

Analysis on Public Policy of Rural Surplus Labor Transfer

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Abstract—Rural surplus labor transfer is the key to solve three “agricultural” problems. Since the founding of new China, the increase of agricultural labor productivity and too fast population increase have led to oversupply of rural labor forces. However, the barriers in the current policy restrict the rural surplus labor transfer. We should optimize the public policy of rural surplus labor transfer and accelerate reasonable and orderly configuration of rural surplus labor resources, in order to promote the building of a moderately well-off society in an all-round way.

Keywords—*rural surplus labor transfer; public policy; analysis*

I. INTRODUCTION

The key to solve three “agricultural” problems is the problem of farmers, the key of which is the problem of rural surplus labor transfer. Since the founding of new China, the increase of agricultural labor productivity and too fast population increase have led to oversupply and accelerated accumulation of rural labor resources. We should optimize public policy according to national conditions, continuously promote the rapid and effective transfer of rural surplus labor and keep social stability to build harmonious society.

II. DEFINITION OF BASIC THEORY AND NECESSITY OF RURAL SURPLUS LABOR TRANSFER

A. Definition of Rural Surplus Labor Transfer

With the increase of agricultural labor productivity and population increase in our country, if the extraction of some labor forces will not influence the total agricultural output, we call it the surplus labor. Rural surplus labor transfer is the transfer of rural labor force from rural areas to cities and towns. It shows the labor force in agricultural field transfers to the secondary and tertiary industries. Although the rural labor transfer depends on competitive interests and preferences, surplus labor may be unwilling to transfer. The labor forces that have transferred are not always surplus. We can treat it as surplus labor, because after they get jobs in cities, the resources of them in rural areas can arrange other rural labor forces. Equivalently, it transfers those labor forces left because of the limited resources.

B. Necessity of Rural Surplus Labor Transfer

Rural surplus labor transfer promotes the formation and development of modern society. The necessities of rural surplus labor transfer are as follows:

First, solve the employment problem of rural surplus labor forces and supplement labor forces for cities. The countryside of our country has small number of people and large area of lands. The labor forces cannot be used effectively and reasonably. The reform and opening up makes cities have sharply increasing demands for labor forces. Peasant worker rush relieves the long-term employment pressure in countryside of our country and supplement labor forces for city construction.

Second, meet service demands of urban residents. The service for life of urban residents has wide range and requires numerous people. The inflow of peasant-workers meets the requirements, provides cheap labor force for cities, playing an immeasurable role in urban development. According to the statistics, 60 percent of vegetables in residents of Beijing are provided by rural floating population. More than 90 percent of domestic helper is also rural floating population.

Third, promote the social and economic development of rural areas and improve the quality of farmers. Peasant-workers learn knowledge and skills in work and accept the edification of modern civilization in cities. They make efforts to let the family shake off poverty and improve the standard of living. Some peasant-workers return home with technology and capitals to make direct contributions to their hometown. Meanwhile, they bring the concept of life and life style back to the countryside, influencing the social life imperceptibly.

III. POLICIES TO PROMOTE RURAL SURPLUS LABOR TRANSFER AND ITS INFLUENCE FACTORS

A. Focus on Developing Small Towns but There Are More People and Less Land as Well as Prominent Contradictions

It proposes in Several Important Decisions Made by the Central Committee of the Communist Party of China on Agriculture and Rural Work passed on the Third Plenary Session of the 15th Central Committee of the Communist Party of China, “developing small towns is a grand strategy to drive

rural economic and social development”, in order to guide the reasonable and orderly transfer of rural surplus labor force in our country. However, the rural labor force of our country has huge quantity. The quantity of rural employees in our country had reached more than 30 percent of the total number of employees throughout the country between 2011 and 2014. The excessive supply of farmers has existed for a long time on labor market. The large population with relatively little land reduces the production efficiency of agricultural work. Plentiful rural surplus labor forces are liberated. They subsidize household through finding some temporary jobs.

B. Focus on Developing Township Enterprises, but the Cultural Quality of Farmers Is Not High

In 1997, in order to prosper rural economy and absorb rural surplus labor forces, the Township Enterprise Law was introduced, which promote the fundamental transformation of township enterprises. However, most rural surplus labor forces have low education level. According to the statistics, about fifteen percent of rural labor forces only receive primary school education and below. More than sixty percent receive junior middle school education. The proportion of them who receive senior high school education and above is not large. The educational level of rural labor forces is low. At present, peasant-workers fail to receive systematic and normal vocational training, so they have low technological level and cannot be competent on posts that have high technical requirements, which greatly influence the construction of township enterprises.

C. Rural Surplus Labor Transfer Suffers from System Barriers.

The existing household registration system and related housing, personnel, education and social security are unfavorable for peasant-works, which lead to obvious inequality of identity, education, employment, status and labor insurance between peasants and citizens and restrict the orderly and reasonable transfer of rural surplus labor forces. Peasants only have limited rights to migrate freely in the backward agricultural sector.

