

Introduction

Since its reforms and opening up, particularly in the last two decades, China has devoted to the governance of the country by law. In accordance with the demand of establishing a socialist market economy, China has accelerated its legal system building, formulated and promulgated a series of laws and regulations, which have provided legal guarantee for the successful advancement of reforms and modernisation drive. The legal system construction in the realm of labour and social security has also witnessed great achievements. *Labour Law of the People's Republic of China* (hereinafter referred to as *Labour Law*) promulgated in July 1994 is the landmark in China's labour legislation, symbolising that China has entered a new stage of labour law system building. *Labour Law* is an important law, which comprehensively regulates labour relations and safeguards the legitimate rights and interests of both the labourers and employing units. By adopting common practices in the international labour legislation, it has set up unified basic labour standards with a series of detailed stipulations for safeguarding the legitimate rights and interests of both the labourers and employing units. The provisions fully demonstrate the fundamental principles of equal status and fair competition among subjects of market economy. The enactment and enforcement of *Labour Law* in 1994 have filled the blank in the labour legislation.