

## Research and Analysis of the Transfer of Rural Surplus Labor Situation in Shaodong, Hunan

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### Abstract

This paper takes Shaodong in Hunan province as an example, utilizing documentation researching method, quantitative and qualitative models, data analysis and various other methods, aims at analyzing existing problems on rural surplus labor transfer, such as the supply of labor force exceeding the demand, low-level labor forces, single transferring model. Based on this, six concrete countermeasures are put forward to, such as Accelerated urbanization, rural industrialization, job training, administration of the Labor Market and innovation of Household Registration.

**Keywords:** Rural Labor, Surplus Labor Force, Labor Transfer

### 1. Introduction

To solve the surplus labor force in rural areas is an overall and fundamental problem in the future work will exist for a long time. This is an arduous task of China's social and economic development. Large population, less arable land, low industrialization level, dual economic structure, the conflict between huge population and limited land, excessive labor supply, the huge surplus labor, the basic characteristics of Hunan Shaodong. How to expedite the rural surplus labor reasonable the transfer of the sequence, not only related the development of rural economy and the enhance the competitiveness of agricultural economy, but also affects the sustainability and stability of urban economy in the urbanization process. This is also the key to the fundamental solution to China's "Three Rural Issues"

The so-called surplus labor in rural areas, in a certain period of time, a certain area, a certain level of production and technical conditions, part of the rural labor supply exceeds labor demand.

Theoretically, the rural surplus labor force have the following characteristics: First, agricultural surplus labor is the main body of the rural surplus labor force. Second, agricultural surplus labor is characterized by farming surplus labor. Third, from the relationship of labor and agricultural production, in regard to the relationship between input and output, rural surplus labor force in the performance of to add

agricultural labor marginal productivity of labor is zero, even though separate this part of the labor force from agriculture, it will not affect the development of agriculture.

### 2. The Present Status of Rural Surplus Labor Transfer in Shaodong

Shaodong is a hilly County located in the central Hunan province. The bottleneck restricting economic development here is that too many people with few land, as well as a lack of water sources which resulting in poor natural conditions for agricultural development. Therefore, after the Third Plenary Session of the Eleventh Central Committee the pioneers of Shaodong people began to break free of the shackles of the land, the rural labor force began to be transferred to the business, after 30 years of development, Shaodong people from trafficking to business. The government has implemented "develop business to build country", "taken private economy as the subject". Commerce is always the center of the economical development in Shaodong, commerce promote industry and then work reversely. Similarly, it is also the highlighted characteristic on the transfer of the surplus labor force.

### **2.1 Go out of Business Households Accounted for Large Percentage of Rural Household Registration**

The second Agricultural census in 2006 showed that the population in Shaodong was 1027650 people in 276280 households; the whole family go out to is 283673 people in 79235 households, of which the number of households of the total number of households 29%, accounting for 28%. This means that in the rural areas of Shaodong, about every three have a family to go out. Most of them are away for more than 6 months, which go out to the county accounted for the whole family to go out tenants 75% to other provinces accounted for 50.78%. Out of the population for jobs 90% were doing business instead of doing work for others. There is a vivid description of such kind of phenomena: where there is a market, there will have people from Shaodong. It possess "No.1" in many aspects though out the whole country, Shaodong people doing business in the field, go out to the wide range, meals business large proportion of the population of the rural surplus labor, can be said that the country is second to none.

### **2.2 Most Migrant Workers more Engaged in Lower-Level Business Services Industry**

Agricultural census summary table shows, except family go out nearly 300,000 migrant workers in the county census area business people there are 148,270 people, which go out to practitioners within three months of 4368, the practitioners time 4-6 months 15928, 19719 practitioners time 7-9 months, the practitioners time 10 months, more than 108,255 people. Migrant workers engaged in primary industry, there are 3987 people engaged in secondary industry there are 56,135 people, 88,148 people engaged in the tertiary industry.

The data show that the majority in the trades, wholesale and retail trade, 987 people are engaged in Agriculture Forestry Animal Husbandry and fishery industry, 1307 people are engaged in mining industry, 31320 people are engaged in manufacturing industry, 22412 people are engaged in construction industry, 4610 people are engaged in transportation industries and Storage industry, 33396 people are engaged in retail sales and wholesale industry, 2841 people are engaged in hotel and restaurant industry, 47301 people are engaged in service industry and other industry. In the proportion of major industry: the manufacturing sector accounted for 21%, the construction industry accounted for 15%, wholesale and retail trade

and service industries, and other 55%.

In recent years, the surplus rural labor employment space is increasingly narrow main reasons: First, due to technological advances in agricultural and higher mechanization level of agricultural, the relative reduction in the demand for rural labor. Second, due to township enterprises by labor and resource-intensive to technology changes in capital-intensive, the requirements of a higher level of quality and skills of the labor force, thereby increasing the difficulty of the rural surplus labor force. Third, the city itself huge employment pressure restricting rural surplus labor migrant. Fourth, in recent years changes in the economic situation at home and abroad, a serious blow to our large number of labor-intensive export enterprises, resulting in a large number of unemployed migrant workers return home, increasing employment pressure.

