Rural-urban Labor Migration in Industrialization and Urbanization – A Case Study of Hukou system and Nong Min Gong in China

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Chapter 1 Introduction

1.1 Background

It’s a common phenomenon that rural migrant workers moved large-scale to non-agricultural sectors (or to urban areas) in the process of industrialization and urbanization, and it could be proved by the previous experience of developed countries. For example, until the mid-19th century in England, or at the beginning of 20th century in Germany, more than half of labor force and population had concentrated in cities. And also, in Japan, there has a “Group employment” period from the middle of 1950s to the middle of 1970s. Because countries aforementioned did not have the limitation of the household registration system, such as the Hukou system in China, rural migrant workers became urban residents spontaneously, and did not result in the discrimination between the migrant workers and the local residents.

The rural-urban labor migration can also be seen in China, especially after the “Reforming and Opening”, which started from 1978, the number of migrants kept increasing. More and more farmers leave their hometowns, try to find non-agricultural job in urban areas. They are called Nong Min Gong in Chinese. The number of Nong Min Gong increased by 5 million per year from 1990s. Till 2006, there were 132 million Nong Min Gong working in urban areas, which is more than 8 times of that of 1990 (Cai, Du and Changbao, 2007). Compared with cultivating in hometown, Nong Min Gong can earn higher income by doing non-agricultural work. Moreover, rural economy developed by their remittance.

According to Lewis’s two-sector model, the surplus labor in the agriculture sector would be absorbed by the industrial sector in the process of modern sector self-sustaining growth. The wage does not rise from a minimum standard for the survival of the rural workers until all surplus labor is absorbed. Thereafter, additional workers can be withdrawn from the agricultural sector only at a higher cost of lost food production because the declining labor-to-land ratio means that
the marginal product of rural labor is no longer zero. The structural transformation of the economy will have taken place, with the balance of economic activity shifting from traditional rural agriculture to modern urban industry. And that timing is called turning point of Lewis.

Based on the proof of the rising wage level in coastal areas where employing a lot of Nong Min Gong, Cai, Du and Changbao asserted that China is nearing the turning point of Lewis. However, Meng, Bai (2007) and Knight (2007) objected this assertion. They pointed out the reason why wage of migrant workers increased is that there were a large quantity of underemployments in non-coastal areas and the limitation for the work force movement.

Chinese government limited the free rural-urban labor migration by Chinese special household registration system, which called Hukou system, implemented from 1958. Based on it, Chinese people have been divided into two categories: rural Hukou residents and urban Hukou residents. Rual Hukou residents are almost farmers. And people can not change the Hukou status without the permission of the receiving jurisdiction (David Dollar 2007).

From 1978, the Hukou system reforms occurred step by step. Because of the special situation such as the lack of urban infrastructure, inconvenient transportation situation and so on, urban areas are not ready to absorb large number of migrants, so that the Hukou system can not be abolished all of a sudden. Moreover, in order to protect urban residents, some local government implemented regulations to distinct migrants. According to International Labor Organization (2007), there are still 90 million Nong Min Gong could not obtain urban Hukou in China.

Because of their rural Hukou, they could not be treated as urban residents. They are marginal and vulnerable group in the cities and it became a big issue. They have to bear kinds of discrimination, including employment discrimination, wage discrimination, social welfare discrimination, education discrimination and etc.

The characteristics of Nong Min Gong’s jobs in China can be described by “3D”: dirty, dangerous and demeaning. Their works are less technology and labor-intensive due to their education level are commonly lower than urban residents. More than half of Nong Min Gong found their jobs in manufacturing and construction. Furthermore, it’s difficult for Nong Min Gong to obtain stable jobs in urban areas. Because the labor supply is more than labor demand in the inferior labor market in urban areas, employees can easily find cheap workers. Besides, as a precondition for enter urban labor market legally, Nong Min Gong has to pay money and spend several months to obtain the necessary certifications.
Even do the same jobs, Nong Min Gong’s salary is much lower than that of urban residents. Moreover, wages of urban-Hukou workers increased year after year, while the real wages of Nong Min Gong decreased. The working hours of Nong Min Gong are much more than that of urban-Hukou workers. In 2006, 48.2% urban-Hukou workers work 40 hours per week, while 47.4% Nong Min Gong work more than 48 hours per week. Besides, Nong Min Gong’s wages or salaries were always deducted or delayed payment without justification. Employees always made unequal treatment between urban-Hukou workers and Nong Min Gong. The total number of delayed salary payment to Nong Min Gong in 2002 reached nearly 30 billion yuan.

Also, Nong Min Gong have to face the situation that urban residents can get some “invisible income”, including housing subsidy, education subsidy, health insurance, injury insurance, unemployment insurance, etc. while Nong Min Gong could not; causing urban-Hukou workers really obtain much more than their wages or salaries.

The education system in urban areas is hostile to those who do not have urban-Hukou, and usually refuse to enroll Nong Min Gong’s children entering the local schools. The main reason is education system in China, like other systems, is attached with the Hukou system. Nong Min Gong parents have to pay much higher miscellaneous expenses in addition to tuition fees, and it often exceeds what they can afford. It’s a common phenomenon that schools in urban areas required Nong Min Gong parents to pay extra fee named supporting fee in order to enroll their children.

Nowadays, Nong Min Gong is indispensable for China’s economy. Therefore, Hukou reform could not only determine the life of Nong Min Gong, but also could impact on the future development of China. Both central government and local governments ought to take full advantage of the best development period, invest more to them in order to gain the sustainable economic development.

1.2 Research purpose and methodology

In this thesis, the relationship between Nong Min Gong and the Hukou system in China will be focused on. History of Nong Min Gong and the Hukou system will be showed, characteristics and changes of them will be discussed.

Two kinds of data will be used: First, statistical data since 1978 published by National Bureau of Statistics of China. Since it is the official data provided by China’s government, it is more
reliable than other data sources. Secondly, primary data collected through fieldwork. One fieldwork has been adopted in Shanghai, Shenzhen and Guangdong Province by author because more than 1/3 Nong Min Gong is working in these three areas. Questionnaires were distributed to Nong Min Gong and 314 of them were collected.

Furthermore, logistic regression analysis will be also resorted. Nong Min Gong’s situation is different individually, and the Hukou policies have already changed many times. Through the analysis, the solution of this Hukou-Nong Min Gong issue is expected to be found out.

