related, in that they measure change as countries improve the quality and quantity of work and more toward SDGs.

Both indicator sets rely on national statistical offices to collect and analyze data in a manner consistent with internationally agreed technical guidelines for each.

Since the DWCP reflects cooperation aimed at achieving decent work and the SDGs, it is appropriate to make light of these tools, which have been uniquely offered for their measurement, and to propose their integration into the M&E strategy for the DWCP 2016-2020.

## 4.2. Risks

Decent Work for All, as well as the SDGs, requires action on interdependent, interrelated and mutually supporting elements. Disregard of the specific dimensions and magnitudes of each would inhibit realization of them individually and collectively. During the consultative process leading to the finalization of this DWCP, the Chinese constituents echoed China's unwavering commitments to Decent Work for All and the SDGs and called for improvements in China's labour and employment statistics so as to aid the monitoring of policy and programme effectiveness as well as targeting support to disadvantaged workers.

The DWCP strategy presents the areas of work within the mandates of the ILO and its constituents in China. However, a successful pursuit of the outcomes requires active partnerships and cooperation among various governmental and inter-governmental agencies and development partners to mainstream labour and employment in their respective policy and programmes. Considering the size of China, its political economy, and complexity of labour and employment issues, China's cooperation with the ILO will have to focus in strategic areas. Experiences from technical cooperation projects with demonstrative components will be of limited value if the projects do not have ownership of the members of the tripartite institution. The ILO will, in working with its constituents, seek to use the DWCP as a platform for multi-sectoral stakeholders' cooperation.

## 5. Funding plan

The financing of the DWCP strategy is a joint concern of the ILO and the Chinese constituents. Although China has become the world's second largest economy, China's social and economic development challenges remain important. Thus, the ILO and the constituents have jointly agreed to regularly identify emerging opportunities for new partnerships and resources mobilization with a view to strengthening the technical capacity within the ILO Country Office for China and Mongolia. As of September 2016, the ILO has US\$ 5 million at its disposal to implement the China DWCP during 2016-2020. But for the ILO to have sufficient capacity to provide technical services to China, US\$ 32.5 million is required.



China's domestic resources will be mobilized through the annual joint planning, implementation and monitoring of the DWCP and advocacy of decent work within China. By having a synchronized work plan, it is expected that the ILO's technical cooperation with China will become more strategic. The ILO regular budget for technical cooperation in China, about US\$ 150,000 per year, will serve as seed funds for strategic activities with the tripartite constituents to facilitate their research and international experience sharing. The constituents will cost-share capacity building activities. The ILO will use national statistics and annual work reports which are regularly published by the government to monitor the progress of this DWCP.

South-South Triangular Cooperation, China's trust funds with the ILO, public-private partnerships and multi-bilateral development programmes are potential sources of funding for the DWCP China. The ILO is committed to work with its constituents and international partners to design new partnership programmes.

## **6. Advocacy and communication plan**

The ILO intends to carry out a decent work advocacy strategy that aims to communicate for greater recognition of the relevance of decent work to China's social and development agenda, for stronger partnerships and joint efforts among ministries, organizations and sectors, and for more results on decent work in China. Following on recommendations made in the China DWCP review (DWCP 2013-2015), advocacy and communication plans will begin with a knowledge management strategy by making this DWCP document, ILO's key publications and key results of ILO work in China available to the public both in Chinese and English. This will give members of the Chinese constituents and the public-at-large linguistically uninhibited access to decent work-related materials. Projects and programmes will be incorporating good practices from other ILO projects and knowledge sharing platforms for learning about practical approaches to realize decent work will be established. ILO Beijing will regularly publish DWCP activities and results on its websites and social media account and in joint communications with the constituents and the UN Country Team for China.

