

Analysis of the Influence Factors and Countermeasures on the Unemployment of Migrant Workers in China

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Abstract. The migrant workers issue is related to the national socio-economic development. In recent years, the Central Committee of the Communist Party of China and the State Council have attached great importance to the issue of migrant workers and formulated a series of policy measures to protect their rights and improve their employment environment. Meanwhile, various regions and departments have done a lot of work and achieved significant results, however, the large-scale unemployment is still very prominent. Based on analysis of existing literature and data from the 2022 Monitoring and Investigation Report on China's Migrant Workers released by the National Bureau of Statistics, this study explored the relevant factor lead to the unemployment issues and effective countermeasures to solve the outstanding problems. The results shows that the main reason are continuous reduction in employment demand, intensification of the job competition, limited skills and educational level of migrant workers and limited physical strength as they age, which can be solved by improving vocational and technical training system, optimizing the human resource market and other relevant policies. The findings have implications for the Chinese government's formulation of promotion mechanism for more comprehensive and high-quality employment for rural migrant workers.

Keywords: Rural migrant workers; Unemployment; Policy recommendations.

1. Introduction

Migrant workers are an important employment group in China. They are dispersed across various industrial sectors of the national economy, representing over half of the workforce in the processing and manufacturing industry, construction industry, coal mining industry, as well as housekeeping, environmental sanitation, catering and other service industries, which play an indispensable role in prompting the development of China's economy and society. Doing well in managing and serving the employment of migrant workers is not only crucial for stabilizing the overall employment situation, promoting the sustained, swift, and sound advancement of the national economy, but also of great significance for promoting farmers' income growth and achieving common prosperity. Despite the current party and country seriously quiet, expanding investment, in various ways, but the effect not just as one wishes, the problem of large-scale unemployment among migrant workers still exists [1].

The existing research has already proved that the essence of the phenomenon of the unemployment are structural contradictions of rural labor supply and demand. More narrowly, the employment of migrant workers faces a dual structural imbalance in terms of quantity and skills currently. Firstly, the labor market segmentation caused by institutional factors has triggered an inequality between the supply and demand of migrant workers' labor force [2]. The rapid development of high-tech industries has changed the traditional model of production and growth. Under its influences and the expansion of urban population size and the increase in industrial agglomeration degree, the demand for highly skilled labor is constantly increasing [3]. Furthermore, differences in the industrial transfer structure of enterprises can also lead to supply and demand issues. Over recent years, the employment of migrant workers is gradually transitioning from physical fitness to service oriented because of industrial transformation [4]. For example, the demand for labor in manufacturing is decreasing [5]. On top of that, there are significant structural differences within the migrant worker population [6], and there are marked differences within generation of migrant workers that the new generation with higher educational attainment and technical skills is gradually replacing the older generation [7]. Due

to limited education and training, the older generation of migrant workers cannot meet their technical needs [8].

To effectively address the matter of unemployment among migrant workers, it is necessary to ensure labor rights and interests [9], especially their payment. In detail, establishing a sound social security system would be effective including restructuring the insurance system [10, 11], establishing a system of unemployment assistance for migrant workers [12], establishing a nationwide specialized unemployment insurance for migrant workers [13], and etc [14, 15].

On solutions, most previous research has focused on improving unemployment insurance to address unemployment issues, which means ensuring the living standards of migrant workers after unemployment. Nevertheless, more attention should be paid to completely change the phenomenon of unemployment. That's what the key to improving the people's livelihood and increasing happiness index.

The rest of the paper is as follows. The analysis of the influence factors is introduced in Section 2. Section 3 shows the countermeasures and suggestions. The final section presents the Conclusions and limitations of this study.

2. Influence Factors on the Unemployment of Migrant Workers in China

2.1. Continuous Reduction in Employment Demand

First and foremost, the principal reason for large-scale unemployment of migrant workers is the continuous reduction in employment demand, which is composed of the progress of advanced productive forces and enhancement of production level, the industrial restructuring and the recession of the real estate.

