Exploration of current situations, problems and measures of service trade development in China

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Abstract. As opening-up policy of service industry is implemented effectively in China, basis development of service industry is achieved. Internet technology promotes its progress and helps economic development achieve a new stage. Global economic crisis springs up continuously. China shall effectively develop service trade through active measures and achieve systematicness and stability of trade service foreign development so as to further improve national economy. This paper ponders over the development status and problems of service trade in China, and proposes relevant measures.

Introduction

Opening-up development of Chinese service industry further develops. Since the 18th CPC National Congress, the foundation of Chinese service industry has strengthened continuously, and a new commercial mode forms through modern new technology. Under such economic development dominated by service industry, each region in China has established free trade zone which further deepens and develops. In such development form, active execution of service industry is promoted. Meanwhile, each industry further improves.

Development status of Chinese service trade

Continuous expansion of service trade scale

Service trade scale in China presents an expanding trend. Although service trade develops late in China, the development speed is fast. In recent years, export amount of service industry in China has been on the rise, and occupies an important position in developed countries.

Weak competitiveness of traditional service

China's service trade is weak in international competition market. In particular, some capital-intensive and knowledge-intensive service fields have weak competitiveness. Under continuous development form of service trade, the structure of service trade also has some irrational factors. Income and expenditure among industries differ a lot. In existing development situation, financial industry, computer, insurance and information consultation in China occupy a large proportion in the world. However, service trade export form is still dominated by traditional form, such as transportation industry and tourism industry. In the form of service export, transportation industry and tourism industry occupy a great position in overall service trade development. Relative to some knowledge-intensive industries, information service industry occupies a small proportion.

Rapid development of service outsourcing

With rapid development in recent years, labor cost in China occupies a large proportion in some developed countries and exerts a great advantage. Thereupon, service outsourcing industry in China

gains rapid development. At present, Yangtze River Delta region, Pearl River Delta region and Circum-Bohai Sea region form cluster development trend. Moreover, service outsourcing industry in Xi'an, central and western regions of China has gained rapid development. After the development form of financial crisis, large enterprises in some developed countries transfer some functional industries in China in order to save cost, which acheie3vs active development of Chinese enterprises. Under the development form of financial crisis, service trade export form in China declines continuously. Meanwhile, service outsourcing industry presents continuous growth trend.

Position of foreign capital

Foreign capital plays a great role in China's service trade development. As this form makes progress continuously, China's service industry should be inputted in the market actively and orderly in accordance with development demand and internal development form of China's service industry as well as international development environment. Meanwhile, market competition should be enhanced. In such development form, the introduction of foreign capital market by service industry shows an obvious growth trend, which promotes effective improvement of economic level. As opening-up form and scale of service industry expand continuously, service industry also gas gained scale growth in terms of foreign capital attraction form. Thus, overseas-funded enterprises play an important role in service trade development. For example, in such foreign capital development process, transportation, tourism and information consultation in Shanghai became the largest industries in service trade in 2006, and the proportions in the export of overseas-funded enterprises were 65%, 69% and 85%, respectively.

Imbalanced service trade zone

Service trade zones have serious imbalance. In different regions of China, service level unbalances, and obvious gradient difference exists. Generally, service development level in eastern coastal region, central and western regions is high. But in eastern coastal region, there are also large differences in different areas. Beijing and Shanghai have the most developed service development level. Industrial production forms the fundamental form, and industrial structure has also achieved different patterns. Besides, the development structure of service industry has developed to modern service industry from traditional service development, and service industry is transformed to financial industry. Meanwhile strong guidance function forms in economic development^[1]. Because information industry and computer industry are emerging industries, these industries become service trade development subjects. Service trade import and export in Beijing and Shanghai occupy a large position. Thus, service trade zone imbalance forms.

Problems of service trade development

Service trade development falls behind

Compared with goods trade, service trade development in China falls behind. According to relevant data analysis and statistics, the growth rate of world service trade development is higher than goods trade growth rate in the same period, where service trade development increases gradually globally. For China, compared with goods trade, service trade industry expands continuously. But with the impacts of financial crisis, service trade export in China decreases continuously, and large depropagation occurs.

Low service level

Development level of service industry is closely related to service trade competition form. Service industry development in China has a low proportion in production. This is mainly caused by irrational structure of service industry. This restricts active progress of service trade industry. In 2012, the proportion of service industry in GDP was only 43%, far lower than the advanced level of developed

countries. Under free trade development form, the supply form of China's service industry cannot meet modern development demand at all, and affects competitiveness of service trade.

Deficient service environment

In China's service trade development, external environment embodies deficient development situation. Because service trade is different from goods trade, service trade mainly depends on effective development of external environment. Nevertheless, service trade has high requirements for capital and land, and more depends on legal system and market environment construction. According to international market development form, the completeness of external market environment and legal system is greatly related to active development of service trade industry. But in actual construction process, these factors have large defects and are influenced by administrative factor and excessive protection form. Many restrictive factors form in the market. Thus, both innovative development of service trade and development efficiency are low.

