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How to Promote the Rural Area of Shandong Province to Absorb Surplus Labor by Itself?

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Abstract This paper firstly highlights the importance of solving the problem of rural surplus labor force, and then shows the necessity and significance of the rural areas to absorb rural surplus labor on their own. Meanwhile, the paper introduces the situation of rural surplus labor in Shandong Province. At last, it proposes the solutions to promote the rural area to absorb the surplus labor by itself.

Key words Rural surplus labor, Surplus labor, Shandong Province

1 Introduction

The situation of the rural labor resources is an important sign to measure the level of regional economic development and the level of labor productivity. Shandong, a province with a large population, is also a big agricultural province. At the end of 2010, Shandong had 95.36 million residents, of which the rural population was 56.98 million, accounting for 59.75% of the total population. The transfer of rural surplus labor force directly affects the upgrading of the structure of agriculture. At the same time, it will affect urbanization and new rural construction, and further affect the development of industrialization and the tertiary industry. In recent years, the Shandong provincial Party committee, and the provincial government have attached great importance to the problem of rural labor's transformation, and the transfer of rural surplus labor force shows significance in the process of urbanization, which is also an important measure to solve the "Agriculture, Countryside and Farmer" issues. Effectively transferring the large number of agricultural labor in Shandong Province, and transforming the potential advantage of abundant labor resources into real productive forces, has become one of the main tasks in the province. Improving the internal absorption capacity of rural surplus labor will provide new ideas to solve the problem of rural surplus labor. In the critical period of building a well-off society, it is urgent to help the rural areas in the province to independently solve rural surplus labor issues.

2 The necessity of promoting the internal absorption of rural surplus labor in rural areas

2.1 Practical constraints

2.1.1 It is difficult to transfer the large-scale rural surplus labor force to city. With the development of the city, the city's own problems have become increasingly prominent. First of all, the city itself suffers from the increasing employment pressure. The reform of state-owned enterprises, as well as the deepening adjust-

ment of the state administrative agencies and institutions, makes the city release more invisible unemployment opportunities into the job market. As the laid-off workers increase, the employment opportunities, which could be provided to the rural labor force in the early time, start to decrease. And migrant workers have become more involved in the "thick, heavy, dirty, tired, poor" work which the urban residents would not like to do. What's more, because of the low overall quality of rural labor force and generally higher intensive degree of city's industrial technology, the employment opportunities provided by the city for the rural labor force decrease day by day. Secondly, with the increasing employment pressure of college graduates, a large number of college graduates increase year by year, who will also participate in the city to compete for jobs, so the city employment pressure is getting more and more serious. Finally, it is not clear that who will take the external cost of city, and as we all know, the city's absorption of population is limited, thus the city has generated many problems like dense population, traffic congestion, housing shortage and environmental pollution. Since the city has these problems, the chance to transfer rural surplus labor to the city is shrinking.

2.1.2 It is difficult to transfer the rural surplus labor to agricultural industry, because the capacity of absorbing rural surplus labor is limited. First of all, the arable land is limited, and what's more, the promotion of the science, the improvement in the technological level of the mechanization production, and the capacity that can absorb labor force of agricultural industry, is weakened gradually.

2.1.3 The generally low degree in human capital level of the surplus rural labor force makes it difficult to transfer them to industries like the new and high technology industries. The majority of rural surplus labor forces are ill-educated, and lack some skills that can make them secure a job in the city. When it comes to high-tech industries, they often make high demands on these surplus labor forces.

2.2 The inherent advantage

2.2.1 The rural areas can play a greater role in absorbing rural surplus labor force. At first, since there is low technical content and low organic composition of capital in the rural areas, absorb-

ing rural surplus labor force requires low employment costs and infrastructure costs. When the resources are under the same conditions, the rural areas can play a greater role to absorb rural surplus labor force. Secondly, a familiar environment may cause less psychological pressure. The rural labor forces spend most of the time at home, and the rural labor forces are familiar with the surrounding environment, so the re-employment in the same environment is easier to be done, and the psychological pressure is smaller and therefore it's easier to achieve internal absorption. If entering the city, rural labor force will tend to feel strange or be discriminated, so they bear heavier psychological pressure.