Chapter 2 Nong Min Gong in China

In order to earn higher income and better living conditions, more and more farmers leave their hometowns, try to find non-agricultural job in urban areas. They are called Nong Min Gong in Chinese. The first big Nong Min Gong Wave in China happened in 1989. Until to March 1989, more than 1.5 million farmers had gone to the Guangdong province; the railway station of Guangdong looked just like “an ocean of farmers”.

2.1 The Causes of Nong Min Gong Migration in China

The rural-urban migration is regarded as an inevitable consequence of rapid economic growth, and the economy of China has been no exception. There are two main reasons why Nong Min Gong migration happened in China:

1) The income disparity between rural and urban areas in China.

China started its “Reforming and Opening” from 1978 and has made remarkable progress. However, the benefits of growth are unevenly distributed. Government policies, or their absence, are heightening inequalities. As the result, the income disparity between rural and urban areas kept increasing.

Figure 2-1 shows the change in income disparity between rural and urban areas in China from 1978 to 2006. Both rural and urban households’ incomes increased; the per capita net income of rural households was 3587 Yuan in 2006, 26.8 times of that of 1978, 133.6 Yuan; per capita disposable income of urban households was 11759.5 Yuan in 2006, 34.2 times of that of 1978.

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1 民工潮 in Chinese
2 民工的海洋 in Chinese
343.4 Yuan. However, it could be seen that the growth speed of income of urban households is obviously higher than that of rural households.

2) The surplus rural labor in China.

The development strategies shift the focus of development from capital-intensive industries to more labor-intensive industries after “Reforming and Opening”. On one hand, the loosening of urban employment policy and expansion of non-state sector created more labor demand. On the other hand, the total agricultural output growth improved and the productivity increased, so that surplus rural labors generated. It’s a common view that nearly 150 million farmers are surplus labor in China. Although cities are already facing tremendous employment pressure nowadays, there are still large numbers of surplus farmers waiting to migrate from rural to urban areas. There were 132 million Nong Min Gong in 2006, which is more than 8 times of that of 1990, 15 million (Cai, Du and Changbao, 2007); and the number of Nong Min Gong increased by 5 million per year from the 1990s (Research on Rural Labor of China, 2005).

As 1980’s baby boomers come of age, labor supply in China will continue to expand. Besides, the Family Planning Policy3, implemented from 1979, officially limited urban couples to have only one child (although it allows exemptions for several cases), while rural couples can have two. Most of those are now entering the working-age range in rural areas. This means that the number of rural migrant workers will continue expanding, as more and more rural migrant workers become city dwellers.

In addition to that, China’s per capita arable land is only about 1.4 Mu4 and will decrease further due to continued industrialization and urbanization (Han 2007). Limited agricultural land will intensify the redundancy of rural labor, so that large numbers of farmers will have to shift to non-agricultural sectors.

2.2 The Number of Nong Min Gong in China

It’s a common view that China could be divided to three regions by economic development level: Eastern China, Middle China and Western China. Eastern China is a developed region, while Middle and Western China are underdeveloped regions. Per capita GDP of them in 2004

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3 计划生育政策 in Chinese

4 亩 in Chinese: 1 Mu = 667 m²
were 19,024 yuan, 9,723 yuan and 7,427 yuan respectively (Research on Rural Labor of China, 2005a).

There are 12 provinces in Eastern China, including Beijing, Shanghai, Tianjin, Jiangsu, Zhejiang, Guangdong and Fujian. There are 9 provinces in Middle China, including Henan, Shanxi, Jilin, Heilongjiang and Hubei. And there are 10 provinces in Eastern China, including Chongqing, Sichuan, Guizhou, Yunnan, Shanxi, Gansu, Qinghai, Tibet, and Xinjiang.

Table 2-1 shows the number and share of Nong Min Gong in 2003 and 2004. There was 118.23 million Nong Min Gong in 2004, comparing with 2003’s 113.9 million, it was a 3.8% increase. The largest part of Nong Min Gong come from Middle China, followed by Western China, and the smallest share is Eastern China.

Table 2-2 shows the composition of Nong Min Gong by sending and receiving regions (in 2003 and 2004). There were 65.11 million Nong Min Gong working in Eastern China, representing 70% of total Nong Min Gong population in 2004; while 13.43 million, 14.2%, and 14.72 million, 15.6% in Middle and Western China respectively.

2.3 The Characteristics of Nong Min Gong in China

There are five major characteristics of Nong Min Gong:
1) More than half of Nong Min Gong is male and the average age is young.

Although female rural people also tried to enter urban areas in recent years, the employment opportunities for them are not as much as for male. In 2004, the proportion of female Nong Min Gong and male Nong Min Gong were 33.7% and 66.3% respectively, meaning the population of male Nong Min Gong were nearly 2 times to that of female.

Table 2-3 shows the age composition change of Nong Min Gong from 2001 to 2004. The average age was nearly 28 years old in that period, and the share of younger than 30 years old in 2004 accounted 61.3%.

According to author’s fieldwork, there are 258 Nong Min Gong working in these three areas. Among them, there are 127 male Nong Ming Gong and 121 female Nong Min Gong, representing 49% and 47% respectively. Table 2-4 shows the age composition. It could be found that nearly 85% of Nong Min Gong’s age is between 19 to 35 years old.
2) Nong Min Gong is lack of professional training.
Nong Min Gong seldom have opportunity to acquire professional training, as the share of Nong Min Gong who never joined professional training from 2001 to 2004 was 82.9%, 82.6%, 79.3% and 71.8% for each year. Therefore, the typical job of Nong Min Gong is physical labor (Research on Rural Labor of China, 2005).

3) The main careers of Nong Min Gong are manufacturing and construction. Table 2-5 shows the vocational composition of Nong Min Gong in 2004. Nationwide, manufacturing and construction respond for more than half of total (53.2%). One of the reason can be considered that their education level are too low to do high-technical work.

Table 2-6 shows the education level of Nong Min Gong according to author’s fieldwork. It could be found that nearly 50% of Nong Min Gong is junior high school and 34% of them is senior high school, only 3% of them can get higher than vocational school education.

4) The main way for Nong Min Gong to find a job is by relatives and friends introducing. Although there are some agencies and government subsidiaries that can help Nong Min Gong to find jobs, the main way is being introduced by relatives and friends. The shares in 2004 were 1.9% (by government subsidiaries), 12.6% (by agencies) and 65.3% (by relatives and friends) respectively (Research on Rural Labor of China, 2005).

