

SAFEGUARDS

CONSUMER GOODS AND RETAIL

SUPPLY CHAIN ASSESSMENTS & SOLUTIONS

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GUANGDONG PROVINCE HAS REVISED THE REGULATIONS ON WORK-SAFETY

On 5 July 2013, the Standing Committee of Guangdong Provincial People's Congress released the revision of "Guangdong Province Work-Safety Regulations" (hereinafter referred to as the "second draft") for public opinion on its official website. The "second draft" proposes to set up liability insurance provisions in case of safety failures in production, refine the measures of safe production, and further strengthen legal responsibilities.

The provision of safe working conditions has always been an important management theme as a precondition for production. In order to prevent and reduce production accidents, Guangdong province amended the "Guangdong Province Safety Regulations" (hereinafter referred to as the "previous regulation") which has been in effect for a decade, and also published the "second draft" for public comments on 5 July 2013. According to the "second draft", the previous system of cash payments in case of safety issues is to be replaced by a liability insurance. In addition, the "second draft" outlines a "double duty" system, where workers need to fulfil both their work duties and safety duties. The major changes to the previous regulation in the "second draft" are as follows:

Strengthen the main responsibility

of units. The revision of Article 4 stipulates that production units must take full charge of production safety, the main officer of the units should take



overall responsibility for production safety. Articles 10 and Articles 11 clearly stipulate the production safety duties for the main officer and other supporting managers / team leaders respectively, such as to organize a comprehensive safety inspection quarterly / biannually, an emergency rescue drill annually / biannually, etc. Meanwhile, the main officer also needs to report the status of production safety to an Employees' conference and the shareholders' conference every year. All these duties were not specified in the "previous regulation".

Refine the responsibilities and obligations for the safety production units. The revision of Article 9 states that the units should establish sound production safety systems including risk assessments, rewards and punishments, daily professional security checks, etc.

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The "second draft" adds a new Article 12, which stipulates that mines, construction, units using hazardous materials which have more than 50 employees and units with more than 300 employees shall set up organizations or be manned with full-time persons for the control of work safety. Further, the new Article 13 and Article 14 clearly stipulate the main duties for the organization and the full-time person, including to organize a comprehensive safety inspection at least once a month. Meanwhile, there will be RMB10,000 to 20,000 penalties for units which are found not to be complying with the above regulations.

In recent years a number of safety incidents occurred in workshops and warehouses with dormitory places. In such cases, the revision of Article 26 clearly states that places for manufacturing, marketing or storing dangerous articles cannot be located in the same building as employee dormitories and should maintain a safe distance from them. In addition, Article 24 also details the requirements of safety production for the workplace, such as fire fighting passageways and security exits should meet the requirements of emergency rescue, and that facilities like ventilation, fireproofing, explosion-proof lighting, anti-virus, anti-static and isolated operations should be set out in accordance with the necessary safety precautions.

Production safety concerns the safety of individuals. Article 18 of the "second draft" clarifies employees' rights. Workers should receive employment injury insurance, participate in training on safety, hold copies of labour protection articles in line with national regulations and standards, and workers shall be entitled to criticize, expose or institute legal proceedings in relation to problems that exist in the production safety of the entity concerned. The "second draft" also fully protects workers' right to know, Article 16 requires the units shall communicate the risks, hidden hazards and preventive measures, as well as the emergency measures that should be taken in situations when there is a direct threat to personal safety. This was not specified in the "previous regulation".

The newly added Article 21 emphasizes the importance of personal protection equipment, requires that units should provide workers with labour protection articles up to national or industry standards for free, and shall supervise workers to ensure these are used properly. Personal protection equipment cannot be replaced by cash or other materials. If enterprises fail to do this, there will be a penalty of RMB 20,000 to RMB 50,000.

Set up liability insurance of safety production. The revision of Article 22 requires that units establish liability insurance, this means that enterprises will have to take out liability insurance, and will cease to pay cash in case of safety incidents.

Strengthen the legal responsibility of the units. The "second draft" imposes stronger legal liability on enterprises, with larger fines and, if they still fail to provide safe working conditions, they could be forced to close due to revocation of certificates by the relevant authorities. In case of events which could potentially lead to serious breaches of requirements of the new draft, there is also the potential to be prosecuted for criminal liability in accordance with the law. Moreover, under the second draft, the supervision department will publicise through official website or other channels, notifying the illegal units' name, address, legal representative, legal offence, decision of administrative penalty, starting and ending date of release etc.

As can be seen from the above, the "second draft" will bring far reaching consequences. It is suggested that enterprises should establish sound health and safety systems and set up a safety management team to provide training courses on a regular basis for employees. Meanwhile, enterprises should also ensure appropriate ventilation, the smooth flow of fire exits, the maintenance of facilities and equipment and effective risk assessments, so as to avoid safety incidents.

SOURCE: [The Standing Committee of Guangdong Provincial People's Congress](#)

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