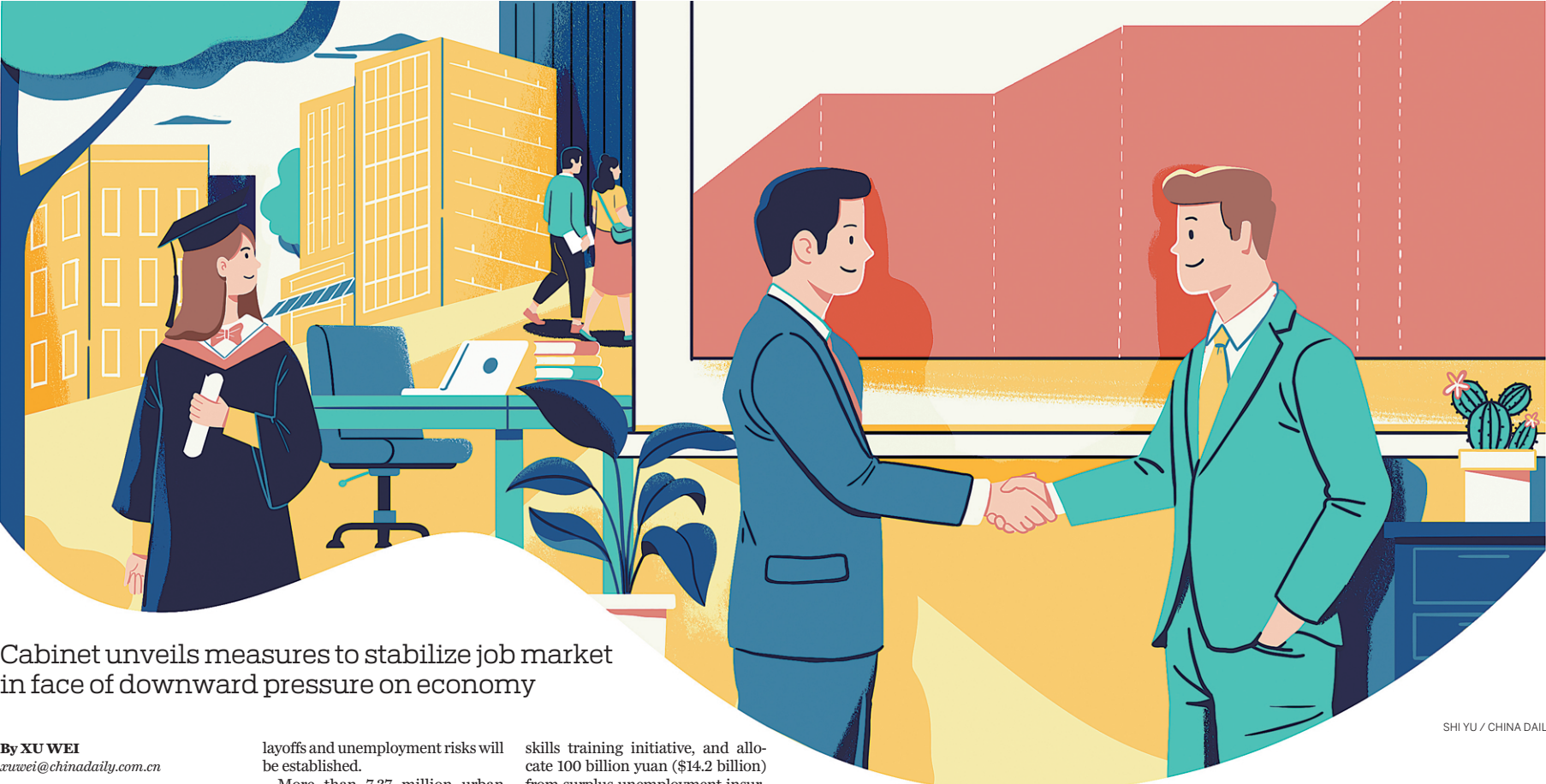


POLICY REVIEW

System to give warning of large-scale layoffs



SHI YU / CHINA DAILY

Cabinet unveils measures to stabilize job market in face of downward pressure on economy

By XU WEI
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China has unveiled measures to stabilize the job market, with steps to establish an early warning mechanism for large-scale layoffs and unemployment risks amid mounting downward pressure on the economy.