However, the situation seems different in author’s fieldwork. Table 2-7 shows the method Nong Min Gong found their job. 44% of their job introduced by employment agencies, while 33% of them introduced by relatives and friends. One important reason could be considered that Nong Min Gong demand is bigger in Shanghai, Shenzhen and Guangdong province than that of other provinces. Therefore, the employment agency is more developed than other areas.

5) The number of Nong Min Gong employed for more than half a year at non-agricultural jobs has increased recently. The average working time for Nong Min Gong employed for more than half a year at non-agricultural jobs was of 8.3 months in 2004, while that in Eastern, Middle and Western China were 8.7 months, 7.2 months and 7.1 months respectively. And the shares of Nong Min Gong employed for more than half a year at non-agricultural jobs from 2002 to 2004 were 74.9%, 77.6% and 81.3% respectively (Research on Rural Labor of China, 2005).

In a word, Nong Min Gong is indispensable for China’s economy nowadays, the number of Nong Min Gong increased consistently year after year. They did great contribution to Chinese economic development. However, the living condition and working condition are strict to them in
urban areas. One of the most important factors that influence them is the Hukou system, which will be introduced in next chapter.

Chapter 3 The Hukou system in China

China had a special household registration system called the Hukou system, implemented from 1950s. It’s a very important system in China as various policies are related to it. Based on the Hukou system, Chinese people has been divided into: rural registration Hukou and non-rural (urban) registration Hukou. Most of rural Hukou residents are farmers.

According to the Hukou system, the rights of ordinary Chinese citizens to choose their permanent place of residence, social services, and enjoy protection of the law, have been limited. Urban residents received preferential employment opportunities, favorable educational quotas, and old-age pensions, etc. Hukou status, and the accompanying right to these benefits, is inherited at birth. And unfortunately, it is difficult for rural residents to change Hukou status from rural-Hukou to urban-Hukou. Some Hukou reforms have been taken in recent years. However, there are still some strict limitations.

3.1 The Causes Why Hukou System Established in China

There are three major reasons for the Chinese government to have built the Hukou system:

1) Historical reason: the shortage of food

After the establishment of People’s Republic of China (1949), Chinese government wanted to learn from the Soviet Union and other “East” counties, “socialism planned economy system” was implemented from national policy. China has a good relationship with Soviet Union at the beginning of 1950’s. However, the relationship broke up in 1958.

From 1958, Chairman MAO Zedong led the Great Leap Forward⁵, aimed to promote the Chinese economy, with “Heavy-industry development strategy”. MAO thought grain and steel production to be the key pillars of economic development and the Chinese government invested heavily in them. However, because of the lack of technology, most of grain and steel produced were wasted. Moreover, the amount of labor diverted to steel production and construction projects, so that much of the harvest was rot uncollected in some areas. When the Great Leap Forward collapsed in the 1960s, the devastating famine left at least 30 millions of Chinese people

⁵ 大跃进 in Chinese
dead. Chinese government had to manage the ration of food and the Hukou system made it easy to do so.

2) Economic reason: the lack of urban infrastructure

Because of the better living conditions of urban areas, surplus rural labor, and unplanned employment of urban areas among other reasons. Migration from rural to urban areas kept happening from 1950s. According to Yamamoto (2000), during the period of the First Five-Year Plan\(^6\) (1953–1957), there were 8 million rural people migrants to urban areas. It affected not only the rural areas and the agricultural sector, but also the urban areas and the industrial sector.

If too much people migrate to urban areas, the demand for food and other consumption goods would exceed, and it would lead to price inflation, real wage decreasing. Most importantly, the infrastructure of urban areas in China was not ready for the migrants, Chinese government felt the pressure. Therefore, they controlled rural-urban migration, used the Hukou system.

3) Political reason: in order to keep income gap

A necessary condition for government maintenance is that the supply of daily commodities such as food for city inhabitants is guaranteed. Therefore, Chinese rural people were tied to the land in order to provide cheap agricultural products to the industrial sector.

Besides, capital is one of the basic factors for economic development, and saving is one of its most important sources. Chinese government wanted to keep the income gap between rural and urban residents. The policy of “rational low wage” was approved in the end of 1957, caused by low productivity and population pressure. The price of agricultural products were set very low by the Chinese government, so that the workers in urban areas could save more while the income level of rural areas is much lower than that in urban areas. It can be called “exploitation of farmers”. Therefore, the rural-urban migration has to be strictly limited.

With the process of “Reforming and Opening”, Nong Min Gong became more and more important for economic development; Chinese government has opened a nationwide debate on reforming the Hukou system to cope with the economic development.

According to Ministry of Public Security of the People’s Republic of China (2007), China has begun to reform the Hukou system since 1992, and till 2007, there were nearly 200 pilot towns and small cities involved in the reform. However, it still has not reached a satisfactory situation. The restriction of rural-urban migration is still strictly to some extent. Moreover, the devolution

\(^6\) ‘一五計画’ in Chinese
of responsibility for Hukou policies to local governments, in many cases, made it more difficult than before for rural migrant workers to move into cities. This is mainly because of many complicated policies attached to the Hukou system (Chan and Buchingham. 2007).

3.2 The Origin of the Hukou system (Before 1978)

On July 16th, 1951, the Chinese government approved *Interim Provisions of City on the Administration of Residence Registration*, implemented by the Ministry of Public Security. This can be considered the beginning of the Hukou system. The main purpose at that time was to maintain public safety, protect citizen’s safety and allow their free migration. It was not intended to control the mobility of the people. This purpose could be certificated by the *Constitution of the People's Republic of China* implemented in 1954, which said “Citizens of the People's Republic of China have the freedom to migration and residence”.

Even in 1955 when the Chinese government prescribed that within the whole country, including cities, counties and villages, the permanent Hukou registration system have to be established, change of residence was only necessary for paroled criminals and landlords. Chinese people could move freely, and settle down where they wanted to live. However, from 1956 to 1957, the central government ordered local governments, to manage the household registration more strictly and control the blind rural-urban migration.

From January, 1958, *Residence Registration of the People's Republic of China*, promulgated and implemented by National People’s Congress, migration and mobility has been limited strictly, especially from rural areas to urban areas. It’s the beginning of the current Hukou system. For the first time, Chinese people have been divided into two categories:

1) rural residents with rural-Hukou
2) urban residents with urban-Hukou (non rural –Hukou)

The freedom of migration and residence that Chinese citizens of before, has been virtually abolished. In 1975, the sentence “Citizens of the People's Republic of China have the freedom to migration and residence” was removed from the *Constitution of the People's Republic of China*. During the following 20 years, the urban population increased only 65.24 million, from 107.21 million in 1958 to 172.45 million in 1978 (*China Compendium of Statistics, 1949-2004*).

