

The Chinese Rural Migration Before and After the Opening Policy

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Abstract: *Rural migrant workers have become not only a new social stratum rapidly rising in China's society, but also an important driving force of urbanization and an important component of industrial workers in China. According to the data of the 5th nation-wide population census, rural migrant workers account for 57.6% of the employees in secondary industry, 52% in tertiary industry, 68% in processing and manufacturing industries, and 80% in construction industry. This paper discussed the phenomenon of Chinese rural migration before and after the opening policy, and will go more deeply through analyzing the main factors driving the phenomenon of Chinese rural urban migration, the effects of the migration flows and the different challenges faced by those migrants*

Keywords: China. Rural. Urban. Migration

1. Introduction

One of major concern in China is its growing "floating population"(Chinese:流动liúdòng rénkǒu), a large number of people moving from the countryside to the city, from underdeveloped economic areas to developed areas, and from the central and western regions to the eastern coastal region, as a result of fast-paced reform-era economic development and modern agricultural practices that have reduced the need for a large agricultural labor force. Although residency (Hukou) requirements have been relaxed to a degree, the floating population is not officially permitted to reside permanently in the receiving towns and cities.

In last two decades, the Chinese government pursued a more positive policy towards rural-urban labor migrants, and adopted a number of approaches in support of labor migrants in urban areas. Most of the migrants go to the cities in eastern coastal areas and are from the western and central inlands(Cai F, Wang D.W2003). While Sichuan, Henan, Anhui, Hunan and Jiangxi Provinces have the largest number of emigrants, Beijing, Shanghai, Guangdong, Zhejiang and Fujian provinces have the largest of number of immigrants(Wong, Li, and Song,2007)

As early as 1994, it was estimated that China had a surplus of approximately 200 million agricultural workers, and the number was expected to increase to 300 million in the early 21st century and to expand even further into the long-term future. A household registration record officially identifies a person as a resident of an area and includes identifying information such as name, parents, spouse, and date of birth.

It was reported in 2005 that the floating population had increased from 70 million in 1993 to 140 million in 2003, thus exceeding 10 percent of the national population and accounting for 30 percent of all rural laborers. According to the annual survey results projections by National Bureau of Statistics; the total migrant workers in 2012 amounted to 262.61 million, which refers to an increase of 9.83 million

compared with the previous year with increase percentage by 3.9%.

2. Methodology

The study of rural-urban migration in China includes firstly a statistical analysis of the internal migration phenomenon and the most recent estimates of internal migration. Second, a review of the existing studies on rural-urban migration in this region, highlighting the most significant findings and insights, will be made.

The practical part comes with a presentation and discussion both of primary & secondary Data that we got from the government resources - China National Bureau of Statistics established the monitoring and investigation system of peasant workers and carried out monitoring and investigation in the output of migrant workers.- and the investigation made by the author in some Chinese regions.

3. Literature Review

Regarding to the migration policy, the policy makers started realizing that it impossible to simply block the migration flow through policies. Migration policy turned to a positive direction by normalizing migration during this period.

Before migration, rural farmers have to gain Migration Work Registration Card at local governments of their hukou locality. At the destination places, migrants have to get employment License based on the card issued by government of origin places. By holding both the Card and the License, migrants were available to get relevant employment service from government agency. For migrants who live in destination places more than one month need to apply temporary living certificates in order to facilitate the hukou administration.

More diversified occupational development of the rural migrants started to appear and tend to spread. Although a large proportion of temporary migrants were still engaged in

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low-paying, low-social status, dangerous work, a small proportion of rural migrants were not constrained in these particular jobs anymore. For example, the Wenzhou migrants from Zhejiang province have successful garment business in Beijing. Most of them were as economically successful as urbanites (Zhang 2001).

In detail, the evolution of migration policies consists of the following aspects. One of the positive changes was to remove fees imposed on migrants, including temporary living fees, administration fees for migrants, and service fees for migrant workers.

In 2003, the State Council issued Training Plans for Migrant Workers: 2003-2010, which proposed that central and local governments should finance the training programs for migrant workers.

These policy changes are positive responses of the Chinese government to realistic institutional demands, and thus conform to the requirements of changes in the stage of economic development. They may therefore eventually find expression in genuine improvements in the conditions of migrant workers. A rough picture is that prior to 2003, the basic wage levels of migrant workers saw no changes for recent decades, but with the emergence of the labor shortage, they increased by 2.8% in 2004, 6.5% in 2005, and 11.5% in 2006 (outstripping the growth rate of the economy). At the same time, due to the intervention of and role played by policy, migrant workers' wage arrears have decreased significantly, and their working and living conditions have been improved.

