

Support for jobs, SMEs amid epidemic

Local authorities urged to take forceful steps to meet demand for labor from key businesses

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The central government has unveiled a raft of measures to shore up the job market amid the novel coronavirus pneumonia outbreak, with experts urging stronger support for small and medium-sized enterprises and workers employed on flexible terms.

In a notice published on Feb 5, the Ministry of Human Resources and Social Security and four other central government departments urged local authorities to take forceful steps to meet the demand for labor from key businesses closely related to epidemic control and prevention, the operation of public services and the provision of daily necessities.

To help SMEs stabilize their hiring, the notice said preferential loan application policies will be offered to individuals and small and micro-sized businesses that have lost sources of income during the outbreak.

In an effort to curb the spread of the outbreak, it called for the cancellation of job fairs for college graduates, and encouraged colleges to use the internet to connect with employers to help graduates find jobs.

Employers can conduct job interviews and contract signings online, and they will be encouraged to extend their recruiting season and delay the signing of contracts, the notice said.

The authorities also vowed to promote online recruitment services, with efforts to organize public employment services to publish recruitment information in real-time and allow employers to conduct long-distance interviews.

Businesses affected by the outbreak will be offered government subsidies to step up training for their workers through online or off-line channels, it added.

Local authorities nationwide previously rolled out policies to bail out SMEs, which contribute over half the country's tax revenue, over 60 percent of its GDP and over 80 percent of urban employment.

Beijing has extended the collection period for social insurance premiums to the end of July for companies in the tourism and catering sectors and other hard-hit industries, allowing them to delay payment during the NCP epidemic. Suzhou has asked banks to increase financial support to SMEs, and businesses leasing State-owned properties will have their rent waived for one month and halved for another two months.

Pan Gongsheng, deputy governor of the People's Bank of China, told a news briefing on Friday

that small and micro-sized businesses are more susceptible to impacts from the outbreak because they are less able to protect themselves from risks, and thus require special support from the authorities.

However, Pan said the impact of the outbreak on the Chinese economy will only be temporary, and will not change its positive long-term fundamentals.

"The Chinese economy has shown strong resilience, and we have ample policy tools to stabilize China's economic growth," he said, adding

that facilitating the financing of small and micro-sized businesses will be the top priority for the financial system this year.

Researchers from the Chongyang Institute for Financial Studies at Renmin University of China wrote in a research note that SMEs will struggle to sustain themselves for a long time during the outbreak due to the cost pressures of staff wages, rents and bank loans.

"The closing of businesses will result in a spike in the unemployment rate and thus affect social stability," they wrote.

They urged local authorities to encourage businesses to resume work as soon as possible, saying the industrial system is a closely connected and interdependent chain.

It is also important to employ new financial methods to ensure more targeted liquidity support can be channeled to SMEs to restore their confidence, they said.

Wu Qingjun, a professor with the School of Labor and Human Resources at Renmin University of China, said sectors hit hard by the epidemic include catering, hotels, retailing, transport and real estate.

He said the authorities had only rolled out policies for employees on fixed contracts and had failed to cover those employed more flexibly.

Employees of companies based on internet platforms, such as ride-hailing and express delivery services, could be hit hard by the economic effects of the outbreak, he warned.

"It is important for the authorities to transform their traditional concepts and expand the scope of labor rights protection, which I think must be the priority during epidemic control and prevention and future policymaking," Wu said.

POLICY RESPONSE

Sharing of data recommended to combat contagion

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Several ministry-level departments, including those responsible for health, railway operations, and agriculture and rural affairs, have responded recently to issues of public concern.

Health commission issues guideline on NCP

Provinces should make full use of the online national epidemic monitoring system, through which hospitals can report suspected and confirmed cases of novel coronavirus pneumonia to disease control and prevention authorities, the National Health Commission said.



The requirement is part of the commission's efforts to make the prevention and treatment of NCP more efficient and safer.

Provincial health authorities should also strengthen interaction with other authorities to obtain relevant data, including those relating to travel by road, rail and air, the commission said in a notice issued on Feb 4.

It asked provincial health authorities to encourage major hospitals to use the internet for patient consultations and the sharing of advice to reduce the number of patients at hospitals and allow their experts to help grassroots hospitals tackle the epidemic more effectively.

Provincial health authorities should also encourage online consultation and delivery of medicines for patients with common or chronic diseases, the commission said.

Train passengers not charged refund fees

Passengers who bought their tickets before Thursday and apply for a refund before their train departs have not been charged a fee, the Chi-

na State Railway Group said, as many people's travel plans have been disrupted by the novel coronavirus pneumonia outbreak.