1) *Barrier of rural land system:* At present, the rural land system of our country is the household contract responsibility system with remuneration linked to output based on collective ownership. The separation of land usage right and ownership and the large population with relatively little land lead to the unemployment of rural labor forces. They cannot completely separate from the land to transfer to other industries. According to estimation, the farming of each labor force in our country only needs about two months on average, so they can work on “by-business” in the secondary and tertiary industries without need of transferring the contract land. Therefore, they prefer pursuing natural production and extensive management to abandoning land contract. It will inevitably influence the improvement of agricultural labor productivity and go against the thorough transfer of rural surplus labor forces to cities and towns.

2) *Barrier of social security system:* Great gap exists in social security system between city and countryside. The social security funds enjoyed by 80 percent of rural residents only accounts for eleven percent of the national security fee.^① Cities and towns have primarily established high level and complete social security system. Social pooling of old age security pension has basically come true. Social security in rural areas focuses on family security. Only endowment insurance and medical insurance carry out pilot reform. Other insurance products haven’t been established and covered. Land is still the basic living security of peasants. The coverage rates of social insurance in city and countryside are more than 90 percent and less than 2.4 percent respectively.^② The urban and rural dualistic social security system makes peasant-workers fail to enjoy social security in cities and towns. Peasant-workers still have fear of attacks from behind in transferring from rural population to urban population. Because of the absence of social security, peasant-workers cannot realize permanent migration, which delay the rural population urbanization in our country.

IV. OPTIMIZE THE PUBLIC POLICIES FOR RURAL SURPLUS LABOR TRANSFER

A. Provide System Guarantee and Create Free Environment

We should innovate in the current system to provide system guarantee for more scientific transfer and employment of rural surplus labor forces and create free employment environment.

1) *Reform the urban and rural separable household registration system and return the equal civic rights back to peasants*

The reform of household registration system solves the problem related to identity discrimination and social status of peasants and safeguards the equal rights of them. The reform of household registration system in our country has made advances. It proposes on the Third Plenary Session of the 16th Central Committee of the Communist Party of China about deepening of household registration system reform that if rural labor forces have stable occupation and residence, they can carry out household registration in the place of employment or residence, enjoy the rights of local residents and undertake obligations in accordance with law. It greatly promotes the reform of household registration system, the objective of which is that peasants are free to settle down in cities. The urban population and the rural population are divided according to place of residence. The agricultural population and the nonagricultural population are divided according to occupations. Therefore, the residence and identity of citizens can be reflected and the census register of city and countryside receives integrated management. At present, we should transform peasants who work in cities and towns for many

^① Shao Wengang: Reasons of “Reverse Distribution” of Redistribution of Resident Income and Countermeasures [N], Journal of Guangxi University of Finance and Economics, 2015, (5), page 21

^② Tang Li, Hu Hongwei: Reasons of Backward Construction of Social Security System in Rural Areas of Our Country [J], Pioneering with Science and Technology Monthly, the fourth issue in 2005, page 65-67

years with rural household registration into citizens and ensure they can enjoy the equal treatment with urban residents in employment, social security and children's education.

2) *Reform rural land system and establish sound land transfer system*

In the land contract system of our country, peasants have land usage right only in the contract period so they haven't enthusiasm in managing the land in the long run. The reasonable transfer of land and agricultural scale will be affected. Therefore, we should revise land policy and improve land transfer system according to the requirements of socialist market economy system. In this process, we should respect peasants, protect interests of them and allow the marketization flow of cultivated land, in order to promote the scale operation of cultivated land through adjusting measures to local conditions. For peasants who have contractual right of land and transfer inclination, various forms like subcontract, lease, transfer and exchange should be adopted to let other peasants or enterprises manage the land in contract period so that they have enough rolling capitals required in city life. Peasants experienced in farming and management aim at agricultural development. We should provide capital technical support for them and allow them to operate the land of other peasants as well as introduce large agricultural machinery, in order to promote the scale operation of agriculture.

3) *Construct social security system for peasant-workers and eliminate their fear of attacks from behind*

From the perspective of rural surplus labor transfer, bringing peasant-workers in urban social security system should base on local conditions and classify properly, in order to eliminate the fear of attacks from behind and drive the rural surplus labor transfer.

a) *Establish employment injury insurance:* Establish work injury insurance fund and carry out social pooling. Enterprises must strictly participate in employment injury insurance according to Regulations on Worker's Compensation Insurance and pay industrial injury insurance premium for peasant-workers on time. Peasant-workers have the right to supervise whether enterprises fulfill the obligation for them. The implementation of multiple policies ensures peasant-workers to get corresponding compensation when occupational injury accidents happen.

