The Empirical Study on the Labor Export of Three Gorges Reservoir Area in China

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Abstract

There are many labor surplus force in the three gorges reservoir area, export of labor services is one way to tackle the problem of employment of the surplus-labor and increase farmers income, export of labor is also a effective way to solve three rural issues. This paper analyzes the need for the development of service economy, study the problems of export of labor services, at last the author give some suggestion to develop labor economy.

1. Introduction

The construction of Three Gorges project increased the density of the population, intensifies the conflict between man and land and aggravates the damage to ecological environment in the Three Gorges Reservoir area, the key problem to solving the coordinating development between man and nature lies in how to reduce land resource bearing capacity. What’s else, the Three Gorges Reservoir area is characterized by backward economy, serious industry hollow, weak capacity to abstract employment and the higher unemployment rate than national average level. Since Three Gorges Reservoir area suffers from huge amount of surplus labors, serious conflict between man and land and heavy employment pressure, labor export is an effective approach to solving the problem of the employment of rural surplus labors, improving peasants’ income and solving the issues concerning farmers, rural areas and agriculture. Proceeding from the necessity of developing labor economy in the Three Gorges Reservoir area, this paper will analyze the problems in its rural labor force, and then propose the countermeasures and suggestions in boosting labor economy.
2. Status of labor economy in the Three Gorges Reservoir area

2.1 Labor economy has made certain achievement

After several years’ development, the labor economy in the Three Gorges Reservoir area has been expanding gradually. In 2005, there are over 3 million export labors in this region bring a gross income of as many as 11.8 billion yuan, the income brought by the export labors has become a main source of local farmers’ income growth, and so does labor economy become the greatest resource-based industry in this area.

Let’s take the poverty-stricken Yunyang County in the hinterland of the Three Gorges Reservoir area for example, during January to September 2007, 32 000 more labor forces are transferred in Yunyang, up 10.6% over the same period of last year, with an income of 1.08 billion yuan, demonstrating a 13% year-on-year increase, the per capita labor income of the farmers is 955 yuan, increasing by 13% as compared with the same period last year. According to incomplete statistics, Yunyang County owns 1.3 million agricultural population with the richest labor resources in the Reservoir area, currently a total of 0.32 million rural labors has already been transferred with a total labor income of 1.4 billion yuan, accounting for 29% of the GDP of Yunyang County and 52% of per capita net income of farmers. In 2008, the number of the transferred labors in Yunyang County has reached 301 300, among which 29 300 are newly added, realizing a net labor income of 1.35 billion yuan. The labor economy in the Reservoir area has been continuously expanding and boosting, showing a good momentum of development, it has become the most important approach to improving the peasants’ income and getting the rural surplus labors employed.

2.2 Densely populated, fragile ecology and lots of rural surplus labors needs to be transferred

The Three Gorges Reservoir area covers 19 counties and cities in Chongqing and Hubei with a population of 19 664 400, of which 14 610 600 are agricultural population, 9 597 700 rural labors, accounting for 66.7% of the total rural population, the number of the employed labors in rural area is 8 273 200, making up 86.2% of the total number of labors; the Reservoir area covers an area of 54 000 km2, 67.8% of which are mountains, 29.5% of which are hills and among which there are 652 313 cultivated lands with per capita 0.0453 hm2, 80% of the cultivated lands are on a slope of 25°where with poor land soil and adverse natural conditions; the population density in Three Gorges Reservoir area is 260 per capita / km2, 2.4 times that of the national average and 4.7 times that of the regions with similar landscape. Based on the current number of cultivated lands, suppose each labor cultivates 0.4 hm2, then a total of only 2 174 400 labors are needed and there will be 7 966 900 rural surplus labors; and if each labor farms 0.4 hm2, then only 1 630 800 are need and the number of rural surplus labors will reach as many as 7 966 900. There are at least 7 million rural surplus labors in the Three Gorges Reservoir area, presenting a tendency of annual increase. On account of the seriously overloaded population, in order to keep survive, the farmers indiscriminately and unduly bring more land under cultivation, the actual reclamation ratio has reached as high as 42%, the marginal rate of return reduces gradually, high input while low output, the ecological environment suffers great damage.

