Research on Labor Economy Features Based on Chinese Characteristics

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ABSTRACT

China internal economic structure is also deeply adjusted when General Secretary Xi Jinping proposes the development strategy of ‘One Belt, One Road’ in order to respond the influence from global economic crisis with the worsening global economic situation. In the paper, Chinese characteristic labor economy features under economy normal state is regarded as the research content to describe from eight aspects, thereby recognizing the problems faced by present situation of China economy and the development direction of Chinese characteristics labor economy more profoundly.

KEYWORDS
Labor economy, Chinese characteristics, features.

INTRODUCTION

Chinese characteristic labor economy features are obviously changed under new economy normal state. It is not only related to China population structure change on the one hand, labor transfer under the world economic integration also changes labor economy features in China to certain degree. In addition, China labor economy features also include six aspects: increase of active entrepreneurs, construction of fair employment environment, decent labor, and collectivism, etc.

FEATURE OF ‘TALENT DIVIDEND’ IS BECOMING MORE AND MORE OBVIOUS

“Demographic dividend” during traditional economic development is disappearing with the change of the population structure in China. The mode of achieving economic benefits with simple labor investment cannot adapt to market requirements. China ‘demographic dividend’ has been unable to compare with those in neighboring countries since 2010, wherein the proportion of the working-age population in Vietnam and the Philippines has been higher than that in China. In addition, the increase of high-quality talent proportion in China is also one of the main reasons for the reduction in simple labor forces. However, the increase in high-quality talents means that our country has lost the so-called ‘demographic dividend’, but it achieves more valuable ‘talent dividend’.

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‘Talent dividend’ will eventually replace the ‘demographic dividend’ with the change of the global economic development structure, which will become the ‘new normal state’ of China labor economy. China should prepare from the following three aspects for the arrival of ‘talent dividend’ period: firstly, stable jobs are provided for growing high-quality talent, and a talent training plan adapted with the market demand is established. Secondly, it is necessary to establish a more perfect training system in terms of personnel training, different training methods are used for applied talents with research talents, thereby realizing high-low matching of talent teams. Then, introduction of high-quality talents will be accelerated, talents urgent for current economic development in China can be introduced in a variety of ways, thereby avoiding the ‘talent vacuum’ phenomenon.

LABOR TRANSFER HAS BECOME THE NORMAL STATE

General Secretary Xi Jinping proposed the strategy of ‘One Belt, One Road’. China comprehensively consider internal and external economic development new situation on the basis. Chinese government achieves the purpose of resisting global economic crisis jointly through promoting regional economic and trade exchanges among countries in the face of increasingly severe global economic situation. It is proved that the strategy "One Belt, One Road” not only drives economic development among countries along the belt, but also promotes exchanges and communication between different countries in many fields, thereby realizing advantage complementation among different regions.

In recent years, labor costs are rising in China, which has more adverse impact on the development of China traditional industries. through the implementation of the strategy ‘One Belt, One Road’ A part of labor-intensive industries can be transferred to countries along the belt for alleviating the problems of competitiveness decrease, etc. due to labor cost increase, but also can realize the transfer of labor among countries through introducing labor for solving labor cost increase problem caused by unbalanced labor structure through implementation of the strategy ‘One Belt, One Road’.

Actual situation of current development of economic globalization shows that industrial transfer mostly refers to transfer from developed countries to developing countries, thereby making better use of cheap labor in developing countries, and reducing production cost. Labor transfer mainly refers to transfer from less developed countries to developed countries in order to obtain higher labor remuneration. Labour force transfer between different countries will become the new normal state along with further development of economic globalization, China will be converted from labor exporting country to labor importing country gradually, and it is the inevitable result of rapid economic growth in China.

ACTIVE ENTREPRENEURS ARE INCREASED

Chinese entrepreneurs have declined compared with that in 2015 according to 2016 data statistics results. However, the major trend of increasing active entrepreneurs in China in recent years cannot be denied.

Most active entrepreneur in China just graduate from colleges or universities. However, the proportion is less than 1% of the total number of graduates, which is far
below the level of about 20% in the developed countries. Most the graduates are looking for jobs busily. It is obvious that China is severely deficient in entrepreneurial behavior, entrepreneurial activity and entrepreneurial willingness, etc. Certain pressure is caused on China economic development in the new period. Active entrepreneurship is an important response to solve the government's pressure on the employment of talents.

Firstly, a perfect entrepreneurship education and training system should be established. The guiding role of policy should be strengthened in talent training and innovation. Innovation education is carried out conditionally in the stage of higher education only based on the influence of the traditional education idea. However, the innovation education in the higher education stage has prominent lag according to actual effect. Related education work should be carried out in advance. Talent innovation education concept penetrates through the whole education cycle as one of important contents in modern education system, which is beneficial for formation of innovation consciousness of the whole people.

Secondly, a perfect market competition system should be established for breaking the market monopoly. The market economy system in China is slightly different from the market economy systems in the capitalist countries. Though a variety of ownership economies are allowed, the socialist market economy form with public ownership as the main body is still kept. The public economy can be on the same starting line with other ownership economies from the economic system reform in order to establish a fair market competition environment, thereby promoting standardized development of enterprises, shaping market order, and making the vast number of entrepreneurs confident.