Railway authorities have also extended the time limit for those applying for refunds offline. For example, if they can't board trains because the station is closed, people will be able to apply for a refund within 30 days of its reopening.

Many schools and universities have delayed the start of their new semesters due to the epidemic. Railway authorities have been offering refunds to students who bought discounted tickets but changed their travel plans without charging service fees since Jan 27.

The authorities also decided to halve the number of passengers on trains to reduce the risk of infection and are checking the body temperatures of passengers.

Transport of livestock, poultry and feed a priority

Provinces must not disrupt the transport of agricultural products when seeking to curb the spread of novel coronavirus pneumonia, the



Ministry of Agriculture and Rural Affairs said on Feb 4.

They must not intercept vehicles carrying livestock, poultry or feed, it said in an emergency notice.

Provinces should ensure their smooth transport and the trouble-free operation of farms.

They should also expedite transport of important produce such as meat, poultry, eggs and milk to avoid market shortages.

They must not shut down slaughterhouses, and roads leading to villages, where many slaughterhouses and farms are located, must not be blocked without approval by governments at the county level or above.

The authorities should also help feed companies and companies in

related industries resume operation as soon as possible, the notice said.

Chambers of commerce asked to help exporters

The Ministry of Commerce has asked six chambers of commerce to do all they can to provide services to exporters and help reduce their losses due to the novel coronavirus pneumonia outbreak.

The chambers cover the export of textiles, minerals, chemicals, light industrial products, food, machines, electronic products and medicines.

One service they should provide is to issue certificates for companies that cannot deliver products on time because of the epidemic to prove the delay is due to force majeure.

The chambers should also offer legal advice to companies dealing with trade restrictions imposed by other countries, and help them get refunds for trade fair bookings they cannot use due to the epidemic.

They should also strengthen communication with companies and local governments and help them match supply and demand, it said.

Policy digest

Call to resume highway transport in Hubei

The General Office of the State Council has issued a notice requiring orderly resumption of highway transport in Hubei province, Xinhua News Agency reported on Saturday.

The province, and especially provincial capital Wuhan, which has shut down public transport due to the novel coronavirus pneumonia outbreak, should make plans for buses and taxis, including those hailed online, to offer services to doctors, employees providing public services and the vulnerable, including the disabled and pregnant.

Regions outside Hubei should resume intercity passenger transport, urban public transport and taxi services according to their plans to resume business operations and school classes.

They should take effective measures to ensure enough transport capacity and passengers' safety.

All regions and related departments should also make the shipment of emergency supplies to Hubei, and especially Wuhan, the top priority and ensure their smooth transportation.

They should improve their traffic restriction policies, the office said, banning them from closing expressway entrances or exits.

Authorities are also banned from blocking major national and provincial highways without government approval, and must not block countryside roads with "hard barricades" or dig them up.

They must not obstruct the passage of vehicles carrying emergency supplies, and the setting up of checkpoints at rest stops, toll stations or on major national and provincial highways with out government approval is also banned.

Financial help for firms involved in virus fight

The central government has decided to enhance financial support for key companies to help win the battle against the novel coronavirus pneumonia epidemic, an emergency notice issued on Friday said.

The National Development and Reform Commission and the Ministry of Industry and Information Technology will make a national list of such companies from nominations submitted by provincial authorities and other organizations.

The provinces of Hubei, Zhejiang, Guangdong, Henan, Hunan, Anhui and Jiangxi will be allowed to come up with their own lists, as will the municipalities of Chongqing, Beijing and Shanghai.

Companies that should be on the lists include those making vital medical materials, such as protective clothing, masks, goggles, test kits, negative pressure ambulances and medicines.

Also eligible for financial support are companies that produce important components for the medical materials, companies that purchase and stock the materials, and those who make important equipment or daily necessities, providers of telecommunication services and those who deliver or sell such items.

The People's Bank of China, the central bank, will lend to nine national and some local banks and support them in offering concessional loans to companies on the lists.

The central government will allocate funds to provide subsidies and reduce interest rates on the concessional loans. The companies should invest all the loans from the program in production and operation related to disease control.

They should actively expand their production capacities, waste no time in increasing supplies, follow the State's distribution plans and ensure steady supplies.

How the money is being used should be reviewed and monitored strictly, the notice said. Banks, including the central bank, audit authorities, fiscal authorities, the National Development and Reform Commission, the Ministry of Industry and Information Technology and the companies themselves should all play their part.

Those who violate the law, including companies who obtain money through cheating, will be punished, the notice said.