2.3 Backward economic development and weak capacity to absorb employment

The Three Gorges Reservoir area is one of 18 concentrated poverty-stricken areas and inhabitation places of minorities, its economy is very backward. During the decades of repeated argument about the feasibility of the Three Gorges project, the state government invests very few in the Reservoir area, as a result, the industry base here is very weak. The construction of Three Gorges project submerges 1 397 industrial and mining enterprises, according to the policy of “two-adjustment”, more than 800 enterprises are closed. The closed, suspended, merged and switched enterprises in the Three Gorges Reservoir area lay off and
reassign a large number of workers. Let’s take Wanzhou District, Chongqing City in the hinterland of Three Gorges Reservoir area for example, the moving out and closing down of the industrial and mining enterprises leave 47 000-49 000 unemployed workers, accounting for 10.3%-10.9% of the total urban population in Wanzhou district.

The old industrial chain in the Three Gorges Reservoir area has broken while the new one hasn’t been formed. The Reservoir area lacks powerful supporting industry, and the industrial distribution is narrow without strong competitiveness, the industry group and industrial chains have not been formed, which lead directly to the lack of job opportunities. Moreover, in the Reservoir area, the weak infrastructure construction, slow urbanization process and underdeveloped private economy directly restrict the development of the economy in the Reservoir area, the economic development pace is significantly slower than that of the national level, and the GDP in this area only accounts for about 5% that of Yangzi river economic belt. There are about 4 million impoverished people in the Reservoir area, its per capita GDP is 22 640 yuan in 2008, 9 510 yuan below the national average level and accounting for only 58% that of the whole nation.

Due to historical, policy and practical causes, the economic development in the Reservoir area is sluggish, the capacity to absorb employment is weak and the unemployment becomes worse. Taking Wanzhou District, Chongqing City for example, as shown in the data released by NBS Survey Office in Chongqing in 2006, by the end of 2005, the registered unemployment rate of urban areas in 15 districts and counties is 4.33%, while the statistically investigated unemployment rate is 11.56%, and that of Wanzhou District reaches as high as 16.1%, 90 900 are unemployed and 19 572 rely on the subsistence allowances.

3. Problems in the labor export of the Three Gorges Reservoir area

3.1 Low quality and simple skill of the exported labors

The exported labors are generally with low quality, simple skill and without professional skills, the percentage of the person with steady jobs are very low. Data shows that, it is of great difficulty to get transferred employment, viewed from the age and quality, most of them are rural surplus labors over 35 years old with low educational level and bad skills; there is no big problem for the rural labors with professional skills aged 18 to 35 to get transferred employment. Let’s take Shizhu County, for example, Shizhu is the only special county which is both a ethnic minority autonomous county, a emigrant county in the Three Gorges Reservoir area and also a national supporting impoverished county. Of all exported labors in the whole county, the average length of education is only 7.3 year, of which 0.8% are illiterate or half-illiterate, 50% are with primary school education, 49.2% have equal or above junior middle school education and less than 10% have received vocational education or training. The culture structure of the exported labors in Fengdu County located in the hinterland of the Reservoir area is: 2% illiterate, 18% primary school education, 68% junior middle school education and 49.2% high school education.

3.2 The exported labors are narrow-minded and have strong intention for their employment regions

Due to some cultural and traditional reasons, the exported labors in the Three Gorges Reservoir area are very narrow-minded. The percentage of them who are willing to work at their local hometown reaches as high as 80%, while that of the people intending to work outside is only 20%, their intention for their employment regions are very strong; while at the same time, due to the old-fashioned employment concept, a considerable amount of the unemployed wait passively and eagerly for the support from the government. In recent years, although each county authority in the Reservoir area have held several large-scale job fairs, most people just take a wait-and-see attitude, very few of them take real action, so the actual number of the exported labors is even less. The main reason lies in the concept of the job seekers. For example, most of
them are not accustomed to living away from home or working overtime, which all reflect the passive
attitudes of the employees and indicate that they lack the unyielding, tenacious and explorative spirits.

