

The Foreign Teacher's Contract Checklist

8 clauses to check before you sign a Chinese employment contract — with the law references

This checklist is informational, not legal advice. For a specific dispute, consult a licensed Chinese lawyer or your local labor arbitration committee. It assumes you are legally employed with a valid Foreigner's Work Permit.

1. Is the probation period legal?

Under Article 19 of the PRC Labor Contract Law, probation is capped by contract length: 3 months–1 year → max 1 month; 1–3 years → max 2 months; 3+ years or open-ended → max 6 months. A 2-year contract with a 3-month probation is illegal — the excess month is unlawful.

Ask for: "Per Article 19, probation for a 2-year contract is capped at 2 months. Can we correct this?"

2. How is your salary structured?

Schools often split pay into base salary (基本工资) + allowances (补贴) + performance pay (绩效). Severance, overtime and social insurance may then be calculated on the base only. "¥18,000/month" that is ¥8,000 base + ¥10,000 allowances means your statutory payments shrink. Also confirm: is the figure 税前 (before tax) or 税后 (after tax)? The gap can be 20–30%.

Ask for: the majority of the package as basic salary, and the tax treatment stated in writing.

3. Can your salary be reduced mid-contract?

Clauses like "the company may adjust salary based on operating conditions" are common. Under Chinese law, a unilateral wage reduction requires your written consent — signing such a clause waives that protection in advance.

Ask for: "Any change to salary requires a written supplementary agreement signed by both parties."

4. What happens if you leave early?

Penalty clauses (违约金) are used as scare tactics. Employees can only be required to pay damages in two situations: breach of a valid non-compete (with compensation actually paid) or breach of a

training service agreement. A blanket "resign early = owe ¥20,000" clause is generally unenforceable (Article 25).

Ask for: deletion of any general resignation penalty.

5. Is the non-compete clause valid?

A non-compete (竞业限制) without monthly compensation during the restricted period is invalid (Article 23). Where no amount is agreed, judicial interpretation sets it at no less than 30% of your average monthly wage over the prior 12 months, for a maximum of 2 years. Non-competes are designed for senior managers, technical staff and confidentiality-bound employees — not ordinary teachers.

Ask for: deletion, or the monthly compensation rate in writing.

6. Does the IP clause overreach?

Standard clauses assign work products created within your employment scope. Overbroad versions claim everything you create — even on your own time — with no right to keep copies (no portfolio).

Ask for: "IP limited to works created within employment scope using company resources; I retain rights to pre-existing materials and may keep portfolio copies."

7. Will they actually enroll you in social insurance?

Contracts routinely promise social insurance (社会保险); some schools never enroll foreign staff. Foreign teachers with work permits ARE entitled to it under the Interim Measures for Foreigners Employed in China to Participate in Social Insurance. Your share is roughly 10–22% of salary; the employer's ~30% is its own cost and may NOT be deducted from your wages.

Ask for: enrollment within 30 days of contract commencement, plus written confirmation.

8. Visa, work permit, and the contract language

The employer should sponsor and fund your Z visa and work permit. If the school asks YOU to pay a "visa processing fee" or deposit upfront, treat it as a red flag. If the contract is Chinese-only and you cannot read it, request a signed bilingual version — in a dispute, the Chinese text governs.

Ask for: employer-funded visa/work permit, a signed English translation, and a dispute-resolution clause naming the city's labor arbitration committee.

Summary — when you have a claim

Departure scenario	Compensation?	Law
Voluntary resignation (no employer breach)	No	Art. 37
Constructive resignation (employer breach first)	Yes	Arts. 38, 46
Contract expires, no renewal	Yes	Art. 46(5)
Fired for serious misconduct	No	Art. 39
No-fault dismissal	N (or N+1)	Arts. 40, 46
Unlawful dismissal	2N	Arts. 48, 87

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