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7 「中国人民共和国憲法（1954）」 in Chinese
The Hukou system was the supplement to People’s Commune system\(^8\). Both were the main tools for controlling migration from rural to urban areas. Through the People’s Commune system, the earnings of farmers depended on their daily participation in collecting farming, i.e. each farmer became a member of a collective production team, and the opportunity cost of migration was very high. Therefore, these systems had an extremely negative impact on the urbanization process in China.

According to Cai (2001), the Chinese urbanization level was 11.7% in 1949, and increased to 19.3% in 1960. A large portion of this increase was due to the labor demand in urban areas for the Great Leap Forward. However, the urbanization level decreased through the 1960s, and maintained a relatively stable level around 14.5% until 1978. The decrease in the 1960s was the result of the strict enforcement of the Hukou system. Moreover, two other events during the Cultural Revolution\(^9\) played a role in the reduction of the urbanization level. One was the return of more than 20 million rural people, who were previously recruited by the urban sectors, back to the countryside after the great famine. And the other one was sending students to the countryside\(^10\). They had to change their status to rural-Hukou, which increased artificially the number of rural residents.

As a result, urbanization stagnated during the period from 1958 to 1978, and the expansion of the divergence between rural and urban sectors led to the formation of the rural-urban dual structure.

### 3.3 The Hukou Reforms from 1978

After 1978, the year China started “Reforming and Opening”, some changes and reforms of Hukou system occurred. In rural areas, the Household Responsibility System emerged and eventually replaced the production team system\(^11\). Household Responsibility System is a contracting system that revolutionized agriculture in the early DENG Xiaopin period. Rather than contraction to large agricultural collectives, some local leaders began dividing up the land among work units or families and then sub-contracting production quotas to these smaller units. One

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8 人民公社 in Chinese. It was formerly the highest administrative levels in rural areas during the period between 1958 and 1985, when it was finally replaced by townships.

9 文化大革命 in Chinese

10 上山下乡 in Chinese

11 生产队 in Chinese
particularly popular method was called “contracting everything to family”, wherein families had to sell a set amount of produced goods to state officials at stipulated prices, but anything produced above these quotas could be sold at higher prices to other buyers (Christopher, Hudson, 1997).

The Household Responsibility System improved the total agricultural output growth and increased the productivity. The increase of productivity led to the availability of food in the urban free market, and eventually caused the Chinese government to abolish food rationing. It also generated surplus labor in rural areas. All of these factors made it possible for the rural surplus of labor to move into the urban areas.

In the urban areas, the creation and development of the Special Economic Zones led to huge changes. The basic state policy has focused on the formulation and implementation of overall reform and opening to the outside. Since 1980, China has established special economic zones in Shenzhen, Zhuhai and Shantou in the Guangdong Province and Xiamen in the Fujian Province, and designated the entire province of Hainan a special economic zone. The loosening of the urban employment policy and the expansion of the non-state sector created the demand for rural migrant workers. The shift of the development strategy from capital-intensive industries to more labor-intensive industries has also created more jobs in urban areas.

However, the basics of the Hukou system remained intact. Although some provinces and cities are starting to reform the Hukou system, official restrictions on migration still exist. The State Council promulgated Regulation on Taking the Urban Homeless and Beggars into Custody and Deportation in 1982, abolished on August 1st, 2003. Some major cities in China also formulated their own regulations after that, and often extended coverage from “Homeless and Beggars” to “Three-no Migrants”. This means that if rural migrant workers do not have identification, temporary resident permits or employment certificates, they will be deported to their hometowns.

From the beginning of 1984, those rural residents had been allowed to obtain residence status in market towns if they had local employment and housing and could provide their own food rations.

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12 国务院 in Chinese
13 「城市流浪乞讨人员收容遣送办法」 in Chinese
14 三无人员: 无身份证、无暂住证、无用工证明 in Chinese
Chinese government also encouraged the liberalization of residency restrictions for wealthy and educated individuals. From 1992, the blue stamp-Hukou\(^{15}\) policy permitted wealthy individuals to buy an urban designation by investing large sums of money in urban areas. Local governments competed to attract wealthy, educated, and highly skilled individuals by offering urban Hukou.

Apart from the legal procedures described above, millions of rural Chinese migrants also migrated to urban areas without any formal registration. Gradual abandonment of rationing increased the ability of unregistered migrants to purchase food in urban markets, facilitating unregistered migration.

Since the late 1990s, China have deepened and expanded Hukou reforms. These efforts have occurred sporadically and have been followed by central directives to slow down the pace of change. Reforms include: relaxing limitations on migration to small towns and cities, streamlining Hukou registration in some provinces and large cities, and instituting many individual reforms aimed at addressing the abuse of migrants.

From 1997, the State Council initiated an experimental program to allow rural migrants in designated small towns and cities to obtain urban Hukou. These reforms required migrants seeking to transfer their Hukou status to have:

1) a stable job or source of income
2) a stable place of residence for over two years

Applicants who satisfied these criteria could obtain Hukou registration in the given small city or town and receive education and other public services on equal terms with other local residents. From 2001, the State Council expanded this program to include all small towns and cities.

Since 2000, Chinese government has institutionalized variety of the Hukou system reforms and allowed more mobility. The *Regulation on Taking the Urban Homeless and Beggars into Custody and Deportation* has abolished in August 1\(^{st}\), 2003, and it was a major victory for Chinese rural migrant workers.

Since the mid 2001, in 200 pilot town and small cities\(^{16}\), each urban administrative entity can issue its own unified Hukou to both urban and rural residents. And these local governments had

\(^{15}\) Blue stamp-Hukou in Chinese
\(^{16}\) Small city refers the city whose population is less than 0.1 million.
to provide full access to social services. So that during 2001, nearly 0.6 million rural residents has acquired urban-Hukou.

However, local governments implemented some regulations in order to distinct migrants. In some cases, low-income migrants who do meet financial requirements suffer additional discrimination. According to the regulations of Ningbo city in the Zhejiang province, unskilled labors must possess both a stable place of residence and a stable source of income and also must reside in the city for five years in order to attain an urban Hukou. In contrast, business owners who satisfy residential and income criteria may receive an urban Hukou after paying two years of taxes totaling more than 5,000 yuan. Skilled and educated individuals do not have to reside in the city for a specified period of time in order to qualify for urban Hukou. As a result of these restrictions, the impact of these reforms has been limited.