3.3 Low income but high risk to get employed

The exported labors are mainly engaged in those manual works with low technological content, such as
electricity, sewing, shoes, construction, catering and domestic services and so on, most of times, they work
in a factory in Guangdong, a building site in Shanghai, open a restaurant in Beijing and plant trees in
Xinjiang. Since the low-end industry has a very low entry barrier and strong substitutability, to work there
has poor stability and high risk, which, as a result, leading to the unstable employment and generally low
wages of the exported labors. Very few of the exported labors choose to start their own business and
change themselves from an employee to an entrepreneur.

3.4 The government does not provide strong supporting services for exported labors

At first, the migrant workers get the employment information primarily from their relatives and friends,
their information channel is narrow and seriously asymmetry; secondly, once the legitimate rights and
interests of migrant workers are violated, they could not effectively guard their right due to their own lack
of legal knowledge and unfamiliarity to foreign environment, for example, the salary of the migrant
workers may be deducted or delayed, even their personal security is threatened; at last, poor training
services. Currently the basis of skill training of rural labors in the Three Gorges Reservoir area is weak,
which can be seen from: firstly, insufficient funds. The standard of financial subsidy funds for job skill
training is so low that it could not fully mobilize the enthusiasm of farmers and training centers. Secondly,
lagging construction of training bases. Due to a lack of funds investment, the infrastructure construction in
the training bases is weak and its teaching facilities and equipments are outdated, which does not meet the
needs of the existing labor training and transfer jobs. The shortage of professional teachers restrains the
increase in the number of training and the improvement in the quality of the training.

4. Countermeasures and suggestions

The Reservoir area is densely populated, suffering from serious industrial hollowness, its economic
development is backward and the capacity to absorb employment is limited. Therefore, only by
accelerating the labor economy and speeding up the pace of labor transfer could the problem about the
employment of surplus labors in the Reservoir area and problems concerning farmers, rural areas and
agriculture be solved as well as the farmers’ incomes be improved. In view of its current status and
problems, the author proposes some suggestions and measures to boost the labor economy of the Reservoir
area.

4.1 Perfecting and ameliorating the training mechanism and improving the quality and skills of labors

The exported labors are usually with low educational degree and simple skills as well as lack employability.
Currently the training of labors in the Reservoir area still needs to be standardized and the training subjects
should be diversified. The first is school training. All kinds of schools, namely, party school, radio and TV,
college, agriculture school, as well as vocational technical school should take full advantage of its
resources and select the training courses according to the market demand, the training expenses should be
shared by the trainees and government while the government takes the most part. Moreover, the
government should increase the financial investment in all kinds of training schools, improve the training
facilities and environment, introduce professional teachers and improve the training quality. The second is
the government training. The government should provide the free training opportunities to the poor migrant
workers, especially to those who works outside for the first time, and the training content mainly focus on some common sense knowledge. With the villages and towns as the mainstay, the government should take full use of their educational resources, and then specifically and systematically carry out the skill trainings. Local government should establish special funds for training, and the government training should be welfare and free. The third is market training, we should encourage the intermediary services and allow some social forces to open up profit vocational skills training courses. Through providing specific and follow-up trainings, the intermediate agencies could specifically improve the skill quality of migrant workers according to the market demand.

The training of exported labors should not only aim at improving their skills, but also focus on enhancing their ideological and political awareness so as to provide them great intellectual support. At first, the migrant workers should learn and carry forward the “spirit of the Three Gorges migrants”, namely, patriotism, dedication, cooperation, hard work and innovation, make efforts to cultivate the human spirit of “self-reliance and pioneering”, inspire the entrepreneurial enthusiasm of the masses, break the constraints of “Canyon consciousness” and rely on themselves to get rich; secondly, those successful entrepreneurs who work outside and those successful migrants could be invited to tell their successful experiences so as to encourage those job seekers and immigrants bravely take the first step of working outside; thirdly, we should widely broadcast the strong entrepreneurial awareness and hard-working spirit of the cadres and masses in the developed coastal regions.