2.2.2 Increasing the countryside to absorb the rural surplus labor force can promote the rural tertiary industry. First, the secondary industry and the tertiary industry have incomparable advantages in absorbing the labor force, and the tertiary industry can allow many levels of employment. The tertiary industry can absorb a

Table 1 Employment population of Shandong Province

	2006	2007	2008	2009	2010
The total population of Shandong Province (10 ⁶ people)	9282	9346	9392	9449	9536
The rural population (10 ⁶ people)	6055	5909	5860	5902	5698
Employment in primary industry (10 ⁶ people)	2328.0	2265.2	2313.5	2297.4	2273.1
Share of employed person in primary industry in the rural population (%)	38.45%	38.33%	39.48%	38.93%	39.89%

Data source: Shandong Statistical Yearbook 2011.

3.1.2 Rural employment's contribution to economy. Fig. 1 shows that from year 2006 to 2010 in Shandong Province, the proportion of people engaged in primary industry decreased year by year, but it was still at the dominant place, and the rural labor force was adequate. As shown in Fig. 2, the primary industry contributes little to the economic growth, which is still decreasing year by year. Thus we conclude that the labor production efficiency of rural labor force in our province is very low, and the labor force has not been well allocated.

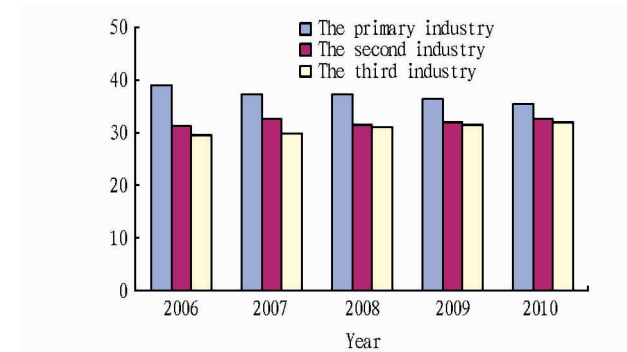


Fig. 1 Employment data from Shandong Statistical Yearbook 2011

3.2 The rural surplus labor in Shandong Province The above table describes the situation of the number of surplus labor force in Shandong Province during the year 2000 and 2008. Although since 2000, the number of surplus rural labor force has been decreasing, the population of rural surplus labor force is large. According to the statistics provided by the paper, we use the rural labor utilization rate of 66% for calculation, and it is

large number of employment opportunities and require less investment. With the development of the rural tertiary industry, the employment demand generated by industries like traffic, catering, entertainment, business and community service needs improving, and it also promotes the development of the tertiary industry.

3 Present situation of surplus labor force in Shandong Province

3.1 The employment situation of rural workers in Shandong Province

3.1.1 The basic situation of rural practitioners. In the table below, in Shandong Province, the rural population accounts for the vast majority of the total population, however, less than 40% of the rural population gets employed. It is clear to see that employment situation in rural Shandong Province needs to be improved.

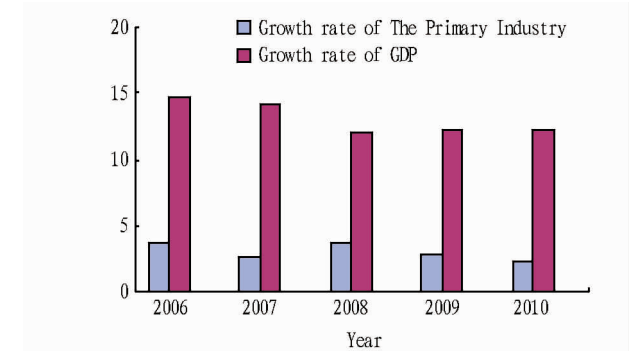


Fig. 2 Growth rate data from Shandong Statistical Yearbook 2011

found that Shandong Province has about 120 million surplus labor forces that are waiting to be transferred.

Table 2 Rural surplus labor in Shandong Province

Year	Rural agricultural workers (10 ⁶ people)	Rural labor demand (10 ⁶ people)	Rural surplus labor force (10 ⁶ people)
2000	2 887.7	763.26	2 124.44
2002	2 769.6	827.47	1 942.13
2004	2 542.1	769.50	1 772.60
2006	2 328.0	747.59	1 580.41
2008	2 313.5	799.95	1 513.55

Data source: Data are from the "Shandong Province, the transfer of rural surplus labor problem and countermeasure research", Lin Yinghua, Zhang Erxun, Tianjin Agricultural Science, 2011, 17 (2): 64-67.