## Annex 1. DWCP results matrix

Country Priority 1. Increase the quantity and quality of employment				
13th Five-Year Plan Chapter 22: Implementing strategies to assert China as a powerful industrial country Chapter 58: To improve the support system of poverty alleviation Chapter 59: Advance the modernization of education <a href="#">Chapter 62: Adhering to the strategy of prioritizing employment</a> Chapter 63: Narrowing the income gap Chapter 66: Safeguarding the basic rights and interests of women, minors and the disabled		<b>UNDAF</b> Priority Area 1: Poverty reduction and equitable development Priority Area 2: Improved and sustainable environment Priority Area 3: Enhanced global engagement <b>SDG targets</b> Target 8.5 - By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value; Target 17.19 - By 2030, build on existing initiatives to develop measurements of progress on sustainable development that complement gross domestic product and support statistical capacity building in developing countries.		
	<b>Outcome 1.1</b> Capacity of government and social partners to assess and quantify employment quality strengthened with a view to decent work and sustainable development advocacy.	<b>Partners:</b> MOHRSS, NBS, Ministry of Foreign Affairs and UNCT	<b>Integrated resource framework</b>	
			Estimated to be available	To be mobilized
			US\$: 50,000	US\$: 3 million
	Indicator 1.1.1 SDG indicators under ILO custodianship base-lined, monitored and reported.	<b>Baseline:</b> None	<b>Target:</b> Base-lined report by 2018 and progress report produced and disseminated to the constituents for use in 2019 and 2020.	
	Indicator 1.1.2 Survey methodologies improved in line with international standards on labour statistics, particularly in respect of disaggregation as to age, sex, ethnicity, ability, etc.	<b>Baseline:</b> China's employment and labour statistical definitions do not conform to international standards.	<b>Target:</b> NBS and/or MOHRSS adopted international standards in the production of labour and employment statistics.	
	Indicator 1.1.3 Employment quality data available in MOHRSS and/or the NBS.	<b>Baseline:</b> By the end of 2015 the MOHRSS had developed the statistical employment quality data framework and piloted it in 3 provincial labour bureaus.	<b>Target:</b> By the end of 2020, China publishes statistical reports on employment quality data.	

Country Priority 1. Increase the quantity and quality of employment				
13th Five-Year Plan Chapter 22: Implementing strategies to assert China as a powerful industrial country Chapter 58: To improve the support system of poverty alleviation Chapter 59: Advance the modernization of education Chapter 62: Adhering to the strategy of prioritizing employment Chapter 63: Narrowing the income gap Chapter 66: Safeguarding the basic rights and interests of women, minors and the disabled		<b>UNDAF</b> Priority Area 1: Poverty reduction and equitable development. Priority Area 2: Improved and sustainable environment Priority Area 3: Enhanced global engagement <b>SDG Targets</b> Target 1.4 - By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance; Target 4.3 - By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university; Target 8.3 - Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro, small and medium-sized enterprises, including through access to financial services; Target 8.5 - By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.		
	<b>Outcome 1.2</b> Capacity of government and social partners to develop and implement inclusive and gender responsive employment policy interventions with a view to promoting freely chosen and productive employment strengthened.	<b>Partners:</b> MOHRSS NBS	<b>Integrated resource framework</b>	
			Estimated to be available	To be mobilized
			US\$: 0	US\$: 3 million
	Indicator 1.2.1 Urban registered unemployment rate from MOHRR by sex, age, registered domicile, and disability status.  Registered unemployment rate disaggregated by age, sex, physical ability status.	<b>Baseline:</b> Current data by sex, age and disability status not available.	<b>Target:</b> China's report and planning documents related to employment policy contained detailed analysis of unemployment situations.	
	Indicator 1.2.2 Macroeconomic policies improved to promote quality as well as quantity of employment for women and men.	<b>Baseline:</b> China's pro-growth economic policy is supported by pronounced policy priorities on social protection, work safety and entrepreneurship promotion. Responsible business conduct and investment are promoted for Chinese overseas investors. Attention to increased labour productivity and income distribution mechanisms is needed.	<b>Target:</b> DWA is progressively articulated in China's macroeconomic policies to effectively address growth and inequality.	
	Indicator 1.2.3 Number of analytical tools for monitoring effectiveness of employment policy interventions targeting women and men workers.	<b>Baseline:</b> Employment policy is measured in quantitative terms. Labour and employment statistics not fully in line with international standards.	<b>Target:</b> At least 2 monitoring tools are developed with ILO assistance.	

