

Critical Evaluation of the New Rural-Urban Labor Mobility in China: Reasons and Effect of Rural-Urban Labor Migration on Urban and Rural Labor Market

Lili Ma

Gansu Forestry Department, No. 1 Qin'an Road, Chengguan District, Lanzhou, Gansu, China

E-mail: axiyan417@yahoo.cn

Received: July 18, 2011

Accepted: November 15, 2011

Published: March 1, 2012

doi:10.5539/ass.v8n3p321

URL: <http://dx.doi.org/10.5539/ass.v8n3p321>

Abstract

With the reforms of the Chinese economy, an enormous new moving population of rural-urban migrants is transforming the rural and urban labor force. Expected rural-urban income differences are used instead of absolute income diversity, namely the migrant is motivated by predictable income streams over time rather than by current earnings. Also, the employment opportunity is not exclusive determinant for rural-urban migration and some factors from both rural and urban sectors should be taken into account. The relationship between urban resident and rural migrant employment is consistent with the existence of continued labor market segmentation. It is also the increasing competition between the two groups. Meanwhile, many evidences indicate that there are two simultaneous phenomena which are surplus labor in rural areas and rising rural migrant wages in urban areas.

Keywords: Labor mobility, Household responsibility system, Surplus labor, Income gap, Magnetic city, Hukou system, Labor market segmentation

1. Background

With the increase in the demand for labor in urban areas, China's economic reforms have led to rural-to-urban labor migration that is unparalleled in scale. Many urban studies indicate that the floating population in a number of metropolises such as Beijing and Shanghai, which contains both rural labor migrants and others departing from their place of official residence, were one-third and one-fourth respectively of those cities' inhabitants (Appleton et al. 2002). In brief, Chinese economy reforms have triggered substantial floating population of rural-urban migrants. Enormous voluntary rural-urban migration is transforming the cities of China and simultaneously changing the urban labor force (Gaetano & Jacka, 2004). Depending on the neoclassical model, more previous researches focus on exploring the massive rural-urban internal migration proceeding in China (Seeborg, Jin & Zhu 2000). They argue that huge new floating population in China's urban regions can provide urban development vitality by means of affording required labor for current explosion of urban construction and service industry (ibid). However, the rural-urban migration is similarly resulting in conflict between migrants and urban residents because the new migrants compete fiercely with growing number of jobless urban citizens. Additionally, urban residents consider migrants should be responsible for some issues in the process of urban development including unemployment, traffic congestion, environmental degradation and crime. Meanwhile, two phenomena like concurrent surplus labor in rural areas and migrant labor shortage in urban areas are considered a puzzle. It is worth exploring the interpretation through more research.

2. Argument structure and research methods:

On the whole, quantitative and qualitative research methods are combined to serve as the way the theoretical position is intended to approach in the essay. In terms of exploring causes of the new rural-urban labor mobility in China, based on different category of data from China Statistical Yearbook, the large internal migration in recent history will be presented firstly. In the second place, the study intends to state major incentives and causes of rural-to-urban migration in China. This can be realized through analyzing many surveys with regard to migrants' attitudes from literature review. Besides, by means of examining the concept model of voluntary rural-urban migration in China from qualitative aspect, the major institutional and economic forces resulting in

the migration will be outlined in terms of rural and urban sectors. In this section, the impact of crucial changes in the rural sector on rural-urban migration is to be examined through analyzing the data of per capita annual real income of urban rural households and the data of number of employed person in rural areas. Also, some unique institutions, which have restricted chance for rural migrants in cities previously, will be qualitatively analyzed. In the third place, possible positive and negative relationships between rural migrant employment and urban residents will be set out. This part will be presented by means of analysis of advantages of rural-urban migration for urban economics reform and conflict between rural labor and urban labor. In terms of discovering whether the relationship between migrants and urban residents is one of segmentation or competition in the labor market, empirical findings on the attitudes of companies and of workers will be presented with help of urban survey. Finally, the study will briefly analyze two simultaneous phenomena which are surplus labor in rural areas and migrant labor shortage in urban areas.

