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# AN OBSERVATION ON THE POPULATION AND LABOR FORCE IN TAIWAN

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## I. Population

### A. Population figure

At the end of 1957 the population of Taiwan was around 9,690,000. As compared with 6,495,009 in 1947 the increase during the past ten years was 49.2%. When Taiwan was under the Japanese rule, the natural growth was comparatively mild. From 1931 to 1937, for example, the average yearly increase was 25.22 per thousand, but it has increased to 35 during the past several years.

### B. Components of population

#### (1) Increase of children under 12

The 1956 census showed that the population under 12 years of age was 3,530,000, or 37.35% of the total, compared with 36.35% in 1940 when the Japanese conducted their last census in Taiwan. Population statisticians deem the increase of the percentage of the young generation as a sure sign of an increase of the whole population. The percentage of the youngsters under 12 in twenty European countries is below 30%. Their population therefore is static.

#### (2) Distribution of population

The trend of the population concentrating in the big cities indicates the rapid development of commercial and industrial enterprises in Taiwan.

	1940		1954		increase
	population	%	population	%	
Cities	1,140,000	18.75	2,210,000	25.21	94.09%
Towns	1,450,000	23.85	2,660,000	30.35	83.48%
Villages	3,490,000	57.40	3,890,000	44.44	18.97%

#### (3) Education

Under the Japanese rule, the percentage of children under 12 going to school was 46.70% in 1937 and 71.30% in 1943 of their respective total. After Taiwan's Restoration the percentage of children of school age attending schools increased to 84% in 1952 and to 94.5% in 1956. Those who were not in school were mostly girls in remote districts.

There has been a marked increase in the number of both high school and college students compared with the period of the Japanese rule. In 1943, for instance, there were only 58,000 high school students and 2,200 college students.

The figures soared to 279,000 and 26,000 respectively in 1957. The eagerness to learn on the part of the Taiwanese has undoubtedly expedited the improvement in agriculture and contributed to the increased agricultural production.

## II. Labor Force

When the population of a country is growing too fast without corresponding increase in its economic growth, the opportunities for employment can hardly meet the demand of the growing job-seeking population, and unemployment, either open or disguised, will become a serious problem. This is just the case with China.

The 1956 census showed that the number of the unemployed was a little more than 50,000. But the continued decrease of the labor force relative to total population indicates that there was disguised unemployment. The decrease is shown as follows:

Year	1915	1920	1930	1940	1947	1950	1951	1952	1953	1954	1955	1956
% of labor-force to population	47.2	44.7	38.9	38.1	38.1	37.7	36.0	35.48	34.31	34.29	33.31	32.11

During the ten years from 1947 to 1956 the labor force increased by 21.52% from 2,480,000 to 3,010,000, while the agricultural labor increased by 7.88% from 1,670,000 to 1,800,000. These uneven increases resulted in the lowering of the ratio of farm laborers in relation to the total labor force from 67.5% in 1947 to 59.9% in 1956. However, the ratio is still much too large compared with that in industrialized advanced countries.

Distribution of labor force (in percentage)

	1930	1947	1949	1951	1956
Agriculture	67.7	67.5	62.6	62.8	59.9
Mining	1.4	1.0	1.1	1.2	1.26
Industry	8.4	5.8	6.6	7.2	8.62
Commerce	11.9	7.4	8.7	8.8	8.35
Transportation	2.9	1.5	1.8	2.0	2.65
Civil Service	4.8	5.1	6.6	7.2	8.72
Services	0.8	8.2	8.3	7.5	8.92

Whether Taiwan needs so large an agricultural labor force, we cannot summarily say, for up to now no reliable investigation data are available. But from the aspects of the average farm a farmer tills, and the continued increase in the average size of farm family, it seems that there is definitely an over-abundance of farm labor. The per capita cultivated land in 1956 was 0.48 hectare compared with 0.65 hectare in 1930.

According to the statistics compiled by the Comptroller Office of the Executive Yuan, the net income from agricultural and fishery products was 304,000,000 yuan in 1937, and increased to 416,000,000 yuan (at 1937 constant price) in 1954. During these 17

years the net income increased by 36.8% with an average increase of 2.15% per year, while the agricultural labor force increased by 45.9%, averaging 2.64% per year. The fact that agricultural production in Taiwan has been large enough to feed the ever growing population was due