### **2.3 The Imbalance Age Structure of the Transfer of Rural Surplus Labor**

According to the data manifestation, people less than 20 years old account for 46.5 percent, people aged between 21 and 30 years old account for 36 percent, people aged between 31 and 40 years old account for 32 percent, 6 percent of people are over the age of 50. Middle-aged is the main body of the transfer of rural surplus labor, and fewer older rural surplus labor transfer pathways. This situation makes the presence in the population presents the phenomenon of aging in rural areas, affecting the development of rural areas.

## **3. The Rural surplus Labor Transfer Issues in Shaodong**

Shaodong has a large number of rural surplus labor forces, which is the main factors restraining Shaodong's economic development by leaps and bounds. Shaodong rural rich labor resources to optimize the allocation to achieve the effective transfer of labor to urban enterprises, the tertiary industry and other non-agricultural industries. It has realistic significance to rural economic growth and farmers' income. Meanwhile, the transfer mode and scale of rural surplus labor has been changed, irrational allocation of rural labor and surplus labor transfer problems, and hinder the development of the Shaodong rural economy.

### **3.1 The Supply of Labor has Greatly Exceeds that of Jobs, Difficult to Solve in the Short Term**

Shandong development has been faced with fewer people and more contradictions, combined with the recent years, the full implementation of the "Grain for Green" project and counties and small towns, farmland is a large number of requisition, generate more surplus labor in rural areas. Especially the rural middle-aged serious surplus labor transfer difficult. With the restructuring of rural economy and the upgrading of rural industrialization, production rate is greatly increased. Although the demand for agricultural labor drastically declined, the newly added labor is still growing, rising from 950000 people in 2001 to 1.06 million people in 2011. As a result, the supply of rural labor far exceeds the demand. The employment pressure on surplus rural labor will exist for a long time to come.

### **3.2 Over a Single Transfer Mode**

The major way of rural labor transfer is "doing business". Strong business environment, prompting many rural surplus labor first idea is to do business, and want to escape from the "farm gate" to make a living or entrepreneurs often blindly into the commercial arena, and this transfer mode completely spontaneously formed by labor lack of correct guidance of the government. "Where there are opportunities, making money, Shandong journeyed where drilling" caused by the notion that the Shandong the increasingly fierce competitive business environment, market disorder, which led to the entrepreneurs, especially new entrepreneurs, business difficult, resulting in a large number of waste of human and material resources

### **3.3 The Quality of Labor Culture and Labor Skill is Low**

According to the Agricultural Census data show that the Shandong Migration culture level of education focused on the level of junior middle school education, accounting for 72.6% of the absentee, illiteracy accounted for four thousandths, accounting for 11.6% of primary school education, high school education accounted for 13.9%, college or higher education for 1.4%.

The overall quality of the rural labor force is not high, but the requirement of practitioners is getting higher, so the overall quality of transfer labor faces is on the low side. The old ideas of the rural surplus labor force such as "it is easy to satisfies the small rich" in commercial areas, the

lack of bigger and stronger ambition and boldness, and some fear the tree attracts the wind, that the rafters to climb first rotten" did not dare to do big and strong. There is the lack of awareness of modern enterprise management, management is not in place, the economic benefit is low, it is difficult to grow and develop. Obviously, this situation is highly incompatible with the requirement of labor quality in modern market economy.

### **3.4 Local Government Policy Systems Unsound**

Facing with the great challenge of transfer of rural surplus labor, Shandong government have formulated a set of relevant policies and complementing plans and make some contribution. Overall, however, consider urban economic construction, fewer policies to encourage and support the transfer of rural surplus labor force employment, and the lack of appropriate systems and supporting measures, mainly in: the city of the surplus labor from rural can not get social insurance to health care, pension, unemployment and urban people, their wages and benefits, work-related injuries, and other legitimate rights and interests are not strong guarantee, present a series of employment system, the household registration system by the dual social structure of the traditional urban-rural divided the effects, leading to a series of problems facing rural surplus labor housing, schooling of children, thus restricting the rational and orderly flow of rural surplus labor and full employment.

### **3.5 Labor Market Nonstandard**

Shandong majority of rural economic development is extremely backward, inadequate transportation and communications facilities, rural town process lag rudiment of the labor market, the demand for labor units and seek career migrant workers disjointed, farmers can not take advantage of the perfect market to achieve a reasonable output externally employment. Low degree of labor-market regulations, the service can not keep up, the labor market spontaneous transactions, non-standard behavior, the employer and the migrant workers rights and obligations is not clear, bringing the number of labor disputes hidden, to increase the difficulty of risk and transfer of surplus rural labor employment outside the home.

