Mainland Employment Information
With the flourishing economy of the Mainland in recent years, enterprises from different industries compete for talents rigorously, bringing tremendous opportunities for job seekers in Hong Kong. Many foreign companies embraced the chance to invest and set up offices in the Mainland and hired competent employees to run their businesses. The following information may be useful for job seekers who are considering working in the Mainland:

**RECRUITMENT CHANNELS**

There are various recruitment channels in the Mainland. Companies may get suitable candidates through recruitment agents officially registered by the Ministry of Human Resources and Social Security, by placing recruitment advertisements with newspapers, magazines or other media, or participating in recruitment activities, etc. Some Mainland companies may join job fairs organised by tertiary institutions or other organisations in Hong Kong.

**PRE-REQUISITES FOR WORKING IN THE MAINLAND**

Pursuant to the Regulations on Employment of Taiwan, Hong Kong and Macao Residents (“Employment Regulations”), persons hired by Mainland organisations, or those deployed to work in Mainland by foreign, Hong Kong, Taiwan or Macao organisations shall meet the following conditions:

- Aged between 18 and 60 (an investor who directly operates a business, or a person with specific technical expertise needed in the Mainland may be aged 60 or above);
- In good health;
- Holding valid travel documents (e.g. Mainland Travel Permit for Hong Kong and Macao Residents);
- Those who are engaged in certain specific trades or professions should possess qualification as prescribed by relevant regulations; and
- Meeting other requirements as prescribed by relevant laws and regulations.
TAIWAN, HONG KONG AND MACAO EXPATRIATES WORK PERMIT

According to the Employment Regulations, Hong Kong residents who work in the Mainland (other than those who are assigned to work in the Mainland by foreign or Taiwan, Hong Kong and Macao organisations with a duration of work assignment for less than 3 months in a year and for a single organisation) should apply for a Taiwan, Hong Kong and Macao Expatriates Work Permit (“Work Permit”).

Employers hiring Hong Kong residents as employees in the Mainland, should apply the Work Permits for them. The employer shall submit necessary documents (including the physical examination report, Mainland Travel Permit for Hong Kong and Macao Residents, employment contract and academic proof, etc.) to the resident Human Resources and Social Security Bureau for such application.

Hong Kong resident who runs a business in Mainland as a proprietor should apply Work Permit and Individual Proprietorship Business Licence.

Information on the Work Permit should be genuine and accurate. In case of change of employment for the Hong Kong resident, the new employer should report to the resident Human Resources and Social Security Bureau and arrange the updating of information on the Work Permit.

Remarks: For more details on the application of Work Permit, please visit the website of the provincial Human Resources and Social Security Bureau of your residency.
EMPLOYMENT CONTRACT

The Labour Contract Law of the People’s Republic of China (“Employment Law”) provides concrete rules for employers and employees in the formation, execution, revision, dissolution or termination of employer-employee relationship in Mainland. Under the Employment Law, employers are required to enter into written employment contracts with employees.

To protect your own rights and interests, Hong Kong residents should study the terms and conditions carefully when signing an employment contract for working in the Mainland, including:

- Duration of contract;
- Probation period;
- Scope and place of work;
- Composition of wages and computation method, payment method and due date;
- Bonus system (if applicable);
- Wage rate, overtime payment and other living subsidy (if applicable);
- Working hours and holidays;
- Termination of contract;
- Meal arrangement;
- Accommodation arrangement or rent subsidy;
- Medical insurance;
- Employees compensation and related arrangement;
- Travelling expenses between Hong Kong and workplace;
- Annual leave and rest days; and
- Daily transport arrangement.

Apart from the above, the contract should state clearly the governing jurisdiction applicable to your employment contract. This ensures that you may seek assistance from the respective authorities of the governing jurisdiction, for settlement of dispute and protection of rights of both parties.
SOCIAL SECURITY SCHEME/COMMERCIAL INSURANCE

Hong Kong residents working in the Mainland should enroll in social security scheme (including pension, unemployment insurance, medical insurance, work related injury insurance and maternity insurance) and contribute payment in accordance with the Social Insurance Law, the Interim Regulations on the Collection and Payment of Social Security Premiums and relevant regulations of the region where they are employed.

The three basic principles concerning the enrollment of social security scheme are:

1. Hong Kong residents, who are employed in the Mainland and have signed an employment contract with an employer, should enroll in the social security scheme of the region where the employer is located;

2. Hong Kong residents who run businesses in the Mainland as proprietors should make social security contribution for their employees; and

3. Hong Kong residents who have established employment relationship with foreign employers or employers in Hong Kong, Macao and Taiwan and are deployed to the Mainland may not need to enroll in social security scheme if they have not entered into any employment contract with employers in the Mainland.