In a statement released after an executive meeting on July 31, the State Council said the country is facing pressure to create more jobs, and stronger measures must be adopted to stabilize growth and promote entrepreneurship.

It also called for stronger efforts to break barriers hindering the development of market entities and to create more jobs. Employment in labor-intensive sectors must be closely monitored, and an early warning mechanism for large-scale

layoffs and unemployment risks will be established.

More than 7.37 million urban jobs were created in the first half of the year — two-thirds of the annual target — according to the Ministry of Human Resources and Social Security.

In the first half, the surveyed unemployment rate remained stable at 5.1 percent, while the registered urban unemployment rate was kept at 3.61 percent, according to the ministry.

China's economic growth slowed to 6.2 percent in the second quarter, its weakest pace in at least 27 years, with demand faltering at home and abroad amid ongoing trade frictions with the United States.

Delivering a government work report in March, Premier Li Keqiang pledged to pursue an employment-first policy with full force. The country would implement a vocational

skills training initiative, and allocate 100 billion yuan (\$14.2 billion) from surplus unemployment insurance funds to provide 15 million training sessions to people upgrading their skills or switching jobs or industries, he said.

Zhang Ying, head of the ministry's department of employment promotion, said businesses will be encouraged to avoid laying off workers, and to reduce the number of layoffs if they cannot be avoided.

"The employment of key groups will be prioritized," she told a news conference on July 25. "We will launch a coordinated efforts to help veterans, migrant workers, laid-off workers and those faced with employment difficulties find jobs."

Zhang attributed the stable job market in the first half to economic growth, the cutting of licensing red tape, which gave rise to a large num-

ber of new market entities, and the job market's resilience.

She also pledged measures to ensure that no family will be left in the plight of having all its members jobless, and to step up monitoring of the employment situation.

In its statement, the Cabinet highlighted the importance of ensuring full implementation of employment support policies. The initiative to provide 15 million training sessions must be carried out as soon as possible, and more work must be done to see that vocational schools expand enrollment by 1 million this year.

More targeted employment services will be rolled out to college graduates and veterans, and all-out efforts will be made to create more employ-

ment opportunities for migrant workers, it said.

The State Council also required steps to tailor support policies to new models of employment, with measures to promote the healthy development of markets for short-term jobs and flexible jobs, in order to foster new growth engines in employment.

Ren Zeping, chief economist of property developer Evergrande Group, said the downward pressure faced by the economy had been reflected in the job market, even though large-scale layoffs were highly unlikely.

"Despite reductions in the supply of labor, the slowdown in economic growth will result in more sluggish labor demand," he said.

He added that the manufacturing sector has been troubled by weak exports and sluggish prices, while the construction sector is suffering from sliding investment. Both sectors played important roles in stabilizing employment, he added.

The authorities should adopt measures to further improve the business environment, especially for private and small and medium-sized enterprises, which accounted for more than 90 percent of urban employment.

"It is also important to enable further opening-up in the service sector, especially for finance, education, medical care and telecommunications," he said.

POLICY RESPONSE

Streamlined arbitration in delayed wage cases to boost protection of migrant workers' rights

By XU WEI
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Several ministry-level departments, including those responsible for human resources and social security, health, and finance, have responded recently to issues of public concern.

Wage arrears arbitration to be speeded up



The Ministry of Human Resources and Social Security has pledged to streamline the arbitration procedures for disputes arising from delayed wage payments for migrant workers in a bid to better protect workers' interests.

The ministry said in a notice published on Friday that concrete steps will be taken to solve investigation, evidence gathering, arbitration and mediation difficulties in cases of employers postponing wage payments to migrant workers.

The arbitration procedures for such disputes will be reduced to less than 30 days, the notice, jointly issued with the Supreme People's Court and four other departments, said.

It also called for heightened efforts to prevent such disputes from arising, with measures to encourage their settlement through negotiations between workers and employers.

Annual health checks for people over 65

China will establish health archives for all people age 65 or above and offer them free health checks every year as part of a national initiative to improve the health of the elderly, the National Health Commission said on July 31.

The initiative is aimed at preventing and controlling chronic diseases and promoting good health among senior citizens, the commission said.

The average life expectancy in China has increased to 77 years, but more than 180 million seniors have chronic diseases, Wang Haidong, head of the commission's aging and health department, said.