3. A summary of authors' viewpoint

Currently, some researches devote to exploring causes for the rural-urban labor mobility because it is, in some sense, important to evaluate the most essential reasons because they are playing instructing roles in term of policy making. Under the circumstances, Seeborg, Jin & Zhu (2000) conducted a study the new rural-urban labor mobility in China: Causes and implication. This research aimed to explore some of the most dominant reasons for the occurrence of the floating population in China, especially from aspect of major economic forces and policy changes. The study revealed that the neoclassical model only is not sufficient to clarify the substantial rural-urban internal migration proceeding in China. As a substitute, authors hold that both institutional economics and sociological theories of segmented markets can be used to complement the standard neoclassical explanation. Additionally, the study focused on the impact of Chinese policy reforms in both rural and urban areas on balkanization of labor markets. It asserted that these reforms decreased the fragmentation of labor markets and created more employment opportunities for many rural-urban migrants. To the extent that this research is exploratory, result of this study provide insights into the importance of recognizing causes and implication of the new rural-urban labor mobility in China. However several limitations must be considered in interpreting the study findings.

4. Internal migration in recent history

The precise size of the floating population is in dispute (Cai & Wang 2008). However, it is undoubtedly that the floating population makes contributions to the urbanization of China. Table 1 presents the large internal migration in recent history of China. It indicates population and employment statistics for urban and rural areas from 2001 to 2008 (National Bureau of Statistics of China, 2009). Over that 8-year period, the official urban population increased from 37.7% to 45.7% of the total population. It is obvious from these data that there is enormous urbanization, and from all accounts, rural-urban migration is playing an increasingly role in the process. The table also shows the proportion of urban employment in total employment increase from 32.8% to 39% among 2001 to 2008. The percentage of rural employment decreases from 67.2% to 61% during same period, compared with urban employment.

5. Incentives and causes of rural-to-urban migration in China

In order to explore incentives and causes of rural-to-urban migration in China, Seeborg, Jin & Zhu (2000) take advantage of Michael Todaro's model of internal migration as a starting point (Seeborg, Jin & Zhu 2000). Based on this model, they hold that the model undoubtedly has disadvantages because it merely presents those potential migrants are facing a single urban labor market with a certain possibility of employment (ibid). Accordingly, authors considered that potential migrants are confronted with four elementary consequences: 1) employment in the SOE sector; 2) employment in the non-SOE contract wage sector; 3) employment in the informal or urban traditional sector; or 4) unemployment. And then authors partition the urban market into the four sectors above for the purpose of analysis (ibid). However, authors did not search many crucial incentives of rural-to-urban migration in China, and many potential causes are ignored from rural and urban aspects. The following part will discuss the underlying factors encouraging contemporary rural-urban migration in China.

5.1 Rural sector

5.1.1 The effect of household responsibility system

Many factors of rural sector have been considered as incentives to push and pull rural workers to migrate to the urban area. The first influential factor is the household responsibility system which distributes previously collectivized land among rural households (Knight & Yueh 2002). According to Seeborg, Jin & Zhu (2000), household responsibility system resulted in increase in agricultural procurement prices, and these agricultural

market reforms increased farmers' incentives to engage in agriculture and thus decrease rural-urban migration (Seeborg, Jin & Zhu 2000). However, household responsibility system, rather than providing jobs through the collectivization system, the state requires each household to produce a certain quantity of grain and then buys surplus grain at a premium of 30 to 50% (Knight & Yueh 2002). Accordingly, the household responsibility system leads to higher work efficiency and decrease of number of workers needed on the farm. Besides, peasants are confronted with less profits and more instability due to inadequate agricultural subsidies from government (ibid). With the creation of the new system, many farmers lost jobs or do not have enough support from the government. In that case, there are increasing incentives generated from the household responsibility system for family members to seek non-agricultural work.