Details of implementation of the above rules may vary from region to region. Hong Kong residents working in the Mainland should know their social security status and contributions made, pay close attention to the latest announced regulations and policies, and ensure that the relevant requirements are complied with.

Hong Kong residents may consider taking out additional commercial insurance policies (e.g. property, life, accident and medical insurance) to suit their individual needs if they find the protection provided by their employment contracts inadequate.
Hong Kong job seekers start working in the Mainland need to adapt to new work environment, organisation culture and to face changes in different aspects of their life. Before accepting an employment offer, job seekers should assess their own adaptability and get the support from their families. Apart from having the knowledge and skills for your employment in Mainland, you must also:

- Improve Putonghua to enhance communication skills;
- Read more books and magazines in Simplified Chinese. Learn Simplified Chinese character input system for handling paper work;
- Appreciate the difference in work culture and life styles between Hong Kong and the Mainland. Try to adapt to the way of living in Mainland;
- Get informed about Mainland affairs and policies by reading newspapers and magazines on relevant topics;
- Make friends and build a strong people network. Their support would make your work much easier.
WAGES AND INDIVIDUAL INCOME TAX

Pursuant to the PRC Individual Income Tax Law and relevant regulations, Hong Kong residents are required to pay individual income tax for wages and salaries earned during their employment in the Mainland.

HONG KONG RESIDENTS EMPLOYED DIRECTLY BY A MAINLAND EMPLOYER AND WORK IN THE MAINLAND ONLY

For Hong Kong residents directly employed and paid by Mainland employers, all their earnings for work carrying out in the Mainland are subject to individual income tax. Individual income tax on salaries earned by Hong Kong residents are calculated on a monthly basis and will be withheld by the Mainland employers and paid to the relevant authority. Some non-cash benefits or allowances received by Hong Kong residents on a reimbursement basis may be exempted from payment of individual income tax under certain conditions. Such tax-exempted items include housing allowance, meal allowance, laundry expenses, relocation expenses, home leave allowance, language training expenses, and children’s education subsidies.

HONG KONG RESIDENTS WHO SIGN EMPLOYMENT CONTRACTS IN HONG KONG AND THE MAINLAND RESPECTIVELY

According to the Arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (“PRC-Hong Kong Tax Arrangement”), remuneration received by a Hong Kong resident working in the Mainland can be exempted from Mainland taxation if the following conditions are satisfied:

• He is not employed by a Mainland enterprise
• His total period of stay does not exceed the aggregate of 183 days in any 12-month period
• His remuneration is not paid by Mainland employer or its representative

For more information about the PRC-Hong Kong Tax Arrangement, please visit the website of the State Administration of Taxation:
MEDICAL SERVICE
Mainland hospitals are mainly classified as public hospitals, private hospitals and hospitals set up with foreign funds.

Hong Kong and Mainland medical services differ in many aspects, including medical regulations, system and flow of services, etc. Hong Kong residents should pay attention to the services provided by different hospitals and choose the hospital according to their own requirements and medical needs.

Some Mainland hospitals accept electronic payment (credit cards, UnionPay, etc.) but some medical expenses must be paid in cash. Patients should consult the hospital concerned for actual arrangements. Patients are advised to bring sufficient cash or membership card issued by insurance company or medical insurance provider when seeking medical treatment. They are also advised to confirm if their medical insurance card will be accepted beforehand.

Besides, only a few hospitals jointly owned by local and foreign investors and/or international medical department of public hospitals accept clearance of medical expenses by medical insurance schemes taken outside the Mainland. Hong Kong residents are required to submit payment receipts to their insurers for reimbursement of medical expenses if the hospitals do not accept direct settlement of medical bills by insurance schemes.

EMERGENCY AND ACCIDENTS
If Hong Kong residents meet with accidents or emergencies in the Mainland, they or their relatives should immediately seek assistance from the local Public Security Bureau or relevant authorities:

- Dial **110** for assistance from the police
- Dial **120** for medical assistance
- Dial **119** for fire services
- Dial **122** for reporting of traffic accidents

For further assistance, please contact the Assistance to Hong Kong Residents Unit of the Immigration Department of the HKSAR Government:

Assistance to Hong Kong Residents 24-Hour Hotline: (852)1868
Fax: (852)2519 3536
Address: 9/F, Immigration Tower, 7 Gloucester Road, Wan Chai, Hong Kong

Source: Practical Guide for Hong Kong People Living in the Mainland