



Current Migrant Issues in China

- Migrant Numbers: still growing
- The Growth of “Left Behind” Children, and Migrating children
- Policy and Govt. statements about Urbanization, and the Hukou System
- The Urban vs Rural economic choice
- The Wealth Gap between Rich and Poor is widening
- Education standards; 3 tiers...
- Urbanization: (excerpts from article in ‘The Economist’)



Migrant Numbers

According to Xinhua News Agency (Feb 22, 2013):

- migrant numbers in China are now 262.61 million, or 1 in 5 Chinese people. (19.39%)
- China's growing urban population outnumbered rural residents for the first time, by the end of 2011, with 690.79 million people (51,27%) living in cities, and 656.5 million living in rural regions.
- Rural workers outside their hometowns rose 3% to 163.4 million, and those on their hometown rose 5.4% to 99.3 million.

According to the Shanghai Bureau of Statistics and the National Statistics: Feb 26, 2013

- At end of 2012, there are 9.6 millions of migrant workers out of total 24 million people in Shanghai
- In 2010, the reported migrant population was 7.127 million, according to the 6th national census. (Considerable growth)
- "Assisting rural workers to become urban residents is considered by the government as an important task for the country's urbanization" according to the first policy document released in 2013, by the State Council (cabinet). (See Page 4)



Left Behind, and Migrant children

- The total number of left behind and migrant children now totals nearly 100 million.
- The number of “left behind children” totalled 61.02 million in 2010 (37.7% of rural children, and 21.88% of the entire child population of China, according to a recent report released by the “*All-China Women’s Federation.*”
- “Left behind children” are those children left behind in rural regions with grand-parents or guardians, while their parents go to work in cities far away.
- “Migrant children” (the children traveling to coastal cities with their parents) total 35.81 million in 2010, an increase of 41.37% since 2005. (According to this report)
- Migrant children live in places where they are not registered for 3.74 yrs (average)
- The three largest regions receiving migrants are Guangdong, Zhejiang, and Jiangsu, who largely arrive from central and western provinces.
- Key problems facing left behind children are “lack of love, security, protection, and equal education. It is believed that these problems will last for a long time yet, as China is facing an extensive period of Urbanization.
- The report by the All-China Women’s federation suggested improvement of the caring service system, and eliminating the urban, political and economic discrimination against them.
- The report encourages migrant parents to take children with them, for better physical, mental and emotional development. The report also encouraged government to improve relevant children’s laws, and reform the household registration system.
 - All figures in the report were based on the 2010 annual census.



Policy

From the Government Work Report 2013:

(3) We will conduct registration of rural migrant workers as permanent urban residents in an orderly way. We will expedite reform of the household registration system and the social management system, and improve the land management system in order to allow migrant workers with steady jobs and permanent homes in cities and their families to become urban residents. We will use various means to improve the living conditions of rural migrant workers and progressively expand the coverage of basic public services in urban areas to all their permanent residences”



Statements from Officials

- In March, Chinese Premier Li Keqiang pledged to advance urbanization in a steady active and prudent way. “What we stress is a new type of Urbanization that puts people in the heart of the process. It needs the support of job creation, and provision of services” he said.
- At a recent forum entitled “New Economic opportunities for China: Liu Yiju, adjunct professor at the National Taiwan University, said “with the process of urbanization, a new middle class will emerge, creating greater consumer demand and bring opportunities for global companies. Experts at the forum also called for reform to the rigid household registration, or hukou system, to help turn millions of rural workers from savers into consumers.
- Zhou Yongkang; (former head of Public security, now a committee member of the Political bureau) “**a national residence permit system** should be established to provide better resources for migrants living in cities. The system should aid migrants in gaining employment, health, social security and education



The Urban vs Rural Choice:

- China's shrinking labour force, partly a result of the one-child policy, has pushed companies to raise salaries, and offer better salaries to migrant workers. It is estimated that migrant workers born after 1980 account for 58.4% of the country's total of 145 million migrant workers.
- According to a survey by the Chinese Family Culture Institute, only 4% of young migrant workers return to their hometown, and work as farmers.
- Zhao Bin is 30 year old farmer-turned-worker, from Pingyin county in Shandong province, has lived in Qingdao for 9 years: "I came back to work on time after Chinese New Year, so that I can keep my job and make more money and buy a house here in the future." Zhao and his wife work in a garment factory and earn about 7,000RMB per month. Unlike his parent's generation, they can afford to bring their son with them to the city, for his education. "We used to quit our job at the end of the year, and find a new one after Spring Festival. But now we feel like long-term employees of the company.
- Wu Zhongjiang: "Unlike rural life which is simple and self sufficient, we face much greater pressure in the cities. However it is worthwhile because education (for his five year old son) is better here in Shenzhen than at home." Wu's biggest cost is the 5,000 RMB he pays for his son's kindergarten. The other prohibitive factor Wu faces is the cost of buying an apartment. "Its absurdly expensive, compared to my wage."



The Wealth Gap is Widening

- The Gini coefficient, (an index measuring the rich-poor gap) was measured in rural China last year at 0.3949 (2012) nearing the warning levels set by the United Nations. It is also estimated that the total income of the top 20 of rural households was 10 times that of the bottom 20 percent, and that the wealth gap in west China, was much bigger than in the East.
- The last time the government published the national wealth gap was in 2000 when it stood at 0.412. Many scholars believe the index stands now somewhere between 0.45 and 0.5
- Likely results of this are that rural workers will abandon farming completely, and leave the countryside, and as a result, the cities will face more pressure in trying to cater for demand on public service, And, problems may also emerge in the drop off in agricultural production.