## **4. Countermeasures for Promoting the Transfer of Rural Surplus Labor**

### **4.1 Accelerate the Development of Agricultural Industrialization is the Best Way of Rural Labor Transferring**

To begin with, we should adjust the rural production structure and transform the production mode. It is the transfer of employment which under this precondition. Transfer of labor from agricultural production areas to other areas of production, the natural and orderly flow driven by the industrialization of agriculture and the initiator of labor, labor transfer from traditional agriculture to modern agriculture, is transferred to the industrial management of decentralized management. This shift should be market-oriented, science and technology as a means of leading enterprises in rural areas rely contract as a link, based on local resources, play the regional advantages to the local basic industries, pillar industries, leading industry orderly to enter the workforce, which kinds of transfer can be to quit farming and not to leave their homes, can also leave their homes not to quit farming. The best way for the transfer of rural labor should be transferred to the city at the same time, vigorously develop the industrialization of agriculture, the implementation of the urban and rural areas, efforts to achieve integration of urban and rural construction, to provide more employment opportunities for the rural surplus labor force.

### **4.2 Governments should Intensify the Training of Rural Surplus Labor Force, Improve Workforce Skills Training**

Low cultural quality of rural surplus labor force is an important factor in restricting the quantity and quality of the transfer. With the development of market economy and the shift of economic growth pattern, the requirement for the quality of labor is getting higher. So the governments at all levels must attach great importance to and take measures to improve the scientific and cultural qualities of the rural surplus labor, and to enhance their employability. Strengthening of rural surplus labor force in the working age employment training and guidance to provide employment for the rural surplus labor services platform to promote their employment. Therefore, as a local government, on the one hand, to strengthen the rural surplus labor force of rural surplus labor force employment training and guidance, do a good job of vocational and

technical education, improve their employment skills; the other hand, to develop more employment incentives for provide small loans, social insurance subsidies to encourage all kinds of enterprises, institutions and communities to absorb surplus rural labor force, as well as to encourage rural surplus labor force in self-employment and start their own businesses.

### **4.3 Reasonable to Adjust the Industrial Structure in Rural Areas, to Broaden the Channels of Employment of Rural Surplus Labor Force**

Governments at all levels should further improve the preferential policies of the township enterprises, vigorously support the development of township enterprises propel institutional innovation; absorb the rural surplus work force to the maximize. Accelerate the development of restaurant industry, entertainment industry, tourism industry and other traditional industries so as to expand employment channels.

The principal problem is the irrational industrial structure, usually accompanied by lower profits and fewer jobs, restricting the reasonable and orderly transfer of rural surplus labor. Therefore, great efforts to adjust and optimize the industrial structure in rural areas is a fundamental measure to solve the problem of surplus labor in rural areas. One hand, should be based on local agricultural resources, and vigorously promote the industrialization of agriculture, agriculture in multi-level, multi-link, multi-form and a diversified portfolio, production, processing and distribution and other aspects linked to the implementation of the production, supply and Agricultural Integration to increase the employment of rural surplus labor force in the first intra-industry. On the other hand, we should vigorously develop township enterprises and rural services, increase rural surplus labor force in the tertiary industry employment.

### **4.4 Strengthen Government Regulation; Improve the Labor Market Supervision and Regulation System**

Improve market supervision and regulation system, and earnestly safeguard the interests of migrant farmers. Further strengthen and standardize the management of the labor market, in the recruitment, payroll, rights protection and other aspects of the implementation of a unified labor and employment management system, clean up and eliminate unreasonable restrictions and arbitrary charges of migrant farmers simplifying the rural labor force across regional employment and migrant workers in a variety of

procedures, and changing the heavy charges, light service practice. Publicity efforts, and enhance the awareness of migrant workers insured, rights awareness, and effectively protect its rights and interests to participate in and enjoy the social insurance.

#### **4.5 Strengthening the Social Security System in Rural Areas**

To further establish and improve the system of rural surplus labor force to market organization, regulation and safeguard the rights of employment laws and regulations system for promoting. Gradually improve laws and regulations to protect the rights and interests of migrant workers in the old-age security, children's education, production safety, medical insurance, wages. Farmers and urban residents have equal national treatment, to promote the transfer of rural surplus labor freedom.

### **5. Conclusion**

Rural surplus labor force in rural areas of the large number of stranded, not only restricted the fundamental improvement of labor productivity, the improvement of farmers' income is also restricted to a certain extent, a reasonable and orderly transfer of rural surplus labor force, related to the sustained and healthy development of the national economy. Along with the major achievements of China's reform and opening up, more and more rural surplus labor from traditional agricultural sector to the modern industrial sector, make an important contribution to China's economic growth.

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