In the new century, local governments have made much greater efforts in reforming hukou system. In recent years, one common practice in this reform area is to attempt to establish a unified hukou regime integrating rural and urban population registration, by abolishing the distinction between agricultural and non-agricultural hukou identities and integrating them into a unified residential hukou. By 2007, there were 12 provinces having carried out reforms of this kind. In addition, many cities further loosened criteria of applying for local registration for family reunion, the elderly joining adult children, youth joining parents, investors, the talented, local housing buyers.

In 2007, in relation to the reform of the *hukou* system, the Chinese government designated the cities of Chongqing and Chengdu as local experimental zones in which to develop innovative approaches to the integration of rural and urban systems of administration in the fields of work, land, social welfare and services. In 2008, for the first time three migrant workers were appointed as deputies in the National People's Congress²⁶.

4. Research Main Findings

4.1 Profile of the Chinese rural migrant workers

In 2016, the total number of migrant workers reached 281.71 million, an increase of 4.24 million from the previous year,

an increase of 1.5%, faster than the previous year 0.2%. Among them, 112.37 million of local migrant workers, an increase of 3.74 million people from the previous year, growth of 3.4%, accelerated faster than the previous year 0.7%, migrant workers 169.34 million, increased 500,000 from the previous year, the increase of 0.3%. (Table1)

While the migrant workers-long distance migrants- was 163.36million, increased by 4.73million (3%) . And the local migrant workers-short distance migrants- in 2012, it reached 99.25million, an increase of 5.1 million (5.4%).

Table1: The number of migrant workers in China 2010-2015 (Unit Million)

	2010	2012	2014	2015	2016
Total migrant workers	242.23	262.61	273.95	262.61	281.71
Migrant workers (long distance)	153.35	163.36	168.21	163.36	169.34
Local migrant workers (short distance)	88.88	99.25	105.74	108.63	112.37

Source: prepared by Author depends on NBS data

The migrant workers; Refers to the investigation of annual, outside the town area more than 6 months and the rural labor force.

The households migrant workers; refers to a household members who are engaged in the production and business operation activities.

Family migrant workers: refers to the rural labor force and their families to leave their original place to live, to live in the villages and towns outside area.

Local migrant workers Refers to survey year, engaged in non-agricultural activities in their own town (including local nonfarm workers and non-agricultural proprietary activities) 6 months or more of the rural labor force.

Migrant workers are still mainly young adults, but the proportion continues to decline, the average age of migrant workers continue to improve. Looking at the average age, the average age of migrant workers in 2016 was 39 years, up from 0.4 years ago. From the age structure, the proportion of migrant workers under 40 years of age is 53.9%, down 1.3% from the previous year, and the proportion of migrant workers over 50 years is 19.2%, up 1.3% from last year. (table2)

Table 2: The Average age of rural Migrant workers, Unit: %

Ages	2012	2013	2014	2015	2016
16-20	4.9	4.7	3.5	3.7	3.3
21-30	31.9	30.8	30.2	29.2	28.6
31-40	22.5	22.9	22.8	22.3	22.0
41-50	25.6	26.4	26.4	26.9	27.0
Above 50	15.1	15.2	17.1	17.9	19.2

Source: prepared by Author depends on NBS data

Most of migrant workers are middle school educated level

Among the peasant workers, they accounted for 1% of the

students, primary school education accounted for 13.2%, middle school education accounted for 59.4%, high school education accounted for 17%, college and above accounted for 9.4%. (Table3). The proportion of migrant workers in high school and above is 1.2% higher than the previous year. Among them, migrant workers in the middle school and higher education accounted for 76.4%, 0.2% lower than the previous year.

Table 3: Education Level for Migrant workers 2015/2016, Unit:%

	Total		Local		Inter-province	
	2015	2016	2015	2016	2015	2016
Can read and write	1.1	1.0	1.4	1.3	0.8	0.7
Primary	14.0	13.2	17.1	16.2	10.9	10.0
Middle	59.7	59.4	58.9	58.6	60.5	60.2
High	16.9	17.0	16.6	16.8	17.2	17.2
University or above	8.3	9.4	6.0	7.1	10.7	11.9

Source: prepared by Author depends on NBS data

4.2 Payment and Incomes insecurity

Income level difference of different industries, accommodation catering and service industry average income level is low

By looking to the migrant worker in the main industry, higher income level is the postal service of storage and construction, the per capita monthly income is about 3775 Yuan and 3687 Yuan respectively; With lower incomes were in Wholesale & retail trade, accommodation catering and manufacturing, average monthly income of 2839Yuan, 2872 Yuan and 3233 Yuan respectively.