5.1.2 Less profitable conditions and surplus labor in agriculture

Changes in the agricultural industry have also resulted in less profitable conditions for farmers. Increasing costs of agricultural production is triggering rural-to-urban migration (Du, Park & Wang 2005). Taking fertilizers as an example, new fertilizers are more expensive and effective than others used in the past, which could lead to growing cost of agricultural production, higher crop yield and decrease demand for laborers. Besides, farmers are unable to raise the prices of crops to compensate because of government controls of price. In addition, the arable land is declining because of overuse of fertilizers, deforestation and sale of land for industry (Du, Park & Wang 2005). This is an issue for farmers because smaller farms per household threaten potential income that farmers could depend on. As a result, this may generate a powerful rural push to migrate as well as enable rural laborers to seek off-farm work to supplement their incomes. Seeborg, Jin & Zhu (2000) also hold that surplus labor in rural areas is another reason resulting in rural-to-urban migration (Seeborg, Jin & Zhu 2000). Sustained natural growth in the rural population and increases in productivity in agriculture contribute to a very large surplus of labor in agriculture. Although a plenty of the surplus labor can be absorbed by the TVEs, TVEs have not provide enough jobs to hinder the emergence of a huge surplus labor population in rural areas (ibid).

5.2 Urban sector

5.2.1 Growing income gap between urban and rural residents

Seeborg, Jin & Zhu state that 'All other things being equal, an increase in urban –rural income ratios should trigger an increase in migration. The huge income disparity between rural and urban areas provides enormous incentive to the rural residents to migrate to the urban areas in search of higher living standards' (Seeborg, Jin & Zhu p 50 2000).

Table 2 shows per capita annual disposable income of urban households grow rapidly from 2001 to 2008 (National Bureau of Statistics of China, 2009). The figure of rural households experiences a slower increase, compared with urban area. It is worth noting that the income gap rises from 4493.2 yuan to 11020.2 yuan during 2001 to 2008. Namely, the income gap keeps continual growth. Additionally, Engels' coefficient of rural households is relatively higher than urban households, which indicates that there is serious disparity between rural and urban living standard.

With the rapid growth in China, growing income gap between urban and rural residents is a considerable important element affecting decision of migration. This disparity has occurred because the price of farm products is not raised to keep up with those of manufactured goods (Knight & Song 2005). Farmers hold that urban areas could create more profits than their home village from industrialization, which is a crucial push for rural laborers to migrate to the city. Besides, migrants from rural areas can take part in the economic growth in city and benefit from increased job availabilities (ibid). City usually needs more workers due to expansion of manufacturing, commercial and technological activities. Migrants are employed by the state for construction jobs and by private industries for cheap labor. Furthermore, migrants are needed in the service industry to improve the urban living standard by offering cheap services because these jobs could not be desirable to urban residents.

5.2.2 Magnetic city

With rapid increase in industrialization, larger corporations are attracted to chief urban areas because cities can normally provide superior services, such as convenient transport and adequate warehousing as well as a larger and more diversified supply of employees (Fan & Stark 2008). Accordingly, the large amount of manufacturing enterprises and a greater concentration of them, in sequence, could provide a greater range of employment predictions available to each worker in the larger cities. Besides, this kind of enterprise in urban area could offer workers more training opportunities to achieve higher incomes. With one enterprise supplying inputs to other enterprises, a greater degree of combination of manufacturing activities is created in cities (ibid). Moreover, better infrastructure resulted from a more concentrated population could be provided in larger cities, which is

one of the attractions for migrants from rural areas. Furthermore, there is a superior potential for urban management because cities can attract better managers, which contributes to well-regulated living environment for urban residents (Knight & Song 2005). Migrants from rural areas are also attracted by abundant leisure activities, affluent entertainment facilities and other diversions from usual work activity. In addition, good educational environment is also an important element to be considered when residents of rural areas decide to move into urban areas.