Construct system of medical care insurance for peasant-workers. Some peasant-workers have lived in cities for many years and have stable job and fixed income. We can allow them to participate in local basic medical insurance for employees. Some peasant-workers have strong mobility, unstable job and unfixed income, so they can choose the following three schemes: First, establish flexible mutual aid medical insurance. Under the support and guidance of local governments, peasant-workers can pay the fees. A series of standard and flexible payment forms can be formulated to form personal exclusive account. The fund formed can solve the problem of comprehensive arrangement for serious disease of peasant-workers. The standard of enjoying medical security is determined according to the service time and contributions to society of peasant-workers. Second, solve the problem through commercial insurance under the guidance of the government.

Third, develop social redemptive enterprise and help peasant-workers to solve difficulties in medical treatment through ways like public collection.

b) *Establish unemployment insurance system for peasant-workers:* We should consider comprehensively and implement multiple but not uniform policies. Qualified peasant-workers can enjoy urban unemployment insurance system. The government should timely help unemployed peasant-workers without security to pull through such as public labor, and provide temporal unemployment salvation for them. Besides, the government can provide capitals and technical support and train the unemployed young and strong peasant-workers to make them have better development prospect after reemployment.

c) *Establish retirement pension system for peasant-workers:* First, timely bring urbanized peasant-workers in urban social retirement insurance system; second, design more flexible scheme to protect the rights of peasant-workers who have unstable occupation with large mobility. Different levels of payment rate are provided for them to choose. The insurance expenses paid by the employment unit base on the payment rate chosen by peasant-workers.

The establishment and improvement of the social security system with city and countryside integration in rural areas maintain the vital interests of peasant-workers and embody the people-oriented principle. Meanwhile, it reduces the burden on farmers when realizing the stable labor force transfer, solves the fear of attacks from behind of them and prevents the blind inflow of rural labor forces.

B. *Strengthen Education and Training to Improve the Employability of Peasant-Workers*

First, we should value basic education in rural areas, intensify the input in it and make nine-year compulsory education universal to guarantee children of school age to start school in the long run, in order to strengthen their cultural and moral accomplishments and lay solid foundations for employment in the future. Intensify the input in rural education and reduce the cost of receiving education and assert the rights of rural children to receive high quality education like other children in cities.

Second, energetically develop the training of practical agricultural technology. In order to increase the contents of agricultural science and technology as well as production efficiency and the income of farmers, the training contents should improve the quality and skills of peasants, in order to promote the efficient and productive transfer of rural labor forces.

Finally, strengthen the vocational and technical education for less-educated rural surplus labor forces to help most of them grasp some vocational skills. Encourage vocational schools to guide rural labor forces and make them have professional skills and more competitive in employment in cities.

C. Improve the Ability to Absorb Labor Forces through Multiple Channels and Adjusting Measures to Local Conditions

The central authorities propose we should insist the harmonious development of small, medium and large cities and small towns according to differences in regional development. We should improve the ability to absorb rural surplus labor forces through multiple channels.

1) Expand the space of countryside to absorb labor forces

Non-agricultural industries in rural areas are important parts in rural economy and have provided countless operating posts since the reform and opening up, forming the economic pattern including industry, construction industry, transportation industry, business and food services. It fundamentally changes the employment structure in the countryside, optimizes industrial structure and effectively transfers rural surplus labor forces. We must value the development of non-agricultural industries in rural areas, develop agricultural modernization and expand the employment space in this field.

Besides, township enterprises play an immeasurable role in absorbing rural surplus labor forces and contribute to rural industrialization and urbanization as well as promote the development of tertiary industry in rural areas. So far, rural surplus labor forces of our country have got jobs successfully in township enterprises. We should vigorously develop labor intensive township enterprises that conform to characteristics of rural areas and absorb rural surplus labor forces, in order to accelerate the reasonable and orderly allocation of rural surplus labor forces.

2) Expand the space of cities to absorb labor forces

We should vigorously develop urban industrial manufacturing industry and tertiary industry. The history of world economic development indicates the strength of industrial manufacturing industry determines the comprehensive national strength and economic development level of a country. The tertiary industry will absorb more labor forces. According to physical truth of economic development and rural surplus labor transfer, it is necessary to develop urban industrial manufacturing industry, further expand aggregate employment and improve the technological level of industrial manufacturing industry. At the meantime, increase the number of jobs available in the emerging industrial manufacturing industry and consolidate the place of employment posts in it to support economic aggregate in our country.

V. CONCLUSION

Realistic comprehensive factors determine the rural surplus labor transfer in our country is long lasting and arduous. We should optimize public policy, formulate scientific and reasonable policies and supporting measures of rural surplus labor transfer and explore new paths as well as accelerate the reasonable and orderly configuration of rural surplus labor resources, in order to build a harmonious and moderately prosperous society in all aspects.

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