Country Priority 1. Increase the quantity and quality of employment				
13th Five-Year Plan Chapter 22: Implementing strategies to assert China as a powerful industrial country Chapter 58: To improve the support system of poverty alleviation Chapter 59: Advance the modernization of education Chapter 62: Adhering to the strategy of prioritizing employment Chapter 63: Narrowing the income gap Chapter 66: Safeguarding the basic rights and interests of women, minors and the disabled		<b>UNDAF</b> Priority Area 1: Poverty reduction and equitable development Priority Area 2: Improved and sustainable environment Priority Area 3: Enhanced global engagement <b>SDG Targets</b> Target 8.3 - Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro, small and medium-sized enterprises, including through access to financial services. Target 8.5 - By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value. Target 8.6 - By 2020, substantially reduce the proportion of youth not in employment, education or training. Target 10.7 - Facilitate orderly, safe, regular and responsible migration and mobility of people, including through the implementation of planned and well-managed migration policies.		
	<b>Outcome 1.3</b> Quality and accessibility of rights-based employment services for rural migrant workers, young women and men improved, with a view to substantially reducing the proportion of youth not in employment, education or training.	<b>Partners:</b> MOHRSS, ACFTU All China Youth Federation All China Persons with Disability Federation All China Women Federation	<b>Integrated resource framework</b>	
			Estimated to be available	To be mobilized
			US\$: 100,000	US\$: 3 million
	Indicator 1.3.1 Proportion of youth (aged 15-24 years) not in education, employment or training by sex, age, registered domicile, and disability status (SDG Indicator 8.6.1).	<b>Baseline:</b> Data on youth not in education, employment and training (NEET) not available.	<b>Target:</b> Data is available	
	Indicator 1.3.2 Linkages between the public employment service and technical and vocational training institutions improved (as established by a simple employment service user survey) to enable better skills matches for young women and men job seekers.	<b>Baseline:</b> Linkages are in place but lacking sensitivities to address the specific needs of young women and youth with disability.	<b>Target:</b> Programme and capacity building initiatives are implemented to address the specific needs of young women and youth with disabilities.	

Country Priority 2. Promote and extend social protection in and out of the workplace				
13th Five-Year Plan Chapter 60: Advance the building of a healthy China Chapter 61: Increase the supply of public services Chapter 64: Reform and improve the social security system Chapter 72: Improve the public security system		<b>UNDAF</b> Priority Area 1: Poverty reduction and equitable development Priority Area 3: Enhanced global engagement <b>SDG Targets</b> Target 1.1 - By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than US\$1.25 a day. Target 1.2 - By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions. Target 1.3 - Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable. Target 10.4 - Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality. Target 17.9 - Enhance international support for implementing effective and targeted capacity building in developing countries to support national plans to implement all the sustainable development goals, including through North-South and South-South Triangular Cooperation.		
	<b>Outcome 2.1</b> Government and social partners have taken measures to end poverty in all its forms by realizing universal and adequate social protection.	<b>Partners:</b> MOHRSS NBS	<b>Integrated resource framework</b>	
			Estimated to be available	To be mobilized
			US\$: 700,000	US\$: 4 million
	Indicator 2.1.1 Number of policies adopted by the government to improve the coverage, benefits level and sustainability of social insurance programmes.	<b>Baseline:</b> 5 social insurances, each need improvement with regard to equality and adequacy of benefits and overall sustainability of the funds. Focus is on the equality of benefits between rural and urban workers. Retirement age of women and men workers are being adjusted.	<b>Target:</b> With the technical assistance of the ILO, preparatory activities for ratification of C102 completed. 2-4 policies adopted after tripartite consultations and with ILO assistance in line with the principles of C.102.	
	Indicator 2.1.2 Number of measures taken by the government and social partners to improve social protection for women, rural migrant workers and those in non-standard employment.	<b>Baseline:</b> Current focus is on extension of basic medical coverage.	<b>Target:</b> 2-4 measures taken by the government and social partners to improve social protection for women, rural migrant workers and those in non-standard employment implemented.	
	Indicator 2.1.3 Number of incidents of knowledge shared in the context of national dialogue and South-South cooperation enhanced.	<b>Baseline:</b> 1 in 2016	<b>Target:</b> Once a year	

