# **MNEWS**

# China is considering making bosses pay workers for 'invisible' overtime, but is it a feasible solution?

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Some sectors of the Chinese economy have become known for an intense working culture. (AFP: Yang Guanyu/Xinhua)

For Jewel Wong, the boundary between life and work disappeared during the COVID-19 pandemic when people began to do their jobs from home.

"I couldn't tell what's work and what's life anymore — I'm just working all the time," the secretary from China's southern Guangdong province said.

Ms Wong ended up in that position after her former company asked her to keep across more than 50 work-related chat groups on the popular messaging app WeChat — no matter the hour.

The extra demands of managing her company's communications around the clock led to work intruding constantly into her personal life.

"The situation only got worse after the pandemic ended," she said.

"Our working practice never returned to [what it was] before."

## 'Trapped in the work system'

During the <u>Chinese Communist Party (CCP) National People's Congress</u> earlier this month, China's politicians proposed more legal protections for employees who had to continue work online after office hours — a form of "invisible" overtime.

CCP delegate Lyu Guoquan, China's trade union federation chief, said "invisible" overtime, or unpaid extra work, had been normalised as workplaces digitalised.

He wants people who stay online after regular hours to be properly paid for it.

"Being always online has left workers trapped in the work system, adversely affecting their physical and mental wellbeing, " Mr Lyu said, according to the state-owned Workers' Daily newspaper.

China's labour laws stipulate that employees are entitled to double pay for working overtime on weekends and triple pay for public holidays.

While Ms Wong was paid for some overtime worked online, it was "not much", she said.

# "Working overtime often while not getting the compensation deserved would easily lead people to lose passion for work," she said.



The Chinese Communist Party National People's Congress heard concerns about invisible overtime. (Reuters: Thomas Peter)

#### '996' work culture

Jenny Chan, an associate professor in sociology at the Hong Kong Polytechnic University, said it was critical to look at how any laws aimed at tackling invisible overtime could be enforced and implemented.

"Labour laws state that workers should work only eight hours per day," she explained

"But China's '996' work culture has been known for years."

For the past decade, Chinese firms, <u>especially in the technology sector have been know for "996"</u> — a gruelling business culture that usually means working from 9am to 9pm, six days a week.

"So many employees have to put up with 10 to 12 hours a day, or even longer," Dr Chan said.

According to China's labour laws, any extension of work time needs to be agreed after negotiation with the employee and the union for "typically no more than one hour per day".

But Dr Chan said companies were rarely held accountable for violating labour laws.

"Some local governments are so concerned about productivity and economic gains that they are not really willing to enforce the laws," she said.

"I think we need structural changes such as clearer punishments and also unions [to support workers].



Dr Jenny Chan said the critical issue about writing "invisible" overtime into labour law is whether it can be enforced. *(Supplied)* 

"An individual worker is quite weak, but if coworkers can stand up together and protect their rights collectively, it will be more promising."

#### Pressure due to increased labour costs

Addie Cheng, a senior executive of a medical equipment company in Guangdong province, said her company paid overtime.

It was also facing "huge economic pressure" due to increased labour costs in China over the years, she told the ABC.

"What [changes to] the labour law means for companies needs to be considered," Ms Cheng said.

She said many companies were already moving their factories to South-East Asia, where labour costs were lower.





Younger workers have a different outlook to their older peers and often prioritise work-life balance. (Reuters: Bobby Yip)

Ms Cheng also said a younger generation with a better understanding of "Western standards of labour rights" were challenging Chinese companies' existing working culture.

"China is a developing nation and many companies are trying to catch up with the West in the fastest speed possible," she said.

"Older generations tend to have a sense of mission [towards the country's development] and think finishing one's work is a responsibility even if it means working overtime, paid or not.

"But many young people think what's more important is work-life balance.

# "In my company, it's not uncommon for young people to quit when they are required to work overtime."

According to a 2023 report by research firm DT Caijing surveying young Chinese employees, 31.7 per cent said they would refuse to work overtime even with payments.

But 30.6 per cent said they relied on overtime as an extra income source.

### Stagnant economy hampers will to defend workers' rights

Cheryl Jin, an associate at an accounting firm in China, said individual companies creating a "reasonable" system of working overtime was more realistic and practical than the government writing "offline rest" time into labour laws.

"My working hours exceed the billable eight hours ... and I usually have just one day off per week during peak season," she said.

"This is the nature of the work, and it's the same in firms in Australia."

Ms Jin said she used to get paid for overtime, or take time off in lieu, but that was cancelled last year as the market shrunk following the retreat of foreign investment.

## "The overtime payment was actually cut to avoid laying off people from our team."



China's real estate crisis has hurt the local economy. (*Reuters: Tingshu Wang*)

"Given the stagnant market, people won't choose to resist overtime unless they have a better job offer."

Dr Chan added that China's dim economic prospects meant workers might not have the collective power to defend their own rights.

"At this critical and difficult period of time in China, young people are already struggling to have decent employment," she said.

"And if they really stand up and say no, what might be the consequence?"

More than 20 per cent of the roughly 100 million Chinese aged 16 to 24 were unemployed in June 2023.

Authorities abruptly suspended publishing the data for about six months, and when they resumed in January, the figures looked better.

They excluded university students, and put youth unemployment at 15.3 per cent in February.

Ms Jin said that it was nevertheless good the government was proposing measures to stamp out unpaid online overtime.

# "It might prompt some discussion among people and make them realise working overtime is not a normal expectation," she said.

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https://www.abc.net.au/news/2024-03-25/china-invisible-overtime-reforms-labour-law-work-hours/103599992