

Circular on Jurisdiction over Labor Arbitration in Shanghai – Shanghai Labor and Social Security – ?????????????????? – ??????????????

WRITTEN BY

Olivia Lee | Edward J. Epstein

Released on August 21, and effective on September 1, 2008

This circular clarifies jurisdiction over the acceptance of labor dispute cases by arbitration committees at both municipal and county levels in Shanghai.

From September 1, 2008, the Shanghai Municipal Labor Dispute Arbitration Committee (SMLDAC) will be responsible for hearing labor arbitration disputes:

- between employees and WFOEs with registered capital over US\$ 10 million;
- between foreign, Hong Kong, Macau and Taiwan employees (with qualified employment licenses) and enterprises in Shanghai; and
- other influential labor disputes;

Labor Dispute Arbitration Committees (LDACs) at the county or district level shall accept those labor disputes not governed by SMLDAC.

The Pudong LDAC will accept all types of labor disputes that take place in Pudong.

The circular also requires LDACs located where the employment contract is performed to arbitrate labor disputes.