Country Priority 2. Promote and extend social protection in and out of the workplace				
13th Five-Year Plan Chapter 60: Advance the building of a healthy China Chapter 61: Increase the supply of public services Chapter 64: Reform and improve the social security system Chapter 72: Improve public security system		<b>UNDAF</b> Priority Area 1: Poverty reduction and equitable development Priority Area 3: Enhanced global engagement <b>SDGs targets</b> Target 3.9 - By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination. Target 8.5 - By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value. Target 8.7 - Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms. Target 8.8 - Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.		
	<b>Outcome 2.2</b> Workplace compliance is improved to better protect labour rights and promote safe and secure working environments for all workers in line with national laws and regulations and international standards, through strengthened labour inspection and increased preventative OSH culture.	<b>Partners:</b> SAWS, MOHRSS, CEC and ACFTU	<b>Integrated resource framework</b>	
			Estimated to be available	To be mobilized
			US\$: 700,000	US\$: 7 million
	Indicator 2.2.1 Number of occupational deaths by production enterprise, sex, age, registered domicile, disability status, and production accidents and major accidents by type of enterprises.	<b>Baseline:</b> Published data is not disaggregated.	<b>Target:</b> Disaggregated data by type of accident and enterprises is available.	
	Indicator 2.2.2 Strategic measures taken by the government and social partners to improve workplace compliance.	<b>Baseline:</b> Workplace compliance depends heavily on law enforcement and gap in representativity.	<b>Target:</b> Strategic measures taken by the government and social partners to promote labour inspection and strengthen bipartite dialogues designed to improve workplace compliance.	
	Indicator 2.2.3 Broadened compliance strategy from enforcement to advice promoted in more localities.	<b>Baseline:</b> SCORE programme is completing phase 2 and implemented in Liaoning, Chongqing, Sichuan, Zhejiang and Shanghai.	<b>Target:</b> SCORE programme matures and is supplemented by programmes that promote responsible business conduct in the contexts of global supply chains. Coverage to be expanded to new provinces and economic sectors.	

Country Priority 3. Strengthen the rule of law and the realization of fundamental principles and rights at work				
13th Five-Year Plan Chapter 52: Actively participating in global governance Chapter 62: Adhering to the strategy of prioritizing employment Chapter 66: Safeguarding the basic rights and interests of women, minors and the disabled Chapter 75: Fully promoting the construction of a China under the rule of law Chapter 70: To improve social governance		<b>UNDAF</b> Priority Area 1: Poverty reduction and equitable development Priority Area 3: Enhanced global engagement <b>SDG Targets</b> Target 8.5 - By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value. Target 8.7 - Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms. Target 8.8 - Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment. Target 16.2 - End abuse, exploitation, trafficking and all forms of violence against and torture of children.		
	<b>Outcome 3.1</b> Institutions for negotiating working conditions, protecting labour rights for all workers, and for preventing and resolving labour disputes are improved, in line with international standards and the Chinese laws and regulations.	<b>Partners:</b> MOHRSS, ACFTU, CEC	<b>Integrated resource framework</b>	
			Estimated to be available	To be mobilized
			US\$: 700,000	US\$: 5 million
	Indicator 3.1.1 Coherence of laws and regulations on harmonious labour relations, collective negotiations and protection of workers in non-standard forms of employment strengthened.	<b>Baseline:</b> Fragmented laws and legislation on collective bargaining and labour protection for non-standard employment.	<b>Target:</b> Policy measures are proposed based on tripartite consultations to strengthen the coherence of laws and regulations on harmonious labour relations, collective negotiations and protection of workers in non-standard forms of employment.	
	Indicator 3.1.2 Promote the development of collective negotiation and a collective contract system and build harmonious labour relations through the tripartite labour relations coordination mechanism.	<b>Baseline:</b> The collective contract system is not well established yet, which has led to the lack of effectiveness of the collective consultation system.	<b>Target:</b> The collective contract system is well established.	
	Indicator 3.1.3 The mechanism for minimum-wage fixing reviewed and improved.	<b>Baseline:</b> Minimum wage levels are defined through consultation among the government, trade unions and employers' organizations.	<b>Target:</b> The minimum wage adjustment mechanism is further improved.	