4.2 Building the platform of employment network and solving the problems of the asymmetric employment information

Due to the lack of access to employment information, many rural surplus labors who want to work outside finally give up. Firstly, the government should continue to perfect the private transfer of labors, guide them to seek assist from relatives and friends as well as any available resources so as to extend the employment channels. The second is the government-guided transfer, the government should set up a migrant employment information network, sent people to collect the information about the demand for labors in developed coastal cities, and then post the information on the network so as to solve the problem of asymmetric employment information.

Network platform is the basic link to promote the transfer and employment of the labor forces in the Reservoir area. At first, a labor resource information system should be established and improved. Each region should conduct a general investigation on their labor resources, send people to collect and check the labor information from door to door, establish the information base about the labor resources within the area under their jurisdiction, and make an electronic file for each rural surplus labor so as to quickly and accurately locate various information of each labor from the computer at anytime and anywhere, so that the training, employment and export of labors could be standard and orderly carried out. Those regions who have completed the general investigation on labor resources and the establishment of information resources should timely update the data and accurately grasp the dynamic changes in labor resources. Secondly, an employment information network should be established in the Reservoir area. The employment information network is only available to those young persons who are capable of using the internet, therefore, in order to provide employment information to those farmers who can’t get access to the internet, the government should take the village as the basic unit and distribute the leaflets to the farmers about the employment requirements and qualifications so that those farmers who want to work outside can get access to employment information. We should integrate the labor information in the Reservoir area, unblock the information channel, establish an information platform connecting the internal and external, the upper and lower, form a labor information services network in the Reservoir area and realize the labor information resources sharing. Each region should establish labor information services center and network, and the information network should be extended to the villages, towns, training agencies and intermediate agencies. Each village could set up an information column so as to regularly issue the employment information.
Apart from sending people to collect employment information in the developed coastal regions and recommend local labors, the government could also introduce those foreign enterprises to hold job fairs to select their needed labors in the Reservoir area, the government plays the matchmaking role. For example, the government could set up a special labor export office to provide employment information services to those migrant workers.

4.3 Actively developing the intermediary organizations and promoting the a proper movement of labor forces

We should fully play the role of labor market, job center and labor export base as a bridge, utilize the information network and organize the transfer of labors through the intermediary. The government should intensify the efforts on standardizing the intermediary organizations, actively support the development of formal intermediary organizations and give them some preferential policies on taxes and other aspects; what’s more, the government should severely deal with illegal intermediary organizations, prevent the fraud occurrence and effectively protect the legal interests of the migrant workers. The government should also guide the intermediary organizations to develop towards a healthy, reasonable and orderly direction, strengthen government supervision and fully the role of labor intermediaries in promoting the reasonable transfer of labor forces.

4.4 Fully exerting the function of government in logistic services and resolving the difficulties of the exported workers

At first, the wages of migrant workers are usually defaulted, sometimes they even get nothing, therefore, the government should establish free legal consultation departments, which could promptly safeguard the legal rights of the migrant workers once their rights are infringed upon; secondly, during the important time (say the Spring Festival), the transportation department could organize buses and cars to transfer the migrant workers, help them to team buy the train and bus tickets so as to dispel their difficulties in buying tickets, make sure that they could return back home and to work timely, and get them feel the warm and quality services of the government; thirdly, a unified and standard rural land circulation policy should be formulated so that the problem about the education of migrant workers’ children could be settled and solved.

5. Conclusions

All in all, to work outside is anything but blind attempt, it could promote the orderly transfer of rural surplus labors to the towns and reasonably develop labor resources. And we should carry out industrialized management, take the market as our guide, form an integrated management system combining organizing, training, exporting and management together, fundamentally change the dispersed and spontaneous small peasant management form and gradually realize the development model of labor export bases. Through the market investigation and argumentation, the rural labors could be gathered together and transferred to the same post so as to jointly resist market risk, energetically develop labor economy and promote the economic development in western rural areas.

References