Thirdly, the legal system construction under the socialist economic system should be established for guaranteeing entrepreneurship legally. At present, China has improved its economic system construction aiming at protecting the enthusiasm of entrepreneurs and preventing related rights and interests from being damaged. Legal protection for entrepreneurs is still deficient, including legal protection of financing channels. Although the state supports small business loans, entrepreneurs suffer from financing difficulties due to artificial increase of limiting factors and improvement of business loan threshold in the bank. Therefore, Chinese government should constraint bank behaviors from from the legal level, and ensure that all policy decisions of the government can benefit the entrepreneurs, thereby they can realize own value through entrepreneurship, and make contribution to social economy.

**BASIC REALIZATION OF FAIR EMPLOYMENT**

Employment discrimination has been a problem for long term. The investigation shows that China employment market still has the phenomenon of employment discrimination at present. The employment discrimination not only includes discrimination of enterprises against labor, but also includes discrimination of labor against enterprises. It is necessary to guide two employment discrimination conditions correctly in order to better regulate the order of the employment market, thereby achieving the purpose of promoting employment.

Firstly, relevant laws and regulations of fair employment as well as various rules and systems should be perfected in the aspect of legal system construction. Related contents in China current legal system about employment discrimination should be
modified. ‘Anti-employment discrimination law’ should be formulated gradually. Fairer employment environment should be provided for the majority of employees on the basis of existing employment discrimination subsidy rescue. Meanwhile, the government should strengthen the supervision on the labor market, and stop the enterprise behavior violating ‘Labor Law’ timely. The employer should be severely punished to show the law position in maintaining fair employment after facts are confirmed aiming at the lawsuit content of employment discrimination.

Secondly, employees should be encouraged to safeguard own fair employment rights with legal weapons. The awareness in the aspects of guaranteeing individual rights and interests has greatly improved with continuous improvement of the education level of employees. Employment discrimination is adopted as an example. Most people can seek law assistance aiming at employment discrimination rather than swallowing it up or retaliating with other means. The government should call on the whole society to oppose employment discrimination and create a favorable social environment for the employees to achieve fair employment within the scope of the whole society.

Third, we should make full use of the social influence of trade unions to provide assistance for fair employment of employees. China has established trade union organizations for large-scale enterprises and cities in order to safeguard the legitimate rights and interests of the employees. Trade union organizations represent the rights and interests of employees when employees suffer from employment discrimination problems. Trade union should organize forces to negotiate with enterprises, thereby protecting lawful rights and interests of employees from infringement, supervising enterprise behaviors, and reducing the occurrence of employment discrimination.

Fourthly, fair employment under the reform of the labor market system. The flow freedom of labor in different regions is increased greatly with the deepening of the economic structure transformation in China, which is very beneficial for the establishment of a highly unified and coordinated labor market. Therefore, regional authorities should strengthen the construction of regional labor employment market. Good employment environment should be provided for the majority of employees, thereby achieving crackdown on employment discrimination. A labor market system with fair employment as the core should be established to safeguard the legitimate rights and interests of the broad masses of workers in enjoying equal employment.

LABOR IS MORE RESPECTABLE.

China implements public ownership economy for long time under the planned economy system. It makes up for the problem of Chinese productive force deficiency in early stage to a certain extent. However, people have higher and higher requirements on material life level with the development of the society. Therefore, China has made the historic decision of reform and opening up.

China relied on cheap labor and became the ‘world factory’ within nearly 30 years after the reform and opening up. However, the labor-based intensive industry mode cannot increase the input-output ratio. The developed countries transfer industries with high pollution, high energy consumption and low added value to China, thereby leading to rapid consumption of resources and serious environmental pollution in China. It is a consumption development mode, which is not consistent with the concept of sustainable development followed by Chinese government.
In addition, since the vast majority of employees should engage in labor with low added value, thereby resulting in low social status of Chinese employees. Employees generally believe that the work is not decent, and they are unable to bear various unfair treatments in the work. This is a common phenomenon in the early stage of reform and opening up in China, which still exists till present. Chinese government has made corresponding adjustments in the following aspects in order to achieve ‘decent labor’.

Firstly, industrial institution adjustment based on industry transformation should be accelerated. Currently, China is in the critical stage of economic transformation. A large number of traditional labor-intensive enterprises are gradually phased out. The knowledge-intensive high-tech enterprises have been rapidly developed. The phenomenon of "demographic dividend" disappears. Therefore, labor-intensive industries cannot survive continuously in China with gradually increased labor cost. The emerging economies dominated by ‘knowledge economy” become main forces in China economic development. The employees still serve as important components of the social productive forces with the continuous development of traditional economic structure adjustment, and the social status is improved.

