# The Double Effect of employment and labor relations caused by Economic structure transformation during the 13th Five-Year Plan period

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**Abstract.** This document explains the double effect of employment and labor relations caused by Economic structure transformation during the 13th Five-Year Plan period. The Central Economic Working Conference in 2014 pointed out that Chinese economy is spreading from rapid growth to muted growth and the pattern of economic development is spreading from the scale type speed type to quality efficiency of extensive growth and intensive growth. The economic structure are mainly adjusting from incremental capacity to the stock, and optimizing the depth of the incremental coexist adjustment. The economic development is adjusting from traditional growth to new kinds of growth.

#### 1. Introduction

Under the background of globalization, during the 13th Five-Year Plan period ,the external risk which brought by the international financial crisis has been a wake-up call for Chinese economic development. Since the Chinese reform and opening, Chinese economy has been undergoing 30 years of rapid growth. At the same time, the great reform "bonus" also accumulated a series of deep structural problems:, spelling consumption resources, spelling extensive development pattern of the cheap labor has been unsustainable. Chinese economic development is coming into the "new normal".

Compared with "the twelfth five-year period", during the period of the 13th Five-Year Plan ", the characteristic of the Chinese economy is the economic transformation and innovation. This means that from high speed to high speed economic growth, deepening of restructuring ongoing transfer way, all of these have a direct and profound influence on labor relations. The adjustment of economic structure impact on labor relation has both positive and negative side. during the period of the 13th Five-Year Plan ", in order to construct harmonious labor relations, we need to judge on the main economic factors first and offer the rational cause.

## 2. Employment and labor relations

2.1 The Economic Downturn Leads to Intensive Market Competition, Forced the Enterprises Attache Great Importance to Talent and Innovation. According to the supply and demand analysis from partial provinces and cities in the national talent services market, by 2015, the countries continue to be increased. to the number of unit of choose and employ persons, the number of job providing is also increasing, labor market conditions is optimistic.

**Table 1**: The overall market supply and demand situation in 2013-2015

quarter	The number	working	Job seekers	Talent
	of employers ( m )	positions ( m )	( m )	supply and demand ratio
the first quarter of 2015	17.8	347.4	684.4	1.97
the fourth quarter of 2014	15.9	269	532.4	1.98

the third quarter of 2014	18.4	319	638	2
the second quarter of 2014	19	372.5	747.6	2.01
the first quarter of 2014	19.2	409.7	818	2
the fourth quarter of 2013	17.5	358.7	712.3	1.99
the third quarter of 2013	20.6	361.2	720.6	2
the second quarter of 2013	21.6	418.4	840.3	2.01

Data sources: Chinsese human resources market network (http://www.chrm.gov.cn/Content/843/2015/8/98257.html)

According to the country's 100 city human resources market supply and demand information, it shows that in recent years, the technical level of openings ratio of the number of job were greater than 1, and the number is growing. In the fourth quarter of 2014, the ratio of senior engineer, senior technicians, technicians, engineers were 2.10, 2.0, 1.91, 1.81 [Zheng Dongliang, economic construction of a harmonious labor relations under the new normal challenges and countermeasures]. As the demand of talent in companies is increasing, half almost vacancies.

2.2 The Industry Promoting Create More Employment Opportunities and Obviously Changed the Demand Structure. At the end of 2014, above all of the national employees, employees from the first industry accounted for 29.5%; employees from the second industry accounted for 29.9%; employees from the third industry accounted for 40.6%. It is the first time that the third industry coming to more than forty percent in absorbing employees, becoming the absolutely main force. Please see table 2.

In 2011, the number of the employees from the third industry were more than the first industry, becoming the first place with 35.7%. Later, along with the economic structure adjustment, the employees from the third industry is increasing. The number of employees from the first industry declined. This shows that Chinese employment structure is adjusting from the first industry to the tertiary industry accounted for the bulk of the modern employment structure transformation. Contrasted with the high-income countries around the world, its primary industry employment proportion is around 10%, the third industry counts more than 60% of the total employment. In contrast, China's first industry employment proportion are still high, the third industry employment also has the very big development space.