From December 2004, the State Council issued a directive to eliminate discriminatory measures that limit employment prospects for migrants in urban areas. This policy has already had some impact. In the spring of 2005, the Beijing municipal government abolished long-standing regulations that prohibited migrants from renting apartments and office space and excluded them from certain occupations.

In a word, the Hukou system has great influence to the rural-urban migration. Moreover, it has great influence to the Nong Min Gong’s life, because of their rural-Hukou status, they have to bear kinds of unfair treatments, which will be discussed in the next chapter.

Chapter 4 Nong Min Gong and the Hukou system in China

In China, the income from agricultural works is much lower than that from non-agricultural works. Farmers could not keep income increasing only by agricultural production. Nong Min Gong migration can not only loosen the pressure of surplus labor in rural areas but also increase the income of farmers. In 1999, per capita Nong Min Gong income was 240 yuan, presenting 10.7% of per capita net income of rural households. Moreover, in the same year, the total Nong Min Gong income of Anhui province was 21.7 billion yuan, per capita Nong Min Gong income was 431.6 yuan, presenting 22.7% of per capita net income of rural households in Anhui province (Yang and Shi. 2005).

The Hukou system in China has two influences to Nong Min Gong migration: 1) the Hukou system limit the free movement of Nong Min Gong from rural areas to urban areas; 2) Nong Min
Gong has to bear discriminations in cities because of the Hukou system. Nong Min Gong leave their hometowns, go to urban areas and find non-agricultural works. On one hand, they could receive higher income than doing agricultural production, and then the income disparity between rural and urban areas could reduce to some extent. However, on the other hand, because they are rural-Hukou, their income is less than those who hold urban-Hukou, counteracting the affection.

As mentioned, Nong Min Gong is indispensable for the industrialization and economic development in China nowadays, and the number of Nong Min Gong increased consistently in recent years. However, because of the Hukou system, they are marginal and vulnerable group in the cities. They could not be treated as urban residents. They have to bear discriminations, including employment discrimination, wage discrimination, social welfare discrimination, etc. According to International Labor Organization (Global Discrimination Report, 2007), there are still 90 million Nong Min Gong could not obtain urban-Hukou in China.

4.1 Employment Discrimination

The governments in the cities usually set the limitation about the number of Nong Min Gong that enterprises can employ. Most of enterprises are not permitted to hire Nong Min Gong as many as employee want. Moreover, the levy fees are required on the recruitment of migrants. Most of enterprises had to pay kinds of fee for Nong Min Gong. For example, the government of Shanghai municipality prescribed that enterprise in Shanghai has to employ local residents first; only if local workers are not enough, the enterprises are admitted to hire Nong Min Gong. Moreover, there’s more than 20 kind of jobs are not permitted for Nong Min Gong, including finance, insurance and so forth.

It’s difficult for Nong Min Gong to obtain stable jobs in urban areas. Because the labor supply is more than labor demand in the inferior labor market in urban areas, employees can easily find cheap workers. Some of Nong Min Gong can only find a short period work and then have to seek to the next job. Therefore, they are not only move from agricultural sector to non-agricultural sector, but also move from non-agricultural sector to non-agricultural sector. Moreover, some Nong Min Gong go back to their hometown to continue agricultural production during the harvest time.

Besides, as a precondition for enter urban labor market legally, Nong Min Gong have to pay money and spend several months to obtain the necessary certifications. The total cost is different
in different city. For example, it’s nearly 500 yuan in Beijing, 600 yuan in Shanghai and 1,000 yuan in Shenzhen; while the average wage of Nong Min Gong is only 539 yuan per month (Research Paper about Rual Migrant Workers, 2006). According to Yang and Shi (2005), one Nong Min Gong needs to pay at least 450 yuan in 2001 in order to work in Beijing. Table 4-1 shows the composition.

Because of the structural adjustment of urban industry, technological improvement and the reform of state-owned units, the demand of labor force in urban areas decreased and serious unemployment appeared. Therefore, in order to helping urban residents to find a job, the Ministry of Labor implemented some regulations, tried to limit Nong Min Gong entering the urban labor market.

In addition, because they have no urban-Hukou, Nong Min Gong seldom have chance of promotion, so that their income can not change.

4.2 Wage Discrimination

Because of their rural-Hukou status, Nong Min Gong who can find jobs in urban areas, have to bear wage discrimination between them and urban residents. Three aspects can be concluded:

1) Even do the same jobs, Nong Min Gong’s salary is lower than that of urban residents.

According to Research Office of the State Council (Research Paper about Rual Migrant Workers, 2006), the average wage was 539 yuan per month for Nong Min Gong, while that of urban residents was 1,339 yuan in 2004. According to Yang and Shi (2005), in Changchun city, a urban resident can gain 10 yuan after cleaning one family’s whole windows, while a Nong Min Gong can only gain the half, 5 yuan.

The Department of Labor in the Shenzhen city did a survey in 1995, and they found in state-owned units, the average wage of Nong Min Gong was nearly 800 yuan per month, while that of Shenzhen-Hukou workers was 2,500 yuan per month. In non-state-owned units; the wage different between rural-Hukou and urban-Hukou was at lest 600 yuan per month.

Moreover, wages of urban-Hukou workers increased year after year, while the real wages of Nong Min Gong decreased. For example, the average real wages of Nong Min Gong in Shenzhen was 588 yuan in 2001, lower than that of 1980s. And the wage growth rate between Nong Min Gong and urban residents were different. Wages of urban-Hukou workers in 2004 was 21 times of that in 1980, while wages of Nong Min Gong only increased 68 yuan in that period.
Table 4-2 shows the salary of Nong Min Gong in author’s fieldwork. It could be found that more than half of their salary is between 1000 to 2000 yuan, nearly 26% of their salary is between 500 to 1000 yuan, and only 19% of them are higher than 2000 yuan.

2) The working hours of Nong Min Gong are much more than that of urban-Hukou workers.

Table 4-3 shows the composition of employment working hours per week in urban areas by registration type in 2006. 48.2% urban-Hukou workers work 40 hours per week, while 47.4% Nong Min Gong work more than 48 hours per week.

According to the Article 36 of Labor Law of China, “Chinese labors shall work for no more than 8 hours per day and no more than 44 hours per week on the average.” However, Department of Rural Surveys National Bureau of Statistics did a survey for 243 Nong Min Gong from the Hunan province in 2004, they worked 6.3 days per week, 9.7 hours per day; the highest numbers were 7 days per week and 12 hours per day (Research on Rural Labor of China, 2005a).

