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Remuneration Difference between Migrant Workers and Non-migrant Workers

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Abstract Through the survey of direct economic remuneration, indirect economic remuneration and non-economic remuneration of employees in flat panel furniture enterprises in Chengdu City, we conduct a comparative analysis of the problems and causes of remuneration difference between migrant workers and non-migrant workers. The results show that the wage difference between migrant workers and non-migrant workers is the biggest, and there is little difference in terms of interests safeguarding and non-economic factors. The reason for the above results lies in the difference of education level; gender, region, household registration and other issues have little impact on the above results. The following recommendations are put forward to improve the remuneration of migrant workers; increasing government's policy advocacy efforts and eliminating subjective offense; establishing the administrative oversight bodies and effectively safeguarding the legitimate rights and interests of migrant workers; strengthening vocational training for migrant workers, so that workers have more choices on positions; improving the working environment and developing good working atmosphere.

Key words Migrant workers, Non-migrant workers, Remuneration

Issues concerning agriculture, countryside and farmers are the focus of the work of the party and the government. The issue of migrant workers in the farmers' problems is related to the quality of the citizens, economic development, social stability and prosperity of the country^[1]. Understanding the remuneration difference between the migrant workers and non-migrant workers and seeking a way to resolve this difference, is of great significance to pushing forward the development of China's national economy and the process of modernization^[2-3]. Chengdu is the economic center of western China, one of China's largest furniture manufacturing bases. Furniture manufacturing industry is a labor-intensive industry, and Chengdu City can absorb a lot of local migrant workers. Therefore, we take the flat panel furniture enterprises in Chengdu City as samples, and compare the remuneration difference between migrant workers and non-migrant workers, which is of great significance to solving the income issues of farmers in Sichuan Province and even the whole country.

1 Questionnaire survey

Using the random survey, we conducted a survey of employees in the furniture enterprises in Chengdu City from July to September in 2012. The survey object includes migrant workers and non-migrant workers, and the content of the survey is remuneration. The remuneration in the study includes direct economic remuneration, indirect economic remuneration and non-economic remuneration. 200 questionnaires were distributed and 200 questionnaires were called back. 189 questionnaires were valid, with acceptance rate of 94.5%, of which 102 from migrant workers, 87 from non-migrant workers.

2 Survey results and analysis

2.1 General overview of migrant workers' remuneration

2.1.1 General overview of migrant workers' direct economic remuneration.

(1) The working hours are long, the vast majority of working hours exceed the hours provided by the state, and the working hours of migrant workers with the household registration of this county are more than the working hours of migrant workers with the household registration of other counties. The survey results show that the migrant workers work for 8 hours or less per day account for only 20.2%, while the migrant workers work for more than 8 hours account for 79.8%.

(2) The vast majority of migrant workers' income reach the high level, and male's income is higher than female's income; there are more low-income migrant workers with household registration of the county than low-income migrant workers with household registration of other counties. In the samples, the proportion of employees with middle income reaches 66.7% (men with middle income accounting for 89.2%, and women accounting for 48.9%); the proportion of migrant workers with household registration of the county above the level of middle income is 64.7%, and the proportion of migrant workers with household registration of other counties is 83.3%.

(3) In general, the migrant workers' wage is proportional to working time. In the survey, the proportion of migrant workers with wage less than 2 000 yuan and working 8 hours a day is 41.2%; the proportion of migrant workers with wage more than 2000 yuan and working above 8 hours a day is 74.6%. This trend shows that high wage of migrant workers hinges mostly on the ultra-long labor time.

2.1.2 General overview of migrant workers' indirect economic

remuneration.

(1) The rate of signing contract among the migrant workers is high, but the rate of being insured is low. According to the survey, it shows that the rate of signing contract among the migrant workers is 89.3% , but the rate of being insured is 64.3% . In terms of the rate of being insured, there is little difference between male migrant workers and female migrant workers, between migrant workers with household registration of the county and migrant workers with household registration of other counties. In terms of the rate of signing contract, there is little difference between male migrant workers and female migrant workers, but there is difference of 14.1 percentage points between migrant workers with household registration of the county and migrant workers with household registration of other counties (Table 1).