5.3 Unique institutions restricting migration

Seeborg, Jin & Zhu (2000) argue that government policy has also contributed to encouraging rural laborers to migrate from the countryside (Seeborg, Jin & Zhu 2000). They reported that rural-urban migration is a kind of policy-oriented phenomenon, and migration into cities is brought by industrial campaigns or relaxation of migration controls (ibid). However, some unique institutions, especially like hukou system, have restricted chance for rural migrants in cities previously. Depend on hukou system, the government regulates population movement, and people are labeled as agricultural or non-agricultural, based on occupation (Fan & Stark 2008). Those without an urban hukou status are not entitled to employment, housing subsidies and health care from the government because the state attempt to limit the amount of recipients of these benefits (ibid). In addition, it is often unlikely for rural laborers to have certain education and scientific training to be permanent resident in a city. Although these controls could have been a little relaxed and thus they allow rural workers in the city without having urban hukou status, they are still restriction for permanent migration to the cities. One reason of that is companies have been provided migrants more flexibility with hiring so that almost 60% of migrants are unregistered in their cities of work (Hertel & Zhai 2006). Also, cheap labor from the countryside is brought to urban labor market, even though these workers do not have urban status.

6. Possible relationships between rural migrant employment and urban residents

According to Seeborg, Jin & Zhu (2000), the flexible and fluid labor force plays an important role in advanced market economics (Seeborg, Jin & Zhu 2000). Additionally, they state that this new huge new floating population in urban areas in China provides vitality to urban development because transient population contributes to needed labor supply for the current explosion of urban construction. Nevertheless, it is also evident that rural-urban migration has resulted in conflict between rural migrant employment and urban resident. That is because the new migrants to urban areas compete with increasing numbers of unemployed urban residents who have lost their jobs due to the restructuring and privatization of state-owned enterprises. Based on segmented labor market theory, Cai & Wang (2008) argues that insiders and outsiders are employed in different segments of the labor market (Cai & Wang 2008). Or insiders and outsiders are on different terms and often in different jobs if they are employed by the same firm (ibid). This theory suggests that an increasing in the demand for labor intends to raise the demand for both insiders and outsiders. These perspectives can be applied to the Chinese labor market. Urban workers and rural workers can be treated as insiders and outsiders respectively in a segmented labor market (Seeborg, Jin & Zhu 2000). Because of the main institutional barrier namely hukou, urban workers are protected by their membership of the work unit and the political economy that produces urban prejudice and preserves urban residents (Knight & Yueh 2009). However, the fact indicates that total employment in urban units decreased by more than five times the decrease in migrant employment in urban units, with the percentage of migrant employment also decreasing, but only a little (Knight & Yueh 2002). Therefore, the relationship between urban resident and rural migrant employment is consistent with the existence of continued labor market segmentation. It is also the increasing competition between the two groups.

6.1 A positive relationship between rural migrant employment and urban residents

A positive relationship between rural migrant employment and urban residents can displays in various ways. In the first place, both of the factors of production, urban residents labor and migrant labor, are required with an increase in the general demand for inputs into production. In the second place, migrants and urban employments can be complements if, for example, the workers of more urban residents, who are doing jobs specific to urban residents, requires the employment of additional migrants, who are doing jobs specific to migrants (Fan & Stark 2008). The work force diversity is for output to be increased. Thirdly, although a decline in demand for urban employment has no impact on migrant workers if the cause for the decline is the retrenchment of surplus labor that exists only among urban residents, the potential political economy of urban bias can create a policy response to the redundancy programme and the ensuring rise in the unemployment of urban residents (Hertel & Zhai 2006). Because urban workers are made redundant, city governments shrink the employment and reemployment of migrant workers so as to give redundant workers more opportunities to find alternative jobs. On this occasion, migrants continue to be remaining employees who are permitted only into the jobs that urban employees do not

need. Furthermore, successful retrenchment programme raise the bargaining power of the residual urban employees (ibid), this can strengthen their protection against migrant competition for jobs.

