

## **Unemployment among the Migrant Population in Chinese Cities: Case study of Beijing**

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### Abstract

The increasing number of migrants moving to cities, especially from rural areas, has posed a new set of issues for the authorities in China. In the mid-1990s, it was estimated that China had a floating population or temporary migrants of up to 110 million people and this figure is expected to rise in the future. Most studies so far have been concerned with the economic impacts of migrants on sending and receiving regions, the characteristics of migrants and the occupational structure of migrants, and the spatial distribution of China's internal migration. Studies about China's internal migration, particularly from rural to urban migration, have shown that underemployment in agricultural sectors was one of the major contributing factors to migration to cities. However, very few studies so far have looked at unemployment problems among the migrant population. The common perception about migrant population in Chinese cities is that they are economically active and the unemployment rate is low. Even studies of unemployment in China have not well addressed this issue.

This paper, using data from the 1997 Beijing Migrant Census and qualitative material from fieldwork, examines the scale of unemployment among the migrant population, the characteristics of unemployed migrants compared with non-migrants, determinants of unemployment, contributory factors to the invisibility of unemployment and the policy implications.

The results from this study show that the overall unemployment of migrant population in Beijing was very low. Only less than 1% of total migrants, who have been to Beijing for at least three months and for employment reasons, reported to be unemployed. Among these reported unemployed migrants, a predominant proportion were female and less educated. For all female migrants, less educated ones tended to be more likely to be unemployed. Only those females with university education seems equally competitive in job market as their male counterparts.

The results suggest that migrants' length of residence in Beijing does not enhance their likelihood of being employed. It somehow reduced their likelihood of being employed. This seemingly incorrect result may reflect the very temporary and vulnerable nature of employment status of migrant workers in Beijing.

Migrants' household registration status, or *hukou*, is found to affect migrants' likelihood of "being unemployed" in an interesting way. *Hukou* has been regarded as one of the most important factors in explaining all social divisions in contemporary Chinese society. It is hypothesised that *hukou* would enhance the likelihood of being employed for those migrants who came from a non-agricultural background if all other factors were held constant. However, the findings are just opposite. The likelihood of being unemployed for non-agricultural migrants were greater than that for agricultural migrants. This seemingly contradictory finding has led to a speculation that compared with migrants with agricultural *hukou*, those with non-agricultural *hukou* status may have more help in the city once they are unemployed. In other words, migrants with non-agricultural background might be able to afford to stay in Beijing for some time if they are unemployed while those people with agricultural background could not afford it.

This study has shown that the unemployment problem exists but is 'unseen' by the general public and policy-makers for a number of reasons. First, because of the temporary and informal nature of employment status in Beijing, many unemployed migrants could not afford to stay in the city once they were unemployed. Unemployment of migrant population in the city has actually transferred to migrants' home places, where, in many cases, unemployment problem had long been critical. Second, urban authorities in the Chinese cities have long practiced labour administration policies that to meet the needs for locally registered residents. Migrants who do not registered as local residents, regardless the length of residence in the cities, are not part of urban planning in terms of employment and community management. In many case, to ease the burden of the cities, migrants were expelled and migrant communities were demolished from time to time.

The results of this study imply that the economics of migration to Chinese cities cannot be understood merely in terms of migrants' direct contribution to the economic activities of the cities. It must also take into account the lack of any attendant costs as migrants are unable to claim any support from the city's infrastructure and the costs of unemployment are transferred to families or rural areas.