

## Regulations of the Financial and Economic Committee of the Government Council on the Composition of Total Wages

March 7, 1951,

The Financial and Economic Committee of the Government Council calculated the total wages in order to facilitate the preparation of labor plans by public enterprises, and to facilitate the administrative aspects of public and private enterprises or for the purpose of paying trade union funds, labor insurance funds and unemployment relief funds in accordance with the Trade Union Law of the People's Republic of China, the Labor Insurance Regulations of the People's Republic of China and the Interim Measures for Relief of Unemployed Workers, the employer makes the following provisions on the composition of the total wages:

1. The wages (including wages paid in other forms) paid by the administration or management to the registered personnel employed by them shall be included in the total wages.

The registered personnel include the following personnel: (1) production workers, (2) apprentices and trainee workers, (3) engineering and technical personnel, (4) management personnel, (5) housekeeping personnel, and (6) fire guards.

Note: All income of the capital and the capital's agent in the private enterprise shall not be included in the calculation.

2. Total wages shall include the following items:

(1) Basic wages:

(1) Hourly wages directly paid according to wage standards and wage grades; Piece-rate wages paid directly by piece rate); Time- based bonuses (such as incentives for improving quality, saving fuel, saving power, and accident-free); commission.

(2) Auxiliary wages:

(1) All kinds of bonuses related to improving production other than those listed in the preceding paragraph;

(2) Overtime pays and night shift allowances;

(3) Various allowances (such as technical allowances, regional allowances, harmful health benefits, etc.);

(4) Wages for accidental stoppages (such as wages during stoppages due to machine or power failure or insufficient supply of raw materials, etc.);

(5) Wages paid in other forms, such as food allowances, housing allowances, water and electricity allowances. However, the so-called wages paid in other forms refer to those who are paid to employees in the form of allowances. As for the housing that does not charge rent, water and electricity, it is not included in the total wages because it is difficult to calculate.

3. Total wages do not include the following items:

(1) Non-recurring one-off bonuses such as inventions, technological improvements, rationalization proposals, and new record campaigns;

(2) Labor insurance premiums, trade union funds, and unemployment relief funds paid by enterprises;

(3) Travel expenses and transfer expenses for employees to transfer jobs;

(4) Dismissal expenses.

4. The total wages of farms, agencies or schools may be calculated by referring to the provisions of the above items. As for the salary of students in the school wage system, it is not included in the total salary of the school.

5. Enterprises, farms, institutions, and schools have supply system or contract workers, and their benefits are not included in the total wages used for collecting trade union funds and labor insurance funds. As for the labor union funds that must be paid by the supply system and the contract system staff in the administrative aspect, they should be handled in accordance with the provisions of Paragraph 1 of the Joint Announcement of the Ministry of Labor of the Central People's Government and the Ministry of Finance on October 11, 1950.

6. When calculating the various fees payable by the enterprise based on the total wages of the enterprise as stipulated by law, the total wages used shall not exceed the scope of this regulation. If individual enterprises find it difficult to implement certain items of these regulations, they may report to the local labor administrative agency for handling.