6.2 A negative relationship between rural migrant employment and urban residents

On the other hand, the relationship between rural migrant employment and urban residents can have negative indication. With dismantlement of the institutional policies imposing segmentation, the lessening of restriction on migrants results in fiercer competition in the labor market (Fan & Stark 2008). As a result, a substitution of migrants for urban employees is generated due to relaxation of controls over migration and migrant employment. Increased competition for employment opportunities indicates that a growth in the employment of migrants can create a decrease in the employment of urban workers and increased unemployment amongst them. Knight & Yueh (2009) come up with three possible forms of substitution. First, provided that urban workers are not displaced, increase in the production of urban units needs more employment of migrants who are engaged in jobs that were previously done by urban workers. Second, governments uphold unemployment urban workers, and then limit the employment of migrants in order to provide jobs for the newly unemployed. Third, the relaxation of labor market limitation enhances competition between rural migrant employment and urban residents, leading to employers being able to substitute migrants for more costly urban workers (Knight & Yueh 2009).

7. Empirical findings on the attitudes of companies and of workers

7.1 Managerial attitudes towards migrants

According to Seeborg, Jin & Zhu (2000), Empirical findings on the attitudes of companies and workers can be used for exploring whether the relationship between migrants and urban residents is one of segmentation or competition in the labor market (Seeborg, Jin & Zhu 2000). There are two sources of attitudinal evidence: one based on the viewpoints of urban employers of migrant labor at the beginning of the redundancy programme, and the other based on the perspectives of urban workers after programme (Appleton et al. 2004). Managerial attitudes are summarized in Table 3 (Knight & Yueh 2009). The responses illustrate that migrants and urban residents were not in competition. Two-third of respondents holds that rural workers could not be replaced with redundant urban employees because urban workers did not want to be engaged in jobs which were relatively hard for them. These causes, instead of cost cutting, can be considered as the motive for employing migrants. The migrants were recognized as complementary to, rather than substitutes for, their urban employees although most managers were satisfied with the productive capacity of their rural employees (ibid). Also majority of managers hold migrant workers must be trained strictly before starting and could be employed for a long term (Appleton et al. 2004).

7.2 Urban worker attitudes towards migrants

The rudimentary attitudinal results are illustrated in Table 4 (Knight & Yueh 2009). There are symbols that, migrants were being viewed as potential competitors by 1999. Above 70% of urban workers regarded possession of an urban hukou thought it is less important for job search than in the past. More than 80% of urban workers considered migrants to be no less efficient than urban workers in the same occupation. More than 80% said that they were prepared to work alongside migrants rather than remain unemployed or xia gang. Over 50% stated that migrants are competitors and should leave when unemployment is high. However, that only a third of the respondents considered migrants as the cause of the high laying-off rate.

The conclusion from these attitudinal evidences is that, corporations perceived urban workers and migrants to be complements in a segmented market instead of substitutes in a competitive one in the mid-1990. However, at the end of the decade, an element of competition for jobs had arisen in the minds of urban workers so that they had to fear redundancy. Moreover, the more segmented is the urban labor market, the more relevant is the unemployment rate amongst migrants rather than amongst urban workers (Fan & Stark 2008).

8. The puzzle of rural labor surplus and migrant labor shortage in China

As mentioned before, the rural-urban migration is similarly resulting in conflict between migrants and urban residents because the new migrants to urban areas compete fiercely with growing number of jobless urban citizens. In the meantime, two phenomena of concurrent surplus labor in rural areas and migrant labor shortage in urban places are considered a puzzle by researchers and worth exploring the interpretation. On the one hand, there are many reports about migrant labor scarcity and rising migrant wages; on the other hand, predictions suggest that a considerable pool of comparatively unskilled labor is still available in the rural sector (Appleton et al. 2002). According to Seeborg, Jin & Zhu (2000), 'Institutionalized and systematic discrimination is an important reason why migrants choose to come by themselves to urban areas, leaving other family members behind in their villages of origin' (Seeborg, Jin & Zhu p 52 2000). It is also an important reason why increasing

number of migration return from urban areas back to rural villages. The institutional restraints create difficulties for migrants living in urban areas in terms of good and secure employment, housing, and accessing to public services. Also many migrants cannot afford the high cost of living although the rural migrant wages are raised. These aspects prevent migrant workers from bringing their families with them. They have to stay in village, which to some extent result in surplus labor in rural areas.