(2) The types of insurance for migrant workers are focused on endowment insurance, medical insurance and work-related injury insurance; the proportion of migrant workers insured for maternity and unemployment is low. The survey shows that the pro-

Table 1 The types of insurance for migrant workers

Classification	Endowment insurance	Medical insurance	Work-related injury insurance	Maternity insurance	Unemployment insurance	%
Male	75.0	66.7	50.0	4.2	16.7	
Female	90.0	66.7	56.7	16.7	20.0	
Household registration of the county	81.6	68.4	55.3	7.9	15.8	
Household registration of other counties	87.5	68.8	43.8	18.8	25.0	

2.1.3 General overview of migrant workers’ non-economic remuneration.

(1) The working atmosphere and environment is common, and the sense of belonging of the migrant workers is not high. In the survey, the proportion of migrant workers believing that the working atmosphere and environment is "very good" or "good" is 15.5% and 19.1% , respectively; the proportion of migrant workers believing that the working atmosphere and environment is "bad" or "very bad" is 7.1% and 13.1% , respectively; only 22.2% of the staff have a strong sense of belonging for the enterprises; 23.8% of the staff have no sense of belonging for the enterprises. It shows that enterprises do not pay attention to the fostering of the working atmosphere, and do not create a good working environment for migrant workers.

(2) Although receiving training before induction, the migrant workers have a little promotion space in the work. 89.3% of the employees receive training before induction, but only 27.4% of them get promotion in the work. In the enterprises, the occupation of migrant workers is restricted, limiting the development of the migrant workers, not conducive to the improvement of migrant workers’ remuneration.

2.2 General overview of non-migrant workers’ remuneration

2.2.1 General overview of non-migrant workers’ direct economic remuneration.

(1) The non-migrant workers’ working hours are reasonable, and there are few employees with ultra-long labor time. According

portion of endowment insurance, medical insurance and work-related injury insurance for migrant workers is 83.3% , 68.5% and 53.7% , respectively. The proportion of male covered by the above three categories of insurance is slightly smaller than that of female, indicating that the enterprises have no discrimination against women; apart from the work-related injury insurance, the proportion of migrant workers with household registration of the county is slightly smaller than that of migrant workers with household registration of other counties (Table 2) , indicating that enterprises treat locals and outsiders equal.

Table 1 The rate of signing contract and the rate of being insured %

Classification	The rate of signing contract	The rate of being insured
Male	89.2	64.9
Female	89.4	63.8
Household registration of the county	93.3	63.3
Household registration of other counties	79.2	66.7

to the survey, the proportion of non-migrant workers working less than 8 hours in a day is 46.5% ; the proportion of non-migrant workers working 8 – 10 hours in a day is 35.2% ; the proportion of non-migrant workers working more than 10 hours in a day is 18.3% . Among them, the proportion of non-migrant workers with household registration of the county and non-migrant workers with household registration of other counties working less than 8 hours in a day is 57.1% and 36.1% , respectively; the proportion of non-migrant workers with household registration of the county and non-migrant workers with household registration of other counties working 8 – 10 hours in a day is 28.6% and 40.5% , respectively. It indicates that the work intensity of non-migrant workers with household registration of the county is less than that of non-migrant workers with household registration of other counties.

(2) The majority of non-migrant workers have high wages, and low wages are mainly distributed in the female non-migrant workers and the non-migrant workers with household registration of the county. In the survey, the proportion of non-migrant workers with income above middle level reaches 74.6% , and the non-migrant workers with income above 4 000 yuan account for more than 22.6% of non-migrant workers with income above middle level. In the non-migrant workers, the proportion of men and women reaching the level of middle income is 89.2% and 58.8% , respectively; the proportion of non-migrant workers with household registration of the county and household registration of other counties reaching above the level of middle income is 62.9% and 86.1% , respectively. It indicates that in non-migrant workers,

woman's remuneration is generally lower than that of man, and the remuneration of non-migrant workers with household registration of the county is lower than that of non-migrant workers with household registration of other counties.

(3) Educational level is the main factor affecting non-migrant workers' wage and non-migrant workers' work type, and educational level is generally positively correlated with wage. The non-migrant workers with the wage of 2 000 yuan and the educational level of senior high school, junior college and regular college, account for 50% , 9.1% and 5.3% , respectively; the non-migrant workers with the wage above 3 000 yuan and the educa-

tional level of senior high school, junior college and regular college, account for 20% , 25.4% and 78.9% , respectively. It can be seen that non-migrant workers with the educational level of senior high school or below are generally in the level of low income, while non-migrant workers with the educational level of bachelor degree or above are generally in the level of middle and high income. Non-migrant workers with the educational level of senior high school or below are mainly engaged in piecework and time-work; non-migrant workers with the educational level of junior college, regular college or above are mainly engaged in technical work and administrative jobs (Table 4).