Table 4: Monthly income & growth rate of migrant workers Unit: Yuan. %

	2015	2016	Change rate
Manufacturing	2970	3233	8.9
Construction	3508	3687	5.1
Wholesale & retail trade	2716	2839	4.5
Transportation warehousing and postal services	3552	3775	6.2
Accommodation & catering	2723	2872	5.5

Source: prepared by Author depends on NBS data

In addition to the increase in manufacturing revenue growth over 2015 by 8.9 percent, the other services grew at the same level, with construction, wholesale and retail, transportation warehousing and postal, residential and catering workers' monthly income growth down 5.1, 4.5, 6.2 and 5.5%, respectively.

4.3 Employment & Job insecurity

Decline in the proportion of migrant workers entering into labor contracts

The proportion of migrant workers who signed labor contracts with employers or units in 2016 was 35.1%, down 1.1% from the previous year. Migrant workers and employers or units signed the proportion of labor contracts

for 38.2%, down 1.5% from the previous year, local migrant workers and employers or units to sign the proportion of labor contracts is 31.4%, fallen down 0.3% from the previous year.

Table 5: The proportion of migrant workers entering into labor contracts

Unit: %

	No fixed labor contract	Less than one year contract	more than one year contract	No contract
Total in 2015	12.9	3.4	19.9	63.8
Inter-provincial	13.6	4.0	22.1	60.3
Local migrants	12.0	2.5	17.1	68.3
Total in 2016	12.0	3.3	19.8	64.9
Inter-provincial	12.4	4.2	21.6	61.8
Local migrants	11.5	2.2	17.7	68.6

Source: prepared by Author depends on NBS data

4.4 Social security

The migrant worker participates in social insurance level has increased, but overall is still low

With the growing population of migrant workers, problems about them, including social security of them have become more and more important. The number of migrant workers covered by the pension security has increased steadily over the five years ago but still only stands at about 322 million.

The annual survey of migrant workers by the Ministry of Human Resources and Social Security (MHRSS) found that in 2015, only 16.4 percent of the migrant worker employed had a pension and 18.2% had medical insurance (table 6)

Table 6: The social security of migrant workers

	2009	2011	2013	2015
Pension	7.8	13.8	15.8	16.4
Work-related injury insurance	22.1	23.5	28.5	29.7
Medical insurance	12.1	16.6	17.5	18.2
Unemployment insurance	3.8	8.2	9.2	9.8
Maternity insurance	2.3	5.7	6.5	7.1

Source: The Ministry of Human Resources and Social Security (MOHRSS) of the People's Republic of China

5. Discussions

In social welfare, migrant workers are quite limited by dual system model of employment, and they cannot enjoy housing subsidies, job training, community service and other benefits as urban workers. They missed government housing benefits and resolved the accommodation problem only through renting, staying with housing of the employing units or simple shelter built by scrap materials (Li, 2006).

However, due to the current relative shortage of educational resources and funds for education, the living conditions of migrant workers' children are rough and the schools lack of teachers. Some schools do not allow the enrollment of migrant workers' children. Even if the children can be in a middle school of city, they cannot participate in high school entrance examination in the city (Li, 2006; Shi, 2007).

A significant increase in the proportion of migrant workers in cities in the area of legal solutions. The Chinese internal migration makes a substantial contribution to the improvement of rural household incomes and to that extent should be seen as an important way out of rural poverty. In 2005 the total remittance transfers by migrants amounted to 30 billion US\$, (Murphy, Rachel 2006). The large increase in construction jobs resulted from an expansion of investment in urban construction projects during this period in China (Bai, Chen, and Shi 2011). It can also be as a result of an economic incentive implemented by the government similar to the huge stimulus package that Beijing implemented after the 2008 global financial crisis, which set off a building boom (Gough 2016). If China's property market remains saddled with a surplus of apartments in many cities, a crash in the housing market is possible according to some economists (Hewitt 2016).

6. Conclusion

Institutional reforms regarding social security and the *hukou* system are aiming to put an end to the dual city/country structure once and for all. These efforts are in conflict with the interests of local governments, city administrations and privileged holders of an urban *hukou*. The cities, which are responsible for financing the public services, but must share their tax revenue with the central government, attempt to keep the extra cost of infrastructure and supply systems caused by migration as low as possible times greater than all the official development aid to China (2 billion US\$) in the same year. Even though the effect of remittances on rural development is a matter of dispute, as only part of it is put to productive use, this does highlight the contribution that migrants make poverty reduction and thus illustrates the role played by Chinese internal migration in the politics of development.

The different research findings indicate that future policy oriented to provide economic incentives (i.e., higher wages) to rural workers to stay in agricultural jobs as well as to encourage the use of technology at farm level seem to be good alternatives in China.

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