**Table 2**:The percentage between industry employment in 2010-2014

Employment structure (%)	2010	2011	2012	2013	2014
Primary industry	36.7	34.8	33.6	31.4	29.5
Secondary industry	28.7	29.5	30.3	30.1	29.9
Tertiary industry	34.6	35.7	36.1	38.5	40.6

Source: Chinese statistical yearbook

From the point of Chinese employment quantity, the number is not very large, especially since the "twelfth five-year" period, the number is less than 3 million in a year on average. Investigated its reason, mainly lies on the employment in three sectors between the reconfiguration of offset the net increase of employment, the agricultural sector shrinking employment scale, makes the non-farm sector employment increase was partly offset. At present, the tertiary industry has become the main sector of employment growth, the third industry employment growth of more than 70% of the total employment growth. Please see table 3.

Table 5: The aver	lage change sc	ale of illuustry a	ma empioyment	(ten inousand)
	Total	Primary	The second	The third
	employmen	industry	industry	industry
	t	employment	employment	employment
The tenth five-year project 2001~2005	512	-520	309	723
The eleventh five-year project 2006~2010	292	-1102	815	579
The twelveth five-year project 2011~2013	291	-1253	443	1101

**Table 3:** The average change Scale of industry and employment (ten thousand)

## 3. Quotation of Materials

Economic factors, the first impact on labor relation is the economic and social policy factors: wen-guang bo [1] (2016), "forward, with the deepening of the reform of the supply side, and the employment structure and labor relationship has a larger differentiation effect."; Scholars Zheng Dongliang [2] (2015): "much starker choices-and graver consequences-in period, the characteristic of the our country economy is the economic transformation and innovation. This means that the economic growth from high speed to high speed, the deepening of restructuring ongoing transfer way, all of these have a direct and profound influence on labor relations. The adjustment of economic structure impact on labor relation has both positive and negative side."; Yao Angsheng [3] (2016), "employee allocation problem is to capacity of the most important problems of labor relations, to production enterprise is mainly state-owned enterprises, the overall stability of labor relations, but the worker disadvantaged reality, there is no substantive change. Enterprise in staff resettlement project or related problems couldn't handle, could lead to labor conflicts."; Scholar Chen jing, He Xing, Jin Shubin [4] (2015) explores the informal employment in urban migrant workers labor relations exist many characteristics, of "informal employment in urban migrant workers low occupational hierarchy, the work is not stable labor relations, labor contract signing rate is low, but a lot of momentum, the lack of skills training and career advancement opportunities, lack of exercised to ensure deterioration, loss of trade union organizations, human rights and labor standards does not reach the designated position, imperfect labor dispute processing system, labor disputes are difficult to resolve in time etc, these characteristics seriously hindered the construction of harmonious labor relations."

## 4. Summary

On the one hand, overall employment population is stable in 2015. From the urban and rural structure, urban resident population is 771.16 million, an increase of 22 million people compared with last year. Rural resident population is 603.46 million people, which decread 15.2 million people. At the end of the national employment personnel 774.51 million people, including 404.1 million people in the town of employment. [source: China statistical yearbook 2015] The generally stable employment population in 2015 was profited to the development of the third industry, service industry while investment is not much, but many are labor-intensive industry. Which make great effect to ease the employment pressure and played a good role on increasing the quantity of employment.

On the other hand, with the continuous deepening of the industry reform, the employment is flowing to the tertiary industry. In China, some extensive, low efficiency and energy-intensive enterprises need to shut down. Some jobs will be adjusted, some workers transferred twice employment problem. With the transformation and upgrading of economic structure, employment transfer, differentiation, increases the income distribution gap between different social groups, and enhance the sense of injustice of some people. With the implementation of the developing innovation drive strategy, new industry develop fast, the new formats appear quickly more diversity in the form of labor relations, labor relations adjustment will become more complex.

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