Table 4 The impact of non-migrant workers' educational level on wages and work types %

Educational level	Wages				Work types			
	Less than 2000 yuan	2000 – 2499 yuan	2500 – 2999 yuan	3 000 yuan or above	Pieceworkers	Timeworkers	Technical staff	Administrative staff
Senior high school and below	50.0	23.3	6.7	20.0	43.3	43.3	13.3	0
Junior college	9.1	13.6	31.8	25.4	4.5	22.7	45.5	27.3
Regular college and above	5.3	5.3	10.5	78.9	0	5.3	31.6	63.2

(4) Gender and regional disparity is an important factor affecting non-migrant workers' wages and work types; the wage of men are higher than that of women; the wage of non-migrant workers with household registration of the county is lower than that of non-migrant workers with household registration of other counties. According to the survey, the proportion of male and female non-migrant workers with the educational level of senior high school and below is 32.4% and 29.4% , respectively; the proportion of male and female non-migrant workers with the wage below 2 499 yuan is 18.9% and 61.8% , respectively; the proportion of male and female non-migrant workers engaging in piecework or time-work is 32.4% and 61.7% , respectively; the proportion of non-migrant workers with household registration of the county and household registration of other counties having the educational level of senior high school and below is 31.4% and 22.2% , respectively, but the proportion of non-migrant workers with household registration of the county and household registration of other counties having the wage below 2 499 yuan is 57.1 % and 22.2% , respectively; the proportion of non-migrant workers with household registration of the county and household registration of other counties engaging in piecework or timework is 57.2% and 36.1% , respectively. Sex discrimination is more prominent in the level of non-migrant workers' wage, and non-migrant workers with household registration of other counties have easier access to higher positions and wages.

2.2.2 General overview of non-migrant workers' indirect economic remuneration.

(1) Non-migrant workers' rate of signing labor contract and rate of being insured are at high level. 90.1% of non-migrant workers sign labor contract with enterprises, and 84.5% of non-migrant workers are insured. In terms of gender and region, the proportion of men and women signing labor contract is 91.9% and 88.2% , respectively, and the proportion of being insured is 83.8% and 85.3% , respectively; the proportion of non-migrant

workers with household registration of the county and household registration of other counties signing labor contract is 85.7% and 97.2% , respectively, and the proportion of being insured is 82.9% and 91.7% , respectively. It indicates that in terms of labor rights and interests, women have received fair treatment; compared with non-migrant workers with household registration of other counties, non-migrant workers with household registration of the county are treated unequally.

(2) Pension insurance and medical insurance are the types with the largest proportion for non-migrant workers, and educational level has an important impact on non-migrant workers. In the survey, the proportion of non-migrant workers covered by pension insurance and medical insurance is 95.8% and 85.9% , respectively; the proportion of non-migrant workers with the educational level of senior high school and below covered by the two is 93.3% and 66.7% , respectively; the non-migrant workers with the educational level of junior college, regular college and above are covered by the two.

2.2.3 General overview of non-migrant workers' non-economic remuneration.

(1) The working atmosphere and work environment is still an important factor restricting non-migrant workers' work enthusiasm and efficiency, so that the non-migrant workers' sense of belonging to enterprises is not strong. In the survey, the non-migrant workers believing that the working atmosphere and working environment is "common" account for 60.6% and 53.5% , respectively; the non-migrant workers believing that the working atmosphere and working environment is "good" or "very good" only account for 23.8% and 23.9% ; only 16.3% of non-migrant workers believing that they have a "strong" or "very strong" sense of belonging to enterprises.

(2) The job planning is not perfect. 63.3% of non-migrant workers with the educational level of senior high school and below believing that they have "little" or "no" promotion space; 37.9%

of non-migrant workers with the educational level of junior college and above believing that they have "large" or "very large" promotion space; in terms of the type of work, pieceworkers and time-workers generally think they have no opportunity for promotion, while 38.9% of the administrative staff believing that they have "large" or "very large" promotion space.

3 Remuneration difference between migrant workers and non-migrant workers and analysis of reasons

3.1 Direct economic remuneration difference between migrant workers and non-migrant workers and reasons Compared with non-migrant workers, migrant workers' work time is longer and their wage is lower. The migrant workers with daily work time more than 8 hours account for 79.8%, and the migrant workers with wages more than 2 000 yuan only account for 66.7%; the non-migrant workers with daily work time more than 8 hours account for 53.5%, and the non-migrant workers with wages more than 2 000 yuan only account for 74.6%. The reason for this is that the factors affecting their wages are different. Migrant workers are mainly engaged in piecework and timework, which are labor-intensive. The main factor that affects the value is labor time, so the length of working hours per day has a decisive impact on the wages of migrant workers; the non-migrant workers are mainly engaged in technology and management work, and the main factor that affects the value is their own quality. So educational level is the main factor affecting non-migrant workers' wages^[4]. Gender is also one of the main factors affecting migrant workers and non-migrant workers' wages.