3) Nong Min Gong’s wages or salaries always be deducted or delayed payment without justification

In many cases, Nong Min Gong can not gain wages or salaries on time. Employees always made unequal treatment between urban-Hukou workers and Nong Min Gong. The total number of delayed salary payment to Nong Min Gong in 2002 reached nearly 30 billion yuan. 487 group petitions (more than 30 people) and strikes happened in the Hunan province from January to June in 2002, and the delayed salary payment caused 68.6% of them (335) (Yang and Shi, 2005). According to National Bureau of Statistics of China (China Labor Statistic Yearbook. 2006), there were 150,024 cases of deducted or delayed payment in 2004 in whole country.

4.3 Social Insurance and Welfare Discrimination

Also, Nong Min Gong have to face the situation that urban residents can get some “invisible income”, including housing subsidy, education subsidy, health insurance, injury insurance, unemployment insurance, etc. while Nong Min Gong could not; causing urban-Hukou workers really obtain much more than their wages or salaries.

1) Housing subsidy

In China, local governments or enterprises can supply public houses to urban-Hukou workers. Until the mid-1990s, most of urban residents lived in public houses, the rent was lower than market rent, meaning they got changed housing subsidy.
According to the data of CHIP (1995), the real housing subsidy for urban residents was 10 yuan/m$^2$ per month; average housing subsidy of urban residents was 1,296 yuan in 1995. Housing reform changed this situation. The ratio of urban households living in public houses decreased from 57% in 1995 to 16% in 2002, while the ratio of urban households living in private houses increased from 43% in 1995 to 80% in 2002. However the average housing subsidy of urban residents increased and it was 1,358 in 2002 (Li and Luo, 2007).

Comparing with urban-Hukou workers, Nong Min Gong have to confront housing problems by themselves because of their rural-Hukou status. They seldom have chance to live in public houses or obtain housing subsidy, and the commercial house rent is expensive in urban areas. Therefore, some of them have to live in the dormitories, with bad condition, provided by their employees; some of Nong Min Gong live together in the suburb called “village in city”, which is isolated from the city. For example, “Zhejiang village”, “Henan village”, “Xingjiang village” appeared in some big cities.

2) Healthy insurance

Average healthy subsidy of urban residents was 293 yuan in 2002 (Li and Luo. 2007), while 80% Nong Min Gong have no health insurance. Due to the high cost, Nong Min Gong is reluctant to seek medical care (Research Paper about Rural Migrant Workers, 2006).

3) Injury insurance

Nong Min Gong seldom have chance to join injury insurance, while most of urban-Hukou workers have. Employees in urban areas want to save expenditure; they ignore the rights of Nong Min Gong. If an injury incurred during their working time, they have to face a reality that they can not get disability pension from either employees or government. The person in charge will be themselves; moreover, if they can not continue working, they will be fired soon.

4) Unemployment insurance

It is compulsory for employees in urban areas to contribute to unemployment funds set up by government. However, it does only apply to urban-Hukou workers. Nong Min Gong are not entitled to unemployment insurance, even in the same enterprise. Therefore, urban-Hukou workers can get unemployment aid if they became laid-off, while Nong Min Gong have to lend money from their relatives or friends if they lost jobs. If they can not find other jobs in a short period, they can not afford the expenditure in urban areas, and then what only they can do is to go back their hometowns.
4.4 Education Discrimination

Nong Min Gong’s children, no matter where they born, either in rural areas or in urban areas, their Hukou status will be rural-Hukou, like their parents. There are two ways that Nong Min Gong parents could choose after their baby born:

1) they can leave the baby in rural areas. The relatives, for example, the grandparents, can help them to bring up the baby, so that they can go to work in urban areas and they will send remittance;

2) they can live with the baby in urban areas; however, their children have to face the discrimination between them and urban-Hukou children.

According to National Bureau of Statistics of China, there were nearly 15 million Nong Min Gong’s children living in urban areas with their parents in 2000, and the number of those children will increase by 1.5 million per year (The Fifth Population Census of China, 2001). It’s difficult for them to enter the education system in cities, even the nine years compulsory education. According to China Information Center for Children (2004), the average education level of Nong Min Gong’s children was lower than national level. In 2004, the drop-out rate of Nong Min Gong’s children was 9.3%; the share of never attending school was 15.4% for aged 14.

The education system in urban areas is hostile to those who do not have urban-Hukou, and usually refuse to enroll Nong Min Gong’s children entering the local schools. The main reason is education system in China, like other systems, is attached with the Hukou system. Nong Min Gong parents have to pay much higher miscellaneous expenses in addition to tuition fees, and it often exceeds what they can afford. It’s a common phenomenon that schools in urban areas required Nong Min Gong parents to pay extra fee named supporting fee in order to enroll their children, and it usually cost more than 1,000 yuan; while it’s not required for urban-Hukou children. Figure 4-1 shows the share whether extra fee need or not according to author’s fieldwork. It could be proved the abovementioned.

Since the late 1990s, some schools for Nong Min Gong’s children were built by Nong Min Gong themselves. However, teachers in those schools are not enough and most of them have no official qualification. Moreover, most of those schools are lack of safety standards and sanitary facilities. Therefore, the education quality is much lower than local schools. Comparing with
urban children, Nong Min Gong’s children have to face disadvantage and it will affect their future.

In a word, nowadays Nong Min Gong became more and more important in China. However, they have to bear varies of discriminations in urban areas just because of their rural-Hukou status. Even though they could gain more than do agricultural production, it’s still difficult to reduce the income disparity between rural and urban areas efficiently. Moreover, their children can not enter the education system in urban areas easily, so that most of them followed the way of their parents, continued to do the labor-intensive work.

Chapter 5 Suggestions and Conclusions

Chinese government built a dual-system by the Hukou system. For the purpose of develop urban areas first, policies favored urban areas have been settled.

The rural-urban migration policy in China can be characterized as “lacking coherence and cohesion”. The local governments in rural areas try to promoting rural-urban migration in order to loosen surplus rural labor and increase the income of rural people; while the governments in urban areas won’t accept so many Nong Min Gong. With the process of urban economic reform, more and more urban residents became laid-off or unemployment, therefore, kinds of regulations implemented to protect urban residents from the competition of the migrants. However, the enterprises in urban areas, to some extent, need more Nong Min Gong because they are cheap, even though unskilled.