Country Priority 3. Strengthen the rule of law and the realization of fundamental principles and rights at work				
13th Five-Year Plan Chapter 52: Actively participating in global governance Chapter 62: Adhering to the strategy of prioritizing employment Chapter 66: Safeguarding the basic rights and interests of women, minors and the disabled Chapter 75: Fully promoting the construction of a China under the rule of law Chapter 70: To improve social governance		<b>UNDAF</b> Priority Area 1: Poverty reduction and equitable development Priority Area 3: Enhanced global engagement <b>SDG Targets</b> Target 8.5 - By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value. Target 16.8 - Broaden and strengthen the participation of developing countries in the institutions of global governance. Target 16.b - Promote and enforce non-discriminatory laws and policies for sustainable development.		
	<b>Outcome 3.2</b> Capacity of workers' and employers' organizations as labour market institutions is strengthened, with a view to ensuring responsive, inclusive, participatory and representative decision-making at all levels, consistent with national and international standards.	<b>Partners:</b> ACFTU and CEC	<b>Integrated resource framework</b>	
			Estimated to be available	To be mobilized
			US\$: 600,000	US\$: 3.5 million
	Indicator 3.2.1 Enriched engagement of social partners in labour market governance policy, including in international labour standards' ratification.	<b>Baseline:</b> <u>ACFTU's key programmes:</u> CB, social security, legal services, gender equality, skill training, and labour protection.  <u>CEC's key programmes:</u> (with ILO assistance) safety and health, inclusive disability employment, wage research.	<b>Target:</b> ACFTU and CEC have strengthened services and knowledge in OSH, CB, dispute prevention, wages, gender equality promotion, ILS and SDGs and related labour statistics.	
	Indicator 3.2.2 Collective bargaining practices increased and improved.	<b>Baseline:</b> Collective bargaining process not effective and gap in representativity.	<b>Target:</b> ACFTU and CEC provided improved services on CB to their respective members to promote harmonious labour relations at the workplace, sectoral and national levels.	



Country Priority 3. Strengthen the rule of law and the realization of fundamental principles and rights at work				
13th Five-Year Plan Chapter 52: Actively participating in global governance Chapter 62: Adhering to the strategy of prioritizing employment Chapter 66: Safeguarding the basic rights and interests of women, minors and the disabled Chapter 75: Fully promoting the construction of a China under the rule of law Chapter 70: To improve social governance		<b>UNDAF</b> Priority Area 1: Poverty reduction and equitable development Priority Area 3: Enhanced global engagement <b>SDG Targets</b> Target 8.7 - Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms. Target 8.8 - Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment. Target 16.2 - End abuse, exploitation, trafficking and all forms of violence against and torture of children. Target 16.3 - Promote the rule of law at the national and international levels and ensure equal access to justice for all. Target 16.6 - Develop effective, accountable and transparent institutions at all levels. Target 16.7 - Ensure responsive, inclusive, participatory and representative decision-making at all levels.		
	<b>Outcome 3.3</b> Government is continuously strengthening the rule of law at national and international levels by ratifying and, with social partners' involvement, improving the application of international labour standards.	<b>Partners:</b> MOHRSS, ACFTU, CEC, SAWS and mass organizations.	<b>Integrated resource framework</b>	
			Estimated to be available	To be mobilized:
			US\$: 1.6 million	US\$: 6 million
	Indicator 3.3.1 Number of international standards on which the government has taken action to ratify, with emphasis on fundamental and governance conventions.	<b>Baseline:</b> 4 fundamental conventions; 2 governance conventions; and, 14 technical conventions. Promotion of C29 is on-going. Government has indicated interest in ratifying C29, C102, C187, C81, C174, C95, C131, C183 and C189.	<b>Target:</b> Ratification of C29, C102, C187, C81 and C174 and preparatory action to ratify C95, C131, C183 and C189 undertaken and completed.	
	Indicator 3.3.2 Improved implementation of ratified standards and labour standards principles.	<b>Baseline:</b> Implementation gaps concerning C100, C111, C138, C182, C155 and other ratified conventions observed by the CEARC on reports submitted by China, Hong Kong SAR and Macau SAR.	<b>Target:</b> CEARC comments as of 2016 responded to.	

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<sup>1</sup> The State Council, People's Republic of China. 2016. *China set to win uphill battle against poverty* Available at:

[http://english.gov.cn/news/top\\_news/2016/03/11/content\\_281475305603266.htm](http://english.gov.cn/news/top_news/2016/03/11/content_281475305603266.htm) . (accessed 27 May 2016)

<sup>2</sup> This part is informed, *inter alia*, by ongoing ILO work on China's Labour Market Profile, undertaken as a joint initiative of the CO, the DWT-Bangkok, and the Regional Economic and Social Analysis Unit (RESA) of the ILO Regional Office for Asia and the Pacific.