2.1.1 The Progress of Advanced Productive Forces and Enhancement of Production Level

First, the development of productive forces and improvement of production level led to unemployment of migrant workers. As technology advances, productivity level rises ceaselessly, super-speedy development of social economy meets incessantly the human's material demands. Along with the rising of domestic productive forces and the production level, automation and mechanization will sharply erode the number of jobs any industries require. For instance, with the rapid development of the logistics industry, automated warehouse technology is increasingly mature, and the applications of stacker are increasing popularity. They greatly reduce the labor intensity, improve labor productivity and reduce manpower needs simultaneously. Not only that, but considerable efforts have also been made to enhance the construction of modern agriculture infrastructure, including agricultural machinery, high-yield farmland and water conservancy facilities, boost agricultural technological innovation capabilities and accelerate application and promotion [16], hence many people have to leave the land to find work in towns and cities because of mechanized farming. Furthermore, since the development of agriculture productivity and rural growth, the total rural labor oversupply. In manufacturing industry, such as textile machinery industry, machine-tool industry, transport equipment industry and motor industry, the demand for manual workers is constantly decreasing by machine production. All the above means that the employment opportunities for migrant workers are decreasing.

2.1.2 The Industrial Restructuring

Secondly, the industrial restructuring led to unemployment of migrant workers to a certain degree. In the economic globalization, the economic structure of various countries is in a stage of rapid change. In order to achieve significant breakthroughs in economic development and enhance competitiveness, China encourages enterprises to effectively adjust their industrial structure through investment, achieve a transformation from low-end manufacturing to more developed industries, and achieve structural optimization, industrial upgrading, technological innovation, and rapid increase in total development volume. The transformation and upgrading require new technical support, as well as

high-quality individuals such as scientists, mechanics, electrical engineers, and programmers with professional qualifications. As a result, enterprises will dismiss a great many of migrant workers to reduce their expenses for hiring. Meanwhile, the Covid-19 pandemic directly accelerated the adjustment of industrial structure. Affected by the pandemic, a huge number of traditional labor-intensive industry, consumer services, small and micro enterprises and individual businesses have closed down and shrunk. This has also led to a large number of migrant workers facing unemployment crisis.

2.1.3 The Recession of the Real Estate

On top of that, the recession of the real estate led to unemployment of migrant workers as well. Real estate is one of the pillar industries of national economic growth, contributing significantly to China's economy. Since the reform and opening up, Chinese real estate was booming. In recent years, the rapid progression of the real estate has contributed tremendous strength to the national economy [17]. As a leading industry in traditional industries, it also provides a large amount of job vacancy. However, due to the difficulties in financing and heavy debts, coupled with a decline in population and urbanization development speed, China's real estate industry is on the wane. It has brought huge impacts to industries such as building materials, construction, decoration, property management, where majority migrant workers engaged in. According to 2022 Migrant Workers Monitoring Survey Report published by the National Bureau of Statistics [18], while the total number of migrant workers increased by 3.11 million, the number of workers engaged in the construction industry decreased by 3.25 million, a year-on-year decrease of 1.3%, which is the supreme decrease for the past five or so years and the largest decline among the six main employment industries of migrant workers.

2.2. The Intensification of Job Competition

Under the influence of urbanization, there is an increasing number of farmers decide to leave the land and move on to better job opportunity. Firstly, income from agriculture is essential part of farmers' income, however, agricultural income grew slowly, while prices continued to rise, numerous farmers left the land to support their families. On top of that, the emergence of a large number of landless farmers by the land expropriation, they have to go to cities to find jobs, and the labor force of labor-intensive enterprises is basically saturated, resulting in fierce competition for employment among migrant workers.

Inter-generational replacement is also an important aspect. As time goes by, migrant workers groups separate into two groups, the first-generation migrants and the second-generation migrants. It leads to the young labor force gradually seizing the elderly labor market, resulting in the increasingly fierce employment competition pressure of middle-aged and elderly migrant workers. No matter in which industry, employers tend to employ young workers under the conditions of similar education background, the same salary level and the same type of work. Therefore, a large number of elderly migrant workers suffer from unemployment crisis.