Nong Min Gong could be thought the weakest group in urban areas; therefore, the Chinese government should supply the minimum public services to them. In order to reduce the income disparity between rural and urban areas in China, centre and local governments have to pay more attention to Nong Min Gong, try to protect the rights of Nong Min Gong, and reform the Hukou system.

Although some reforms of the Hukou system occurred and the situation of Nong Min Gong changed much, it’s still have varies of issues about Nong Min Gong migration. Chinese society and government kept considering that Nong Min Gong in urban areas is a personal temporary behavior. On one hand, Nong Min Gong did great contribution to urban economic development; while on the other hand, some social problems appeared because of them, especially the
increasing crime rate. Therefore, Chinese government tried to control Nong Min Gong migration. The lack of government protection for Nong Min Gong can be summarized as:

1) the lack of employment programs and policies for Nong Min Gong

There are some employment centers, built by Chinese government, in urban areas. They could provide to Nong Min Gong about the data of recruitment advice, placement services, occupational training courses, etc. However, the most important function of them is to manage Nong Min Gong and limit their migration.

2) the lack of government officers

Working units are directly related to Nong Min Gong. Employees always ignore the rights of Nong Min Gong; they force Nong Min Gong to sign unfair employment contracts in many cases. Nong Min Gong’s responsibility will be emphasized while their working safety can not be protected. The government officers in charge of execute the laws and regulations are not enough. For example, there were 2.8 million and 1.5 million Nong Min Gong in Shenzhen and Duongguan city of the Guangdong province in 2002 respectively; while the government officers in charge were only 60 and 16 respectively (Zhu, 2002)

3) the lack of social protective system

Nowadays, injury insurance and healthcare insurance are the most important two needs for Nong Min Gong. They are the survival issues of Nong Min Gong in urban areas, while only few of big cities supplying them for Nong Min Gong.

In 2004, 6.1% Nong Min Gong did not gain salary on time; the average amount reached 1,806 yuan; 34% Nong Min Gong did not sign employment contracts; and 88.5% Nong Min Gong did not join employment insurance. Therefore, it’s difficult for Nong Min Gong to protect their rights when employment troubles happened.

4) the lack of official assistance for Nong Min Gong

Government has responsibility to help Nong Min Gong when they are in troubles, however more than 80% Nong Min Gong chose to solve their problems by illegal way without official assistance, so that the crime rate of Nong Min Gong kept high (Yang and Shi, 2005).

5) the lack of organizations for Nong Min Gong

The number of Nong Min Gong’s organization increased in recent years; however they are still not enough.
Some suggestions can be considered to increase rural residents’ income in order to reduce the income disparity between rural and urban areas in China:

1) if the Chinese government invest more to agricultural sector, heighten the productivity; rural people can gain higher income from agricultural production;
2) it is better for both central government and local governments to take full advantage of the best development period, accelerate the Hukou system reform; promote rural-urban migration; protect the rights of Nong Min Gong.
3) It is better for both central government and local governments to develop and standardize employment services and improve their public perception by cracking down on illegal agencies and allaying reservations about high fees and low efficiency.
4) Because Nong Min Gong can not find jobs easily by their low education level, the Chinese government should give more chance for them to gain professional training. In addition, government has to invest more to Nong Min Gong in order to solve kinds of their problems.

Hukou reform could not only determine the life of Nong Min Gong and rural residents, but also could impact on the future development of China. Both central government and local governments ought to take full advantage of the best development period, invest more to rural areas and rural residents, and loosen the limitation of Nong Min Gong migration in order to gain the sustainable economic development.
Appendix

Figure 2-1: The Change of Income Disparity between Rural and Urban Areas in China (1978–2006)


The ratio formula is: \[ \text{ratio} = \frac{\text{per capita disposable income of urban households}}{\text{per capita net income of rural households}} \]

Table 2-1: The Number and Share of Nong Min Gong (in 2003 and 2004)

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th></th>
<th>2004</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Nong Min Gong population (million)</td>
<td>share to total rural labor</td>
<td>Nong Min Gong population (million)</td>
<td>share to total rural labor</td>
</tr>
<tr>
<td>Nation</td>
<td>113.9</td>
<td>23.2%</td>
<td>118.23</td>
<td>23.8%</td>
</tr>
<tr>
<td>Eastern China</td>
<td>38.11</td>
<td>19.5%</td>
<td>39.34</td>
<td>19.8%</td>
</tr>
<tr>
<td>Middle China</td>
<td>45.23</td>
<td>26.4%</td>
<td>47.28</td>
<td>27.2%</td>
</tr>
<tr>
<td>Western China</td>
<td>30.56</td>
<td>24.8%</td>
<td>31.61</td>
<td>25.4%</td>
</tr>
</tbody>
</table>

Table 2-2: The Composition of Nong Min Gong by Sending and Receiving Regions (in 2003 and 2004)

<table>
<thead>
<tr>
<th>sending region</th>
<th>receiving region</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Eastern China</td>
<td>Middle China</td>
<td>Western China</td>
</tr>
<tr>
<td>nation</td>
<td>68.0%</td>
<td>14.7%</td>
<td>17.1%</td>
</tr>
<tr>
<td>Eastern China</td>
<td>96.3%</td>
<td>2.4%</td>
<td>0.9%</td>
</tr>
<tr>
<td>Middle China</td>
<td>64.0%</td>
<td>33.9%</td>
<td>1.8%</td>
</tr>
<tr>
<td>Western China</td>
<td>37.0%</td>
<td>2.9%</td>
<td>60.0%</td>
</tr>
</tbody>
</table>


Table 2-3: Age Composition Change of Nong Min Gong (2001-2004)

<table>
<thead>
<tr>
<th>age composition</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>average age</td>
<td>27.8</td>
<td>28.3</td>
<td>28.2</td>
<td>28.6</td>
</tr>
<tr>
<td>16-20 years old</td>
<td>22.2%</td>
<td>20.2%</td>
<td>19.5%</td>
<td>18.3%</td>
</tr>
<tr>
<td>21-25 years old</td>
<td>26.8%</td>
<td>26.1%</td>
<td>27.8%</td>
<td>27.1%</td>
</tr>
<tr>
<td>26-30 years old</td>
<td>16.1%</td>
<td>15.9%</td>
<td>15.6%</td>
<td>15.9%</td>
</tr>
<tr>
<td>31-40 years old</td>
<td>22.2%</td>
<td>24.0%</td>
<td>23.0%</td>
<td>23.2%</td>
</tr>
<tr>
<td>older than 40</td>
<td>12.7%</td>
<td>13.8%</td>
<td>14.1%</td>
<td>15.5%</td>
</tr>
</tbody>
</table>