Secondly, construction of ‘decent labor’ system guarantee system; The so-called "decent work" refers to protection of the dignity of employees, recognition of labor value and the opportunity for enjoying fair employment. At present, China makes long-term efforts in the aspect of ‘decent labor’. The construction of social guarantee system should be driven actively on the one hand. Governments should strengthen administrative supervision on individuals and enterprises with common problems of employing in violation of laws, not signing labor contract, delaying wage payment, and failing to perform the labor guarantee obligations in the labor market. Active employment policies should be implemented, thereby providing employees with more decent jobs and employment environment.

COLLECTIVISM RELATIONS UNDER CHINESE CHARACTERISTIC LABOR ECONOMY ARE ESTABLISHED.

Widespread labor relations are individual labor relations with subordination in China within a long period of time. The personal rights and interests of employees can be effectively protected under the labor relations. The probability of the infringement is greatly increased. Diversified ownership economy is developed with the establishment of market economic system. The diversified ownership economy based on collective labor relations drives the change of social labor relations to a certain extent. The individual labor relations under public ownership principal sector economy also shows the trend of transferring to collectivism relations.

The labor relations based on collectivism relations will become one of characteristic contents in China economic development in the new stage with the constant improvement of China market economic system. Contents in the following aspects should be noted during establishment of socialist collectivism labor relations.

Firstly, we should strengthen the protection of collectivism labor relations with the law as the core. The collective disputes, solidarity and negotiation rights of employees should be made clear. In ‘labor law’, Employees’ independent legal status can be protected through strengthening the guarantee of employee basic rights. It is the basic requirement of employees to participate in social labor. The employees should negotiate with the employees with collective forces within the scope allowed by the
law, thereby realizing the basic fairness and justice. Therefore, ‘collective dispute law’ and ‘collective contract law’ with protection of collective labor relations as main content can be passed as soon as possible, which is conducive to the realization of the most extensive protection of employees’ rights and interests.

Secondly, the government's coordination function in labor disputes should be strengthened. The collectivism relations under Chinese characteristics labor economy cannot solve all problems faced by the employees smoothly. The government should play a mediating role during realization of stable social environment. Related persons in charge should be punished seriously on the basis of facts aiming at the labor problems, thereby realizing the stability of labor market.

Thirdly, the role of worker organization institution with trade union as the core should be played. Trade union always bears the obligations of not infringing employees’ legitimate rights and interests in the field of China traditional employee right protection. The previous trade union management mode under administrative orders cannot meet the demands in current labor market. Related departments should expand the free space of trade union organization, thereby providing perfect employment assistance for the majority of employees.

CHANGE OF COOPERATION MODE WITH EMPLOYEE STOCK OWNERSHIP AS MAIN FORM

Diversified ownership economy was rapidly developed in China since reform and opening up. It was clearly proposed in The Third Plenary Session of the 18th CPC Central Committee that the community of shared interests of labor and enterprises should be established in the mode of employee stock ownership on the basis of constant deepening of market economy system recognition. The idea is piloted in state-owned enterprises based on public ownership. It means that new stage of economy reform is started in China.

Employees participate in the operation and management of enterprises in the mode of holding stock. The subordinate status of employees to enterprises is changed. Employees' enthusiasm is greatly enhanced as the 'partners' of the enterprise. Employee shareholding in enterprises is an important attempt for China state-owned enterprises to carry out mixed ownership reform. It is one of main methods to solve state-owned enterprise productivity bottleneck problems, thereby maximally exerting the promotion role of human capital to the enterprises, and long-term material and spiritual encouragement are realized for the vast number of employees.

Chinese characteristic labor relations are fundamentally changed with the development of the economy, and the influence of employee shareholding on enterprise productivity. The employee status in the enterprise is commonly improved. The fund problem in enterprise development can be solved additionally through employee shareholding, and multiple effects are achieved at the same time.

LONG-TERM EMPLOYMENT HAS BECOME ONE OF MAIN FEATURES IN THE LABOR ECONOMY.

The employment relationship selection has extremely important relationship with enterprise development plan and business concept from the perspective of enterprises. When most enterprises select the employment relationship, they tend to select the
mode of ‘short-term employment’. However, the employment mode is conducive to the development of enterprises, which increases the instability of employees intangibly.

Labor employment system is an employment system selected by the enterprise to obtain labour capital. It is related to wages, benefits, etc. as well as the duration of purchasing labor. The behaviors of both parties are constrained in the form of contract. Experienced employees can be maintained for enterprise development, and enterprise sustainable development of enterprises can be realized by signing long-term labor contracts aiming at enterprises. However, Chinese enterprises are not keen to sign long-term employment contracts. Service industry is adopted as an example. The labor contract signed between most enterprises and employees has the term of one year. The contract can be renewed according to specific condition after expiration of the contract. Once the employees are 28 years old, most enterprises select not to renew the contract, and it is embodiment of employment discrimination in the labor contract.

Employees with experience have become an important part of the development of the enterprise with the increasing competition among enterprises. Therefore, enterprises are realizing the importance of long-term employment. Most units sign long-term employment contracts during contract signing especially in high-tech enterprises. Training of human resources in enterprise long-term competitiveness is focused. In addition, employee stable development is also realized in long-term employment mode. Employee shareholding system implementation is combined. Employees’ work enthusiasm is improved obviously, thereby employees are more likely to win in fierce market completion.

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