9. Conclusion

In conclusion, an enormous new moving population of rural-urban migrants is transforming the rural and urban labor force with the reforms of the Chinese economy. The precise size of the floating population is in dispute. However, it is undoubtedly that the floating population makes contributions to the urbanization of China. Incentives and causes of rural-to-urban migration in China can be represented in terms of urban and rural sector, including the effect of household responsibility system, less profitable conditions and surplus labor in agriculture, growing income gap between urban and rural residents as well as magnetic city. Except these incentives, unique institutions are also recognized as an important factor restricting migration. With the rural-urban migration allowed to increase to fill the employment gap, competition for work between migrants and urban residents would have increased to cater the growth of labor demand. Based on attitudinal responses from two urban surveys, the urban workers who recognize competition from migrants are those who are most vulnerable. The outcomes are consistent with the presence of continued labor market segmentation as well as increasing competition between the two groups. With the demand for migrants increase in the urban labor market, migrants are accordingly needed in employment requiring more training, skill and experience. As a result, the system of temporary migration will become economically inefficient (Knight & Song 2005). In order to solve this problem, governments and employers should permit and encourage the stabilization of the migrant labor force. City living encourages the implementation of urban attitudes and the transfer of the migrant's social reference group from the village to the city. As more migrants are transformed into proletarians, therefore the pressure on government to treat them as same as urban residents will grow, and hukou privilege will consequently be eroded (ibid).

References

- Appleton, S., Knight, J., Song, L. & Xia, Q. (2002). Labor retrenchment in China: Determinants and consequences. *China Economic Review*, 13(2-3), 252-275. [http://dx.doi.org/10.1016/S1043-951X\(02\)00067-6](http://dx.doi.org/10.1016/S1043-951X(02)00067-6)
- Appleton, S., Knight, J., Song, L. & Xia, Q. (2004). Contrasting paradigms: Segmentation and competitiveness in the formation of the Chinese labour market. *Journal of Chinese Economic and Business Studies*, 2(3), 185-205. <http://dx.doi.org/10.1080/1476528042000276141>
- Cai, F. & Wang, M. (2008). A counterfactual of unlimited surplus labor in rural China. *China and the world economy*, 16(1), 51-65. <http://dx.doi.org/10.1111/j.1749-124X.2008.00099.x>,
- Du, Y., Park, A. & Wang, S. (2005). Migration and rural poverty in China. *Journal of comparative economics*, 33(4), 688-709. <http://dx.doi.org/10.1016/j.jce.2005.09.001>
- Fan, C.S. & Stark, O. (2008). Rural-to-urban migration, human capital, and agglomeration. *Journal of economic behavior & organization*, 68(1), 234-247. <http://dx.doi.org/10.1016/j.jebo.2008.04.003>
- Gaetano, A.R. & Jacka, T. (2004). On The Move: Women and Rural-to-Urban Migration in Contemporary China. *Women's Studies International Forum*, 27(5-6), 607. <http://dx.doi.org/10.1016/j.wsif.2004.09.014>
- Hertel, T. & Zhai, F. (2006). Labor market distortions, rural-urban inequality and the opening of China's economy. *Economic Modeling*, 23(1), 76-109. <http://dx.doi.org/10.1016/j.econmod.2005.08.004>
- Knight, J. & Song, L. (2005). *Towards a Labor Market in China*. Oxford UK: Oxford University Press. <http://dx.doi.org/10.1093/0199245274.001.0001>
- Knight, J. & Yueh, L. (2002). The role of social capital in the labor market in China. *Economics of transition*, 16(3), 389-414. <http://dx.doi.org/10.1111/j.1468-0351.2008.00329.x>
- Knight, J. & Yueh, L. (2009). Segmentation or Competition in China's urban labor market. *Cambridge Journal of Economics*, 33(1), 79-94. <http://dx.doi.org/10.1093/cje/ben025>
- National Bureau of Statistics of China. (2009). *China's population and labor force by area of residence (in millions)*, Cat. no. China Statistical Yearbook 2009, Table 3-1 and Table 4-2, National Bureau of Statistics of China, Beijing.
- National Bureau of Statistics of China. (2009). *Per Capita Annual Income and Engel's Coefficient of Urban and Rural Households*, Cat. no. China Statistical Yearbook 2009, Table 9-2, National Bureau of Statistics of China, Beijing.
- Seeborg, M.C., Jin, Z. & Zhu, Y. (2000). The new rural-urban labor mobility in China: Causes and implications. *Journal of Socio-economics*, 29(1), 39-56. [http://dx.doi.org/10.1016/S1053-5357\(00\)00052-4](http://dx.doi.org/10.1016/S1053-5357(00)00052-4)