<sup>3</sup> The State Council, People's Republic of China., Sep 22, 2015. *White Paper: Gender Equality and Women's Development in China*. Available at:

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<sup>4</sup> National Bureau of Statistics of China 2012. *Women and men in China: Facts and Figures 2012*, Available at:

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<sup>5</sup> The State Council, People's Republic of China. Sep 22, 2015. *White Paper: Gender Equality and Women's Development in China*. Available at:

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<sup>6</sup> See The State Council, People's Republic of China. Oct 27, 2016. *Employment reflects economic resilience*. Available at:

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<sup>7</sup> The State Council, People's Republic of China. Aug 15, 2016. *Premier's efforts on stable and high-quality employment*. Available at:

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<sup>8</sup> China Daily. Dec 29, 2015. *China creates 64 million new jobs in 2011-2015*. Available at: [http://www.chinadaily.com.cn/business/2015-12/29/content\\_22851881.htm](http://www.chinadaily.com.cn/business/2015-12/29/content_22851881.htm) .

<sup>9</sup> The State Council, People's Republic of China., Jul 15, 2016. *China seeks to solve job market paradox*. Available at:

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<sup>10</sup> From a peak of 925 million in 2011, projected to drop to 830 million in 2030 and to 700 in 2050. The State Council, People's Republic of China. Jul 23, 2016. *Authorities working on plan to delay retirements*. Available at: [http://english.gov.cn/state\\_council/ministries/2016/07/23/content\\_281475400002254.htm](http://english.gov.cn/state_council/ministries/2016/07/23/content_281475400002254.htm) .

<sup>11</sup> Total debt – in particular private (corporate) debt – is, however, rising rapidly. According to the National Audit Office in December 2013, local government debts had increased almost 70 per cent to reach RMB17.9tn (\$2.95tn) by the end of June, or 30 per cent of GDP. At the time, China's total public debt stood at 53.3 per cent, with corporate debt estimated at 111 per cent. By March 2016, corporate debt in China had risen to about 160 per cent of GDP, while public debt was about 70 per cent (total of 230 per cent of GDP).

<sup>12</sup> 2016 G20 Labour and Employment Ministerial Meeting Declaration. 2016. *Innovation and Inclusive Growth: Decent Work, Enhanced Employability and Adequate Job Opportunities*. Available at: [http://www.ilo.org/global/about-the-ilo/how-the-ilo-works/multilateral-system/g20/WCMS\\_499403/lang-en/index.htm](http://www.ilo.org/global/about-the-ilo/how-the-ilo-works/multilateral-system/g20/WCMS_499403/lang-en/index.htm) .

<sup>13</sup> The State Council, People's Republic of China., Jun 15, 2016. *Assessment Report on the Implementation of the National Human Rights Action Plan of China (2012-15)*. Available at: [http://english.gov.cn/archive/white\\_paper/2016/06/15/content\\_281475372197438.htm](http://english.gov.cn/archive/white_paper/2016/06/15/content_281475372197438.htm) .

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<sup>15</sup> "The death toll due to work accidents amounted to 68,061 people. The death toll from work accidents for every 100 million yuan worth of GDP was 0.107 people, a decline of 13.7 per cent. Work accidents in industrial, mining and commercial enterprises caused 1.328 deaths out of every 100 thousand employees, down 12.9 per cent. ... The death toll for one million tons of coal produced in coalmines was 0.255 person, down 11.5 per cent." National Bureau of Statistics of China. Feb 26, 2015. *Statistical Communiqué of the People's Republic of China on the 2014 National Economic and Social Development*. Available at: [http://www.stats.gov.cn/english/PressRelease/201502/t20150228\\_687439.htm](http://www.stats.gov.cn/english/PressRelease/201502/t20150228_687439.htm) .

<sup>16</sup> International Labour Office 2012b. *National Profile Report on Occupational Safety and Health in China*, Available at:

[http://www.ilo.org/wcmsp5/groups/public/@ed\\_protect/@protrav/@safework/documents/policy/wcms\\_186991.pdf](http://www.ilo.org/wcmsp5/groups/public/@ed_protect/@protrav/@safework/documents/policy/wcms_186991.pdf) .

<sup>17</sup> International Labour Office 2013. *The Prevention of Occupational Diseases*, Available at:

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<sup>18</sup> [http://www.gov.cn/zhengce/2015-04/20/content\\_2849833.htm](http://www.gov.cn/zhengce/2015-04/20/content_2849833.htm)

<sup>19</sup> China Labor Support Network. January 2015. *The Current Situation concerning Occupational Diseases and Disclosure of Government Information in China*. Available at: [http://amrc.org.hk/sites/default/files/field/alu-article/files/ALU\\_per cent202015\\_per cent20 per cent20 per cent20 per cent2385.pdf](http://amrc.org.hk/sites/default/files/field/alu-article/files/ALU_per cent202015_per cent20 per cent20 per cent20 per cent2385.pdf) .

