

Addendum 7: Regular inspections of foreign workers detailed in Articles 24 to 28 brought into the Republic of China by employers

1. When employers hire foreign workers (not including foreign workers brought into the Republic of China in accordance with Article 25-1 and Articles 26 to 28, but including all others on the same labor insurance certificate number) they are required to be in compliance with the provisions of Paragraph 1, Article 34. When the Central Competent Authority inspects the ratio of foreign workers hired the following calculation formula is used:

Maximum number of foreign workers = number of employees x (ratio referred to in subparagraphs of Paragraph 1, Article 34)

The standards adopted in the above formula are as follows:

- (1) Total number of employees: Calculated based on the provisions of Paragraph 4, Article 34. However, this number does not include foreign workers brought into the Republic of China pursuant to the provisions of Article 25-1 and Articles 26 to 28.
- (2) Ratio based on subparagraphs in Paragraph 1, Article 34: Limited by the ratio for foreign workers when an employer's factory is confirmed as being in a free trade port area or work in industries listed in Addendum 5, Article 24.

2. When employers hire foreign workers (including all other foreign workers on the same labor insurance certificate number and foreign workers brought in pursuant to the provisions of Article 24, Article 25, and Articles 26-28) and the Central Competent Authority inspects the ratio of foreign workers hired, the following calculation formula is used:

Maximum number of foreign workers =

Number of employees x (ratio referred to in subparagraphs of Paragraph 1, Article 34) + (Increased ratio in Article 26) + (Further increased ratio in provisos of Paragraph 3, Article 28)

The standards adopted in the above formula are as follows:

- (1) Number of employees: Calculated based on the provisions of Paragraph 4, Article 34.
- (2) Ratio based on subparagraphs in Paragraph 1, Article 34: Limited by the ratio for foreign workers when an employer's factory is confirmed as being in a free trade port area or work in industries listed in Addendum 5, Article 24.
- (3) Increased ratio based on Article 26: Limited by the actual number of foreign workers an employer brings into the Republic of China listed in subparagraphs in Paragraph 1, Article 26 included in regular inspections. The highest value of the increased ratio is

determined by regulations governing the increased ratio for foreign workers included in regular inspections.

- (4) Further increased ratio in provisos of Paragraph 3, Article 28: Limited by the actual number of foreign workers an employer brings into the Republic of China listed in provisos of Paragraph 3, Article 28 and included in regular inspections. The maximum period for the further increased ratio is five years. (Paragraph 2, Article 52 of the Act clearly stipulates that the longest validity of an employment permit for a foreign worker is three years. As such, the aforementioned five year limit refers to the three year employment period on an initial recruitment permit with the additional two year period stipulated for re-recruitment foreign workers in Article 37 of the Review Standards).

Inspections by the Central Competent Authority are conducted in accordance with:

- (1) Employers who bring in foreign workers as defined in Article 26 should do so pursuant to the provisions of Point 1 and Point 2 of this Addendum, as well as Paragraphs 3, 4 and 7 of Article 34.
- (2) Employers who bring in foreign workers as defined in Article 27 and Article 28 should do so in accordance with the following regulations:

1. First inspection

For employers who bring in foreign workers defined in Article 27 and Article 28, one year after an employer brings in the first foreign worker the Central Competent Authority will inspect the number of foreign workers hired by an employer, pursuant to the provisions of Point 1 and Point in this Addendum and the most recent regular inspection. However, when the time difference between one year after the entry of the first foreign worker and the regular inspection for that year is two months or less the period can be extended to the next regular inspection.

The calculation of the number of foreign workers and number of employees hired in the previous paragraph takes as its base month the month on which the first foreign worker to be brought into the Republic of China has been in the country one year. The calculation is based on the number of people with labor insurance in the base month.

When an employer employs more foreign workers than the number detailed in the provisions of this Addendum the Central Competent Authority will, pursuant to the provisions of Article 72 of the Act, revoke the recruitment and employment permits for the workers exceeding the stipulated maximum and include them as part of the total number of foreign workers employed referenced in Addendum 6, Article 25.

2. Second and follow up inspections

After the Central Competent Authority has conducted the first inspection detailed in the previous paragraph, the second inspection and inspections every three months thereafter should be conducted pursuant to the provisions of Point 1 and Point 2 of this Addendum, as well as Paragraphs 4 and 7 of Article 34