



The American Chamber of Commerce in Shanghai
上海美国商会

Response to China's new Labor Contract Law

The American Chamber of Commerce in Shanghai (AmCham Shanghai) welcomes the enactment of the Labor Contract Law (also referred to as the Employment Contract Law), after 18 months of deliberations and an almost unprecedented call by the Chinese government for public comments on drafts of the law.

We support the law and the process by which it has been developed.

We stand firmly behind the Chinese government's efforts to protect the rights and interests of employees through a balanced and fair Labor Contract Law for China. The new law will set standards for China's rapidly changing labor market, and in particular address standards for labor contracts. The law clarifies the roles and responsibilities of employers enabling firmer and more consistent enforcement.

As we have previously stated, consistent enforcement of the labor laws will be crucial to solving many of the labor practice problems in China.

We look forward to reviewing the law and informing our members.

In China, our members have a strong track record of bringing best-practice employment policies and environmental health and safety standards to China. The U.S. employment practices and standards in most cases exceed legal requirements in China. U.S. companies are often recognized as models for the improvement of employment conditions, workers' rights, and corporate social responsibility.

The Labor Contract Law is an excellent example of government and business groups working together to craft legislation. We will continue to respond to the Chinese government's requests for comments from the business community on proposed legislation.

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