Table 2-4: Age Composition Change of Nong Min Gong (Fieldwork)

<table>
<thead>
<tr>
<th>Age composition</th>
<th>Nong Min Gong number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>14-18 years old</td>
<td>3</td>
<td>1%</td>
</tr>
<tr>
<td>19-25 years old</td>
<td>94</td>
<td>36%</td>
</tr>
<tr>
<td>26-35 years old</td>
<td>126</td>
<td>49%</td>
</tr>
<tr>
<td>36-45 years old</td>
<td>24</td>
<td>9%</td>
</tr>
<tr>
<td>older than 45 years old</td>
<td>4</td>
<td>2%</td>
</tr>
</tbody>
</table>
Table 2-5: The Vocational Composition of Nong Min Gong in 2004

<table>
<thead>
<tr>
<th>vocational composition</th>
<th>nation</th>
<th>Eastern China</th>
<th>Middle China</th>
<th>Western China</th>
</tr>
</thead>
<tbody>
<tr>
<td>mining</td>
<td>1.8%</td>
<td>1.0%</td>
<td>4.3%</td>
<td>3.4%</td>
</tr>
<tr>
<td>manufacturing</td>
<td>30.3%</td>
<td>37.9%</td>
<td>14.1%</td>
<td>11.2%</td>
</tr>
<tr>
<td>construction</td>
<td>22.9%</td>
<td>18.3%</td>
<td>30.1%</td>
<td>37.0%</td>
</tr>
<tr>
<td>transportation, storage and postal</td>
<td>3.4%</td>
<td>3.2%</td>
<td>4.0%</td>
<td>3.7%</td>
</tr>
<tr>
<td>wholesale and retail</td>
<td>4.6%</td>
<td>4.1%</td>
<td>5.7%</td>
<td>5.4%</td>
</tr>
<tr>
<td>catering services</td>
<td>6.7%</td>
<td>5.9%</td>
<td>9.5%</td>
<td>7.4%</td>
</tr>
<tr>
<td>social services</td>
<td>10.4%</td>
<td>10.2%</td>
<td>11.9%</td>
<td>10.0%</td>
</tr>
</tbody>
</table>


Table 2-6: The Education Level of Nong Min Gong (Fieldwork)

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Nong Min Gong number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Illiterate</td>
<td>4</td>
<td>2%</td>
</tr>
<tr>
<td>Primary school</td>
<td>10</td>
<td>4%</td>
</tr>
<tr>
<td>Junior high school</td>
<td>130</td>
<td>50%</td>
</tr>
<tr>
<td>Senior high school</td>
<td>87</td>
<td>34%</td>
</tr>
<tr>
<td>Higher than vocational school</td>
<td>7</td>
<td>3%</td>
</tr>
</tbody>
</table>

Table 2-7: The Method Nong Min Gong Found their Job (Fieldwork)

<table>
<thead>
<tr>
<th>Method</th>
<th>Nong Min Gong number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>By advertisement</td>
<td>30</td>
<td>12%</td>
</tr>
<tr>
<td>Introduced by relatives or friends</td>
<td>84</td>
<td>33%</td>
</tr>
<tr>
<td>Introduced by employment agency</td>
<td>114</td>
<td>44%</td>
</tr>
<tr>
<td>By myself</td>
<td>7</td>
<td>3%</td>
</tr>
<tr>
<td>Others</td>
<td>11</td>
<td>4%</td>
</tr>
</tbody>
</table>

Table 4-1: The Necessary Certifications Composition of Nong Min Gong in Beijing (2001)

<table>
<thead>
<tr>
<th>certification</th>
<th>management fee (yuan/ per year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>migration-people certification(^{17})</td>
<td>50~80</td>
</tr>
<tr>
<td>temporary resident permit(^{18})</td>
<td>180</td>
</tr>
<tr>
<td>employment certification(^{19})</td>
<td>180</td>
</tr>
<tr>
<td>health certification(^{20})</td>
<td>40~50</td>
</tr>
<tr>
<td>vocational capacity certification(^{21})</td>
<td>4</td>
</tr>
</tbody>
</table>

Data source: Yang and Shi. 2005. The Issues of Nong Min Gong in China

\(^{17}\) 流动人口证 in Chinese
\(^{18}\) 暂住证 in Chinese
\(^{19}\) 用工证明 in Chinese
\(^{20}\) 健康证 in Chinese
\(^{21}\) 职业资格证 in Chinese
Table 4-2: Salary (per month) of Nong Min Gong (Fieldwork)

<table>
<thead>
<tr>
<th>Salary (per month)</th>
<th>Nong Min Gong number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 500 RMB</td>
<td>1</td>
<td>0.4%</td>
</tr>
<tr>
<td>501-1000 RMB</td>
<td>68</td>
<td>26%</td>
</tr>
<tr>
<td>1001-2000 RMB</td>
<td>134</td>
<td>52%</td>
</tr>
<tr>
<td>2001-3000 RMB</td>
<td>47</td>
<td>18%</td>
</tr>
<tr>
<td>More than 3000 RMB</td>
<td>3</td>
<td>1%</td>
</tr>
</tbody>
</table>

Table 4-3: Composition of Employment Working Hours per Week in Urban Areas by Registration Type (2006)

<table>
<thead>
<tr>
<th>registration type</th>
<th>total</th>
<th>1~8 hours</th>
<th>9~19 hours</th>
<th>20~39 hours</th>
<th>40 hours</th>
<th>41~48 hours</th>
<th>more than 48 hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>total</td>
<td>100%</td>
<td>0.4%</td>
<td>1.7%</td>
<td>11.1%</td>
<td>31.2%</td>
<td>16.1%</td>
<td>39.6%</td>
</tr>
<tr>
<td>rural-Hukou</td>
<td>100%</td>
<td>0.7%</td>
<td>2.8%</td>
<td>16.5%</td>
<td>15.8%</td>
<td>16.8%</td>
<td>47.4%</td>
</tr>
<tr>
<td>urban-Hukou</td>
<td>100%</td>
<td>0.2%</td>
<td>0.5%</td>
<td>5.1%</td>
<td>48.2%</td>
<td>15.2%</td>
<td>30.9%</td>
</tr>
</tbody>
</table>


Figure 4-1: The Share of Extra Fee for Education of Nong Min Gong’s Children (Fieldwork)
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