The impact of cheaper labor should also be taken into account. From the perspective of labor export destinations, except for the decline in migrant workers of the Northeast region, all three other regions have seen an increase. Among them, the population of rural migrant workers in the eastern region is 104.03 million, increased 1.21 million or 1.2% compared to the last year; The quantity of people in the middle region is 98.52 million, an increase of 1.26 million or 1.3%; The western region has 83.51 million migrant workers, an increase of 1.03 million or 1.2% compared to the previous year. At the same time, due to the differences in economic levels among provinces, the labor import province has higher living standards and average wages because of its geographical location and policy advantages. In contrast, migrant workers from the labor export provinces have lower prices and less requirements for environment and working conditions and it can help enterprises save more costs. Under the trend of a significant increase in labor output, massive cheaper workers undermine the stability of the local labor market, making the job-hunting competition of migrant workers fiercer.

2.3. Limited Skills and Education Level of Migrant Workers

The literacy level of migrant workers is mainly concentrated in high school and vocational colleges, with the majority working in sectors like construction, manufacturing and service sectors. Due to the relatively low level of skill required in these industries, the minimum level of education and skill is sufficient for employment. Additionally, because of the large workload and extended working hours, migrant workers do not have enough time and energy to acquire new skills and elevate their educational qualifications. However, with the continuous progress of technology and the continuous development of global informatization, there is an increasing need for workers in various industries to master new technologies and possess certain learning capability.

2.4. The Physical Strength of Migrant Workers is Limited as They Age

From 2016 to 2022, over the past six years, the mean age of rural migrant workers has been increasing every year, and the ratio of migrant workers aged 50 and above has also been continuously increasing. In 2017, the proportion of migrant workers aged 50 and above was 21.3%, while in 2018, 2019, 2020, and 2021, the proportion was 22.4%, 24.6%, 26.4%, and 27.3%, respectively. Migrant workers aged 50 and above reaches 29.2% in 2022, and the average age is 42.3 years old [18]. The foundation of industry is weak, techniques of production is laggard, and the inadequate safeguard of sanitation, so the risk factors of industrial disease exist universally in China, such as the pneumoconiosis of miners and emphysema of glass blowers. Older age, injuries and illnesses caused by long-term physical labor, occasional illnesses, all of the above make older migrant workers have no idea but to give up their previous jobs. Basis on 2022 Migrant Workers Monitoring Survey Report released by the National Bureau of Statistics, by sectors, 99.5% of migrant workers involved in the secondary and tertiary industries. Among them, 51.7% participated in the third industry and 47.8% are of the secondary industry. From the perspective of the six main employment industries of migrant workers, the proportion working in manufacturing industry is 27.4%, the proportion in the construction industry is 17.7%, and there are 12.5% in the wholesale and retail sectors, 6.8% in the transportation, warehousing and postal industry, 6.1% in the accommodation and catering industry, 11.9% in the resident service repair and other service industries. These industries have great demands on the physical strength of migrant workers, which will lead to large-scale migrant workers being forced to lose their jobs due to injuries and physical decline.

Even if migrant workers adhere to their original job positions, China has stricter requirements and standards for the age and physical condition of employed migrant workers. The Interim Measures of the State Council on workers' retirement and resignation put forward that worker in institutions, party, enterprises, mass organizations and government organs owned by the whole people who meet one of the following conditions should retire [19]. 1) Males over the age of 60 and females reaching 50, with a seniority of ten years of continuous service. 2) Engaged in high altitude, underground, high temperature, particularly heavy physical labor or other work harmful to health, with males of 55 years of age or females of 45 years of age and a continuous service of 10 years or more. The power and procedures to punish the enterprises violating in violation of this law shall be respectively specified by the State Administration for Market Regulation and the administrations for Market Regulation of various provinces, autonomous regions and municipalities directly under the central government. Since China began to vigorously promote the implementation of this policy this year, all parts of the country began to respond positively, and all kinds of enterprises implemented the removal of over aged migrant workers in accordance with the law. Consequently, even if the physical conditions permit, massive migrant workers have to leave their jobs because of over age.