Low opening level of service industry

Foreign opening level of service trade is insufficient. Based on analysis of long-term development form of service trade in China, this industry applies little foreign capital. Although such situation significantly improves, China's service trade mainly involves real estate industry and social service consumption according to development structure of the industry. Large difficulties will be faced in the foreign development process. On the one hand, due to the input of foreign capital, many restrictions exist in service trade development. Especially strict restriction of market management mechanism results in the difficulty in introducing foreign capital. On the other hand, local protection situation is serious. In China, service trade and manufacturing industry form a striking contrast. In short-term economic development process, local government gives large resistance due to the impacts of regional enterprises^[2]. Thus, opening level of service trade is low. Both active development of service industry and market liberalization development degree reduce. Thus, service industry is confronted with large difficulties in international level development situation.

Shortage of service trade talents

The talent is a key factor in service trade development process, because labor level and education level of a country decide development competitiveness of a country. Serious talent shortage phenomenon exists in each industry. In addition, as for regional development situation, only developed regions such as Beijing and Shanghai own intelligence resources. In other regions and especially central and western regions, more serious talent shortage exists. The main reasons for such phenomenon are as follows. Firstly, educational institutions fail to form special cultivation of service trade talents. Secondly, legal system and specialty environment have large differences with other countries. Overseas talents cannot simply enter mainland for work. Thirdly, China is strict with oversea training institutions, so some institutions cannot go deep into China to achieve talent training service.

Measures for development of service trade in China

To promote trade development of key industries

In accordance with development trend of international service trade and development demand of international market, key trade industries are generally dominated. In such development situation, firstly, some labor-intensive industries such as traffic, tourism and construction should improve service quality and expand trade development scale. Some emerging industries should be exported continuously, such as knowledge-intensive and technology-intensive industries. For instance, telecommunication equipment has achieved network-based and technology-based development form, and realized foreign investment operation. Secondly, the export form of financial industry and insurance industry shall increase^[3]. Finally, it is required to export culture, education and other

industries and develop culture and art with Chinese characteristics according to integrated development of China and the west so as to make such industries enter international market.

To achieve differential regional development strategy

If differential regional development is achieved, characteristic and diversified service trade development patterns can form according to features and advantages of different regions. For example, such service trade industries as financial industry, modern technology and cultural education area are achieved in Yangtze River Delta according to the development pattern of regional financial center and shipping construction center. In Circum-Bohai Sea region, it is not just required to enhance active development of tourism industry and transportation industry, but also required to achieve active progress of computer technology and information technology so as to develop advantageous conditions of this region. Therefore, enhancing differential manifestation of different regions and achieving active cooperation and complementation can improve international service trade level and ability.

To improve legal system and market environment of service trade

As socialization becomes complex, service trade should develop in terms of legal institution form, so we should learn relevant experience of developed countries in service trade legislation form, and formulate legal system of service trade suitable for China's economic development so as to ensure normative development of service trade industry. Besides, it is also required to formulate China service standard system consistent with internationalization. It should not merely facilitate overall industrial development level of China, but also maintain consumers' interest^[4]. In terms of market environment improvement form, monopoly power and local protectionism should be broken through. In addition, market competition fairness should be maintained to facilitate effect resource allocation. Moreover, some economic entities should be restricted for market form of competition industries so as to guarantee optimized form of investment environment.

To enhance opening up of service industry

Open service industry development can boost China's trade level and international competition trend. In such closed development environment, service trade development needs a long-term development situation in market environment. To accelerate such development process, it is required to enhance market opening form and avoid some restrictions of protectionism. For example, the mainland and Hong Kong not just have a wide scope of opening up and high degree. Open development has been realized in multiple industries such as finance, culture, construction and medical treatment. However, due to the impacts of high investment and unsound market environment, some fields are seriously restricted in terms of opening form. Thus, in such development form, relevant policies and implementation rules should be revised and improved in order to promote free development of regional service trade^[5].

To facilitate talent guarantee

Enhancement of talent training is the core factor for achieving service trade competition. It is necessary to increase the investment in educational industry, optimize human resource, and encourage all sectors of society to invest in founding some professional investment institutions so as to cultivate vocational education service form and overall improve personnel quality in service industry. Then, it is required to enhance talent introduction in high-end industries such as information industry and financial industry, and construct talent training network so as to offer guarantee for industrial development. Secondly, access rules of oversea training in Chinese market should be broadened so as to train more high-quality talents for China. Finally, talent incentive mechanism should be improved. It is not just required to give full play to talents' enthusiasm, but also required to achieve talents' creative development so that more excellent talents can make contributions to service trade development.

Conclusions

As economic system continuously transforms, China's service trade industry promotes further development of service trade market and policy environment under new normal economic background. The emerging industry based on internet technology is promoted. Meanwhile, stable economic growth is also achieved. Hence, China's service industry is further expanded.

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