4 Recommendations for absorbing rural surplus labor force inside the rural areas

4.1 Developing eco-tourism industry to absorb surplus rural labor in the villages or towns With the rapid development of

urban industrialization, it has also produced a lot of environmental damage and ecological pollution, and the urban residents are getting increasingly dissatisfied with the surrounding living environment in recent years. "Farmhouse" has become the city's new catchword, the people no longer pursue fast pace of life style, but are willing to slow down and breathe fresh air in the countryside and experience the quiet farm life, which provides an excellent opportunity for the rural development of eco-tourism industry. Government or village shall organize idle rural labor force, teach them market rules and do other educative activities to help them find a way to get rich. Also they can select a typical case, or organize the villagers to visit a good ecological development model of rural tourism (such as Shandong Qingdao Beizhai Cherry Festival), and learn to develop their own appropriate eco-tourism industry, thereby reducing idle rural labor force to promote the employment of rural surplus labor.

4.2 Relying on agricultural resources and implementing the industrialization of agriculture to extend agricultural industrial chain

The implementation of industrialization of agriculture can extend the industrial chain, which can also increase its ability to absorb surplus rural labor force. The industrialization of agriculture will promote the flow of capital, land, technology and other factors of production. What's more, it can improve the professional level of agricultural production, enable the agricultural production and delivery to be integrated as a whole, extend the agricultural production chain, expand the scope of agricultural production, and finally provide more employment opportunities for labor. For example, the governments in Yicheng District and Zaozhuang City of Shandong Province let the farmers and manufactures use the local pomegranate to develop local economy. They develop the pomegranate industry, and finally form a "pomegranate industry chain". It has not only promoted local economic development, but also promoted the re-employment of rural surplus labor.

4.3 With village as unit, using the resource advantages to develop local rural enterprise in order to increase its ability to absorb surplus rural labor force

We need to guide the rural local enterprises to transfer to companies that have employment potential of the industry, and have employment advantage. Government should firstly implement the province's economic development strategy to make full use of the advantages of the province's own policies and the rural resource advantages. Secondly, it should achieve industrial development by encouraging and guiding SMEs to develop modern service industry and high-tech industries. Thirdly, it should guide local rural enterprises to be actively involved in the field of business services and information services; use modern management methods and information technology to transform traditional services industry; support local rural enterprises to work with local universities and research institutions to conduct technological innovation and industrialization projects to meet the market demand, and make technological industrialization achievements through rural enterprises. Finally, it should focus on a number of industries that are still in the start-up phase of the

project, with good market prospects in order to promote the development of local rural enterprises, which can improve the ability of these industries enterprises to absorb surplus rural labor.

4.4 Developing the cultural industries with local rural characteristics to absorb surplus rural labor

Development of rural cultural industry has become a new rural economic development growth point, and is playing an increasingly important role in the rural culture activities. It can serve the rural economic development, increase employment opportunities, and be helpful for the transfer of rural surplus labor. At first, it should be "natural and healthy", and there is a need to establish specialty industrial projects and build a complete supply chain, and gather characteristics of rural culture to develop industry group. Secondly, we should actively foster rural cultural market, establish multi-category cultural industry development mechanism, build cultural industry chain, adhere to the policies and focus on supporting the main tasks, combine macroeconomic regulation and market regulation, accelerate the management development, promote advanced concept of cultural consumption, implement cultural training to develop new consumer groups, and adopt modern marketing methods to establish a sound distribution network of rural cultural products, and gradually form a comprehensive, vibrant, healthy and orderly cultural market system to provide more cultural industries into the city for the rural market convenient channels. Thirdly, we should integrate tourism, agriculture, cultural landscape and cultural resources and other advantages of various historical, ethnic and cultural resources to create cultural landscape brand, green agriculture brands and other means to raise farmers' awareness of cultural introspection and consumer awareness. What's more, we should urge the province to develop cultural industry projects such as traditional culture and folk art industry, organize various fruits and vegetables section, support the straw willow crafts, figurines, shadow puppets, miniature, paper cutting and embroidery, and actively use multi-channel to effectively solve the problem of rural surplus labor.

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