3. Countermeasures for Unemployment of Migrant Workers

3.1. Improve Vocational and Technical Training System

The fundamental measure to solve the coexistence of "difficult recruitment" for enterprises and "difficult employment" for migrant workers is to improve their professional skills and qualities. The most essential step is building socialism with Chinese characteristics, vocational and technical training system.

Firstly, more attention shall be given to job skill training for migrant workers and establish and improve a sound job training system in rural areas progressively. The writer suggest government to plan as a whole from policy, capital, education resources and place etc. Then the government should promote the normalization of cooperation and exchange between the relevant departments, and assign specific work tasks to them, such as training planning, analysis, system design, platform construction, resource development, training implementation and evaluation. During the implementation phase of the training, the government need to conduct agricultural research tailored to local conditions to understand the training needs of farmers, supplement training types. For instance, related departments could add more emerging industry technology skills such as tourism management and E-commerce training in vocational and technical training, put more emphasis on legal knowledge in basic qualities training. Furthermore, training organizations can design training courses of different scales and difficulty based on the needs of different majors, in order to solve the problem of weak teaching resources. The next step is innovated and adapt diverse training methods, the researcher suggests the government vigorously promote the farmer field school model to organically combine theoretical learning and practical operation. And relevant departments should make full use of the digital network training platform, explore the network training mode of "Internet plus training", and make the skills demonstration into videos to push on the network platform.

Secondly, enterprises' staff training shall pay more attention to training opportunities for migrant workers. The writer supports the government policy of appropriate fiscal deregulation, provide more sufficient funds and venues to encourage enterprises to regularly carry out staff training. Meanwhile, the government should continuously promote the substitution of work for training [20], refine subsidy standards and increase subsidy intensity to warmly encourage enterprises to utilize their own premises and production equipment, allowing employees to receive production skill training while working.

3.2. Optimize the Human Resource Market

In an effort to create a safer and more effective job market for the vast quantity of migrant workers, the researcher supports the government to rectify the order of human resources market and strengthen the construction of the short-term employment market [21]. The government should centralize rectification of illegal and irregular behaviors, such as publishing discriminatory recruitment information to inflate or manipulate human resource market prices, inducing workers to engage in pyramid schemes and forced labor etc [22]. Significantly, the government should further open up channels for reporting and complaints and ensure the convenience and timely protection of the rights of workers. Besides, relevant departments should promptly disclose illegal and irregular platforms and enterprises to the public in accordance with regulations to avoid more human and financial losses. Moreover, the writer suggests the government to focus on supporting industries with large employment capacity to avoid unemployment and to minimize job-cuts [23]. Additionally, it is necessary for the government to strengthen the discovery and cultivation of labor service brands [24]. While creating a labor service logo with distinct regional characteristics, excellent skills, good user registration, strong management, and honest operation, it can release more employment opportunities and fully mobilize unused labor force as well [25].

4. Conclusion

This study explored the influence factor of unemployment of migrant workers using data from 2022 Migrant Workers Monitoring Survey Report released by the National Bureau of Statistics. Using theoretical analysis, the researcher has attempted to propose feasible solutions to alleviate unemployment. The writer found that continuous reduction in employment demand, the intensification of job competitions, limited skills and education level of migrant workers are the main reasons of the large-scale unemployment. To combat the problem, it is imperative for the government to improve vocational and technical training system, as well as optimize the human resource market for migrant workers.

The study has some imitations. Firstly, in analyzing the influence factor of unemployment of China migrant workers, the study used official data of the National Bureau of Statistics instead of detailed surveys and personal interviews, so that it may ignore some issues in depth. For example, from the perspective of rural migrant workers, the main difficulty they face may be different from the results drawn from the statistical data. And these deviations would probably lead to the shift of the focus in the work to solve the unemployment. Secondly, by theoretical analysis, though the researchers arranged the thought of unemployment and migrant workers systematically and made theory support for the research, they have to admit that quantitative methods would be more helpful to discuss the effect of influence factors on the heterogeneity of migrant workers' unemployment and figure out the prime contributing factor. Besides, it's necessary for researchers to collect more information on the policy formulated by the government and utilize more proper model to obtain the most efficient way for the policy implementation.

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