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China: Social insurance enrollment required for foreign workers in Shanghai

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Shanghai employers must enroll foreign workers from Hong Kong, Macau and Taiwan in China's national social insurance scheme — and pay contributions for them — effective 16 Aug 2021. The change follows the expiration of a 2009 Shanghai law that made it optional to enroll such workers in the scheme. Employers who fail to enroll their employees face fines and other penalties.

National measures requiring the enrollment of foreign workers in the Chinese national social insurance system took effect in 2011. Previously, local policies provided guidance on the coverage of foreign employees, and measures concerning the enrollment of residents of Hong Kong, Macau and Taiwan took effect in 2020. However, Shanghai local law continued to treat the insurance of foreign employees as an optional benefit, not a legal requirement. Following the expiration of the Shanghai law, it is still unclear if authorities could require employers with foreign employees in Shanghai to contribute retroactively to the social insurance scheme.

Enrollment requirements, contribution calculations

Under the new law, employers must enroll employees within 30 days of the date they obtained their employment certificate or started working, and must contribute to four types of social insurance covered by the scheme (basic pension, basic medical, unemployment and occupational injury); employees also must contribute to the scheme. The contribution amount is based on the individual's monthly salary. The minimum salary threshold is RMB 5,975 and the maximum threshold is RMB 31,014 per month, and employer and employee contributions amount to approximately 27.16% and 10.5% respectively. Contributions to the housing fund remain optional, and can be mutually agreed to by employers and employees.

Bilateral social security treaties

Employees who are nationals of certain countries that have bilateral social security treaties with China, and employees from Hong Kong, Macau and Taiwan who remain enrolled in equivalent schemes, could be exempt from enrollment in the Chinese social insurance scheme.

Related resources

- [Interim measures for social insurance participation by Hong Kong, Macau and Taiwan residents in mainland](#) (Chinese) (Government, 19 Nov 2019)
- [Interim measures for social insurance system coverage of foreigners](#) (Chinese) (Government, September 2011)
- [Circular on participation of foreigners working in Shanghai](#) (Chinese) (Shanghai Municipal Bureau of Human Resources and Social Security, 10 Oct 2009)

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