Table 1. China's population and labor force by area of residence (in millions)

Year	Total population	Percent urban	Percent rural	Total employment	Percent urban	Percent rural
2001	1276.27	37.7	62.3	730.25	32.8	67.2
2002	1284.53	39	60.9	737.40	33.6	66.4
2003	1292.27	40.5	59.5	744.32	34.4	65.6
2004	1299.88	41.8	58.2	752.00	35.2	64.8
2005	1307.56	43	57	758.25	36	64
2006	1314.48	43.9	56.1	764.00	37	63
2007	1321.29	44.9	55.1	769.90	38.1	61.9
2008	1328.02	45.7	54.3	774.80	39	61

Table 2. Per Capita Annual Income and Engel's Coefficient of Urban and Rural Households

Year	Per capita annual disposable income of urban households (value yuan)	Per capita annual disposable income of rural households (value yuan)	Income gap (value yuan)	Engels' coefficient of urban households (%)	Engels' coefficient of rural households (%)
2001	6859.6	2366.4	4493.2	38.2	47.7
2002	7702.8	2475.6	5227.2	37.7	46.2
2003	8472.2	2622.2	5850	37.1	45.6
2004	9421.6	2936.4	6485.2	37.7	47.2
2005	10493.0	3254.9	7238.1	36.7	45.5
2006	11759.5	3587.0	8172.5	35.8	43.0
2007	13785.8	4140.4	9645.4	36.3	43.1
2008	15780.8	4760.6	11020.2	37.9	43.7

Table 3. Managerial attitudes towards migrants

Question and optional answers	Percentage of respondents ^a
Why do you recruit rural workers?	
Can bear hardship	61
Urban workers not available	40
They are more manageable	33
Lower cost	30
Can rural workers be replaced with redundant urban workers?	
Yes	35
No	65
If not, why not?	
The work is too hard for urban workers	51
Urban workers do not want the job	49
Urban workers are inadequate for the job	15
Are you satisfied with the quality of migrant workers?	
Yes	61
No	39
Training of migrant workers:	
Must be trained strictly before starting	47
Short term training is enough	40
No training is needed	13

Table 4. Urban worker attitudes towards migrants

	Percentage answering yes to each question		
	Total	Never unemployed	Been unemployed
Possession of an urban <i>hukou</i> is less important now for job search	73.6	73.3	74.7
Migrants are no less efficient than urban workers in the same position	80.8	80.4	82.5
I would rather stay unemployed/ <i>xia gang</i> than work alongside migrants	17.9	17.5	19.9
Migrants are competitors and should leave when unemployment is high	57.8	57.5	58.9
Migrants caused the high redundancy rate	32.3	31.9	34.0