The top Chinese Institute for Rural Studies completed a recent survey, finding;

- “Wages paid to migrant labourers accounted for 65.7% of the total rural incomes.
- “China is experiencing the largest mass migration of people from the countryside to the urban regions in history. The nation had 253 million migrant workers in 2011, and now has 262 million”



Education in Shanghai

- There are 107 private high schools, with 70,000 students; 180 private primary schools, with 170,000 students. Altogether there are 538,000 migrant students studying schools run on voluntary education basis, of which, 400,000 are going to Government-run schools.
- The private schools will be sponsored 1,900 RMB per year per child by the Government if they admit any migrant students; This equates roughly to 25% of the required expenditure of the government-run school per student.
- A lot of private migrant schools will use a special “Ren Jiao Ban” teaching curriculum and materials, which differ from the Shanghai teaching material. This is maintained in order that migrant students will adapt to the examination structures of their hometown, which will be for higher education.
- Looking at the quality of the education standards, there is a big difference between the private and the Government schools in terms of the student’s manners, learning habits, and foundations of learning. Most of the students from private run schools are earning lower grades;
- according to psychological analysis, their measure of values, motivation and sense of satisfaction are poorly directed, causing an inclination to low self esteem, menial work, and in some cases, crime.



Urbanisation (from "The Economist: May 2013)

Rural migrants are still second-class citizens, most of whom have no access to urban health care or to the city's high schools.

China's new leaders now say this must change. Li Keqiang, the new prime minister, is to host a national conference this year on urbanisation. The agenda may reveal how reformist he really is.

An unusually public debate is unfolding in think-tanks, and in state media about how China should improve the way it handles Urbanisation. Some propose that migrants in cities should be given the same rights to services as urban dwellers. Others insist that would-be migrants should first be given the right to sell their rural plot of land to give them a deposit for their new urban life. Still others say the government must allow more private and foreign competition in state-controlled sectors of the economy such as health care, which would expand urban services for all, including migrants. Most agree the central government must bear much more of the cost of public services and give more power to local governments to levy taxes.

Any combination of these options would be likely to raise the income of migrants, help them to integrate into city life and narrow the gap between the wealthy and the poor, which in China is among the widest in the world. Such reforms would also spur on a slowing economy by boosting domestic consumption.

Officials know, too, that the longer reforms are delayed the greater the chances of social unrest. "It is already a little too late," Chen Xiwen, a senior rural policy official, said last year of providing urban services to migrants. "If we don't deal with it now, the conflict will grow so great that we won't be able to proceed."

Yet Mr Li, the prime minister, would do well to dampen expectations. The problems of migrants and of income inequality are deeply entrenched in two pillars of discriminatory social policy that have stood since the 1950s and must be dealt with before real change can come: the household registration system, or *hukou*, and the collective ownership of rural land.



Who will pay?

The *hukou* system perpetuates a rigid caste system. Children of holders of rural *hukou* inherit their parents' second-class status, even if they are born in cities. Many urbanites want to keep this system in place, to protect their preferential access to jobs, education and health care.

City governments, meanwhile, cannot afford to extend public services to migrants. Zheng Zhijie, president of state-owned China Development Bank, estimated in May that cities would require 50 trillion yuan (\$8.2 trillion) in investment by 2020 to accommodate 100m new migrants and provide increased benefits to those already there. Shanghai's schools give a sense of the scale of the problem: the city had 170,000 students enrolled in high school in 2010, all holders of Shanghai *hukou*; more than three times that many children—570,000 migrant children aged 15 to 19—were living in the city in 2010 without Shanghai *hukou*, most of them unable to attend those schools.

The collective control of rural land by local officials also impedes social mobility, by allowing local governments and developers to dispossess farmers of the land they lease—and to pay them far below market value for it. Yu Jianrong, a researcher on rural China, calculated in 2010 that the government had expropriated 6.7m hectares (16.5m acres) of rural land over a 20-year period, paying farmers 2 trillion yuan (\$326 billion) less than market value.



Where to Live?

At the same time, housing prices in cities are increasingly out of reach for migrants. The central government has encouraged the construction of low-cost housing in cities with limited success, since only local *hukou* holders are eligible.

The discriminatory policies continue to take their toll on migrants. China has 163m migrant workers who have left their home township (another 99m people are classified as migrants even though they have only given up farming without moving away). A higher proportion of those were co-renting apartments with others in 2012 than four years earlier (19.7%, up from 16.7%), according to data released this week by the National Bureau of Statistics. And fewer migrants are becoming homeowners—0.6% in 2012, down from 0.9% in 2008.

Some scholars say a solution lies in the “handshake” (crowded) buildings of Shenzhen. Tao Ran of Renmin University in Beijing says the government should legalize such buildings around the country—allowing rural dwellers near cities to develop them and rent out flats to migrants—and then levy taxes and fees to pay for expanding services. It sounds like a reasonable proposal that would increase the supply of affordable housing and help more migrants become proper urban residents.

But local governments will have none of it, Mr Tao says, as they will fight to retain control over land, their chief source of revenue. Other vested interests, he says, will fight, too. The road to equality for China’s migrants will continue to be a hard one.