<sup>20</sup> The State Council, People's Republic of China., Jun 15, 2016. *Assessment Report on the Implementation of the National Human Rights Action Plan of China (2012-15)*. Available at: [http://english.gov.cn/archive/white\\_paper/2016/06/15/content\\_281475372197438.htm](http://english.gov.cn/archive/white_paper/2016/06/15/content_281475372197438.htm) Available at:

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<sup>21</sup> [http://english.gov.cn/state\\_council/2014/09/09/content\\_281474986284037.htm](http://english.gov.cn/state_council/2014/09/09/content_281474986284037.htm)

<sup>22</sup> The State Council, People's Republic of China., Jul 15, 2016. *China seeks to solve job market paradox*. Available at:

[http://english.gov.cn/state\\_council/ministries/2016/07/15/content\\_281475394105306.htm](http://english.gov.cn/state_council/ministries/2016/07/15/content_281475394105306.htm) .

<sup>23</sup> The State Council, People's Republic of China. Jul 8, 2016. *Full transcript of the State Council policy briefing on Jul 8, 2015*. Available at:

[http://english.gov.cn/news/policy\\_briefings/2016/07/08/content\\_281475389044702.htm](http://english.gov.cn/news/policy_briefings/2016/07/08/content_281475389044702.htm)

<sup>24</sup> Ibid.

<sup>25</sup> Sheng, L. 2006. *Rural Labor Force Emigration on the Impact and Effect of Macro-Economy in China*, Department of Rural Socio-Economic Survey, National Bureau of Statistics of China). Available at: <http://www.stats.gov.cn/english/icas/papers/P020071114297555473181.pdf> .

<sup>26</sup> National Bureau of Statistics of China. 19 January, 2016. *China's Economy Realized a Moderate but Stable and Sound Growth in 2015*. Available at:

[http://www.stats.gov.cn/english/PressRelease/201601/t20160119\\_1306072.html](http://www.stats.gov.cn/english/PressRelease/201601/t20160119_1306072.html) .

<sup>27</sup> Ibid.

<sup>28</sup> At the G20 Labour and Employment Ministers Summit in Ankara, 4 September 2015, China joined the other ministers in declaring "our strong determination to improve occupational safety and health (OSH) in our countries and throughout the world. As we implement the commitments we made under the Australian presidency, we welcome the establishment of a G20 OSH Experts Network and the ILO's new OSH Global Action for Prevention Programme. We will maintain our efforts to foster safer workplaces also within sustainable global supply chains and acknowledge other initiatives in this regard." [http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/meetingdocument/wcms\\_398847.pdf](http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/meetingdocument/wcms_398847.pdf) (accessed 9 June 2015).

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<sup>29</sup> Total ratifications, descending order: France (128), Italy (113), Brazil (96), United Kingdom (89), Germany (86), Argentina (81), Mexico (79), Russian Federation (75), Australia (59), Turkey (59), Japan (49), India (46), Canada (34), South Korea (29), South Africa (27), *China* (26), Indonesia (19), Saudi Arabia (16), and United States (14).

<sup>30</sup> [http://www.ilo.org/beijing/what-we-do/events-and-meetings/WCMS\\_241244/lang--en/index.htm](http://www.ilo.org/beijing/what-we-do/events-and-meetings/WCMS_241244/lang--en/index.htm) . See also United Nations. 2015. *United Nations in China*. Available at: [http://www.un.org.cn/uploads/kindeditor/file/20151106/20151106151055\\_6304.pdf](http://www.un.org.cn/uploads/kindeditor/file/20151106/20151106151055_6304.pdf)

<sup>31</sup> International Labour Office 2012a. *Decent Work Indicators: Concepts and definitions*, (Geneva, Available at: [http://www.ilo.org/wcmsp5/groups/public/---dgreports/---integration/documents/publication/wcms\\_229374.pdf](http://www.ilo.org/wcmsp5/groups/public/---dgreports/---integration/documents/publication/wcms_229374.pdf) .