3.2 Indirect economic remuneration difference between migrant workers and non-migrant workers and reasons Overall, the interest and right protection for migrant workers is weaker than that for non-migrant workers. Difference in the interest and right protection between migrant workers and non-migrant workers is mainly reflected in the differences in positions, while household registration has a little impact on the interest and right protection. There is a difference of 0.8 percentage points in the rate of signing contract between migrant workers and non-migrant workers, and there is a difference of 21.2 percentage points in the rate of being insured. In the non-migrant workers, the rate of signing contract on employees engaged in piecework and timework is 87.8%, and the rate of being insured is 78.9%. The two rates are 1.5 percent lower and 14.6 percent higher than the rates for migrant workers, respectively, 4.3 percentage points and 10.6 percentage points lower than the rates for non-migrant workers engaged in technical and management positions, respectively, indicating that the positions have an important impact on the rights and interests of employees. In addition, the factor of enterprises is also responsible for the difference in interest and right protection between employees. Gender does not affect the indirect economic remuneration, but the remuneration regional differences exist, indicating that in the indirect economic remuneration, women receive equal treatment, and the workers from the outside enjoy more favorable treat-

ment than local workers. The reason is that the female workers are more willing to pursue stability. The reason for the local workers enjoying lower interest and rights may be that after working hours, local workers can engage in agricultural production to make up for the deficiencies arising from the lack of interest and right protection.

3.3 Non-economic remuneration difference between migrant workers and non-migrant workers and reasons Working atmosphere and work environment are the major aspects of non-economic remuneration, having a huge impact on employees' mentality. The survey shows that enterprises have obvious defects in the fostering of working atmosphere and the work environment. Panel furniture industry is a high-polluting industry, which uses many chemicals and produces a lot of dust; the management is not so humane. They are the main reasons for the poor working atmosphere and work environment. There are differences in enterprises' post design for migrant workers and non-migrant workers. Due to different educational levels, the workers with the same urban household registration enjoy different positions, showing that the work is determined by the educational level. The workers with the educational level of senior high school or less are mainly engaged in blue-collar job, while the workers with the educational level of junior college, regular college and above are mainly engaged in intellectual work. Objectively speaking, the technical and administrative work needs people who have received higher education, but the existence of such differences of posts is the main factor affecting difference in wages and interests between migrant workers and non-migrant workers.

4 Recommendations for bridging the remuneration gap between migrant workers and non-migrant workers

4.1 Increasing government's policy advocacy efforts and eliminating subjective offense The government promulgated Labor Law, Injury Insurance Regulations, Occupational Disease Prevention Law and other relevant laws and regulations, to safeguard the legitimate rights and interests of workers from legal point of view. Government and the relevant units should increase the publicity of the relevant laws, so that employers and workers understand and master these laws and regulations; eliminate employers' subjective violations^[5], so that these laws and regulations become a powerful weapon for workers to safeguard their own rights and interests.

4.2 Establishing the administrative oversight bodies and effectively safeguarding the legitimate rights and interests of migrant workers The reason for laws not fully observed by the employers lies in the lack of effective administrative supervision. The offender's illegal cost is less than the cost of maintaining the lawful rights and interests of workers, so there are often illegal acts damaging workers' rights. Through the establishment of special administrative oversight bodies, it is necessary to intensify the supervision and inspection on labor contract, labor wages, working

hours, labor safety, labor environment and protection of labor rights and interests; severely punish the employers which infringe upon workers' rights, to protect the legitimate rights and interests of laborers from the administration.

4.3 Strengthening vocational training for migrant workers so that workers have more choices on positions Vocational training not only includes on-the-job training of enterprises for employees, but also includes the government and relevant departments' job skills training for the workers. The enterprises' on-the-job training is mainly to carry out training needed by the corporate jobs for the workers, to enhance the quality of post for the workers, and improve the competitiveness and development potential of the workers in the post, so that the workers get more lucrative salary. Government's employment training for the workers includes vocational skills training, personal quality training for the workers. Attending evening university, self-study examination and other ways should be further promoted, to further improve the employment quality of workers.

4.4 Improving the working environment and developing good working atmosphere Under the conditions of market economy, the competition of modern enterprises is increasingly intense, and soft power is the key to success of one enterprise in the competition. Good working environment and atmosphere provides a good soft power for the enterprise, which can improve workers' en-

thusiasm for the work, increase the efficiency of the labor of workers, and make the workers have a sense of belonging to the enterprise. Therefore, in the process of production, enterprises should focus on the improvement of the working environment of workers, create good working atmosphere for workers and increase workers' satisfaction to retain qualified personnel and ensure that enterprises win in the fierce competition.

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