The initiative will also boost the role of the primary health service network and enable family doctors to promote comprehensive and coordinated basic medical services.

The commission said it will pilot services, including health evaluations, to seniors with disabilities, and encourage the elderly to better manage their chronic diseases so as to reduce symptoms and complications.

Chinese enterprises will be encouraged to develop new approaches and equipment



incorporating information technology, it said.

Children's tumors and blood diseases targeted



China will scale up measures to ensure that children with blood diseases and malignant tumors can receive timely and sufficient treatment and assistance, according to an official notice issued on Friday.

The notice, jointly issued by the National Health Commission and four other departments, said policies on drug supply and medical security will be refined for children with such diseases, including simplified procedures for reimbursement to reduce burdens on families.

The initiative will prioritize treatment of 10 common diseases where medical treatment has proved effective but is too expensive for many patients' families to afford, the notice said.

A network of designated hospitals will be established to improve the diagnosis and treatment of the diseases, with patients to receive treatment at hospitals in provincial capitals or municipalities, it added.

It also requires steps to expedite the approval of eligible anti-cancer drugs and drugs

used by child patients and to explore the production of blood products using surplus plasma.

Rules on government procurement remedied

The Ministry of Finance said on July 30 that the country will remedy rules and practices hindering fair competition in government procurement to ensure equal treatment of businesses run by various types of ownership.

The ministry said in a notice that all regions and departments should strictly review the fairness of government procurement and enhance its transparency.

The notice, which will take effect starting Sept 1, said the authorities must review unreasonable and discriminatory barriers that exclude potential suppliers from engaging in government procurement.

Problems such as offering biased treatment to suppliers based on their ownership or equity structures, discriminating against private businesses, and treating products and services from domestic and foreign businesses differently must be rectified, the ministry said.

The authorities must adequately solicit opinions from market entities and industry associations when making regulations on government procurement, it added.

The ministry also required efforts to strengthen administration, optimize procedures for procurement activities and improve the compensation mechanism for suppliers.

Policy digest

Better services planned for old communities



The State Council has encouraged efforts to include community health-care, elder care and household services facilities in the renovation of old residential communities in an effort to create convenient clusters of services.

The central government will offer financial support and preferential taxation policies to such efforts, the Cabinet said in a statement released after an executive meeting on July 31.

The move is one of several measures being taken to speed up the development of consumption, tap the potential of domestic demand and improve people's quality of life, it said.

The meeting encouraged the use of technologies such as big data, and the development of new business models such as customization services.

The transformation of traditional shopping malls and old factory buildings into multifunction consumer facilities will be encouraged, along with the renovation of pedestrian malls according to local conditions.

As part of efforts to streamline administration, local governments will implement trial measures that will allow brands to register multiple business venues with just one license. Approval for retail sales of refined oil will be delegated to municipal-level governments.

The meeting also called for efforts to expand e-commerce to more rural areas and strengthen weak links in cold chain logistics for farm products.

To facilitate the upgrading of domestic industries and boost consumption, efforts will also be made to attract world-famous brands to

launch new products in China, the statement said.

Markups on medical supplies to be canceled

The prices of high-value medical supplies will be controlled as China takes measures to further relieve people of the burden of medical expenses, according to a reform plan published on July 31.

The plan, released by the General Office of the State Council, set a target of canceling markups on the prices of medical consumables in all public medical institutions by the end of this year.

High-value medical supplies, which have strict safety requirements because they are used directly on human bodies, are in great clinical demand, but their relatively high prices impose a heavy burden on patients.

Noting that the public is concerned about the unreasonably high prices and overuse of such items, the plan said a platform for price-monitoring and centralized purchasing will be established and connected to the audit platform for medical insurance payments.

According to the plan, all public medical institutions will be required to conduct centralized purchasing of high-value medical consumables in a transparent way. Their loss of reasonable revenue due to the cancellation of markups will be compensated for through the adjustment of medical service prices and appropriate financial aid.

The plan also requires efforts to regulate medical services and strictly control the unreasonable use of high-value medical consumables. Medical institutions and medical workers that use expensive items extremely frequently will be the focus of monitoring and inspection.

As the regulation of high-value medical consumables is a priority task in the reform of the country's medical and health sectors, related departments and local governments should honestly implement the measures and ensure the stable and orderly advance of the reform, it said.