
City expats receive security blanket

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Foreigners and overseas Chinese who hold a Shanghai residence card and stay in a work contract with a Shanghai employer can now enjoy the city's social security and benefits, just as their local counterparts do.

The Shanghai Human Resources and Social Security Bureau has put up a notice on its Website, stating that the policy has been in effect since October 10.

The move comes after repeated calls for expats to be eligible for medical insurance, pension and workplace-injury insurance.

The new policy covers foreigners, overseas Chinese and residents of Hong Kong, Macau and Taiwan who are working in the city.

"It is not compulsory," said Sun Hande, the bureau's director of the employment office for overseas workers. "Qualified people can choose to join the system or not. The new policy provides them with another choice to work under a more secure environment."

According to the notice, foreigners and overseas Chinese can receive the same compensation as Shanghai natives if they fall ill in the city, but medical bills outside China's mainland will not be covered.

In addition, people who have been paying into the city's pension fund for a specific period of time before retirement age -- 60 for men and 55 for women -- can apply for pensions in the city when they retire.

The bureau's notice, however, didn't specify how many years one must pay into the system to qualify.

Those who aren't eligible for a pension or who leave the country before retiring can claim the money back.

Industry-injury insurance, too, has been expanded to include foreign workers.

'Great equality'

"The policy shows great equality for the expats," Sun said. "They pay the same and get the same as their Shanghai-native counterparts.

"It should be an international routine for foreigners working in one country to enjoy the country's citizens' welfare and benefits."

According to the bureau, Shanghai has about 68,000 expatriates from foreign countries and about 25,000 residents from Hong Kong, Macau and Taiwan working in the city.

Previously, they could be covered only by commercial insurance bought by themselves or employers, Sun said.

Since 2002, the city's social-security system has been open to overseas returnees who still have Chinese citizenship and hold a Shanghai residence card.

Proposals regarding social security for expats have been hot topics at recent legislative and top government advisory-body meetings.

In 2008, social security authorities revealed the draft of this policy in a reply to a Shanghai People's Congress delegate's proposal on benefit equality.

And early this year, a member of the Shanghai Committee of the Chinese People's Political Consultative Conference proposed that foreigners holding residence cards be included in the social-insurance system.

Shanghai authorities submitted the policy draft to the city government last year.

"It's really a good news for me," said Akiko Liu, a Chinese-Japanese woman who works for a Shanghai magazine. "Social security has always been a problem for me since I got my Japanese passport.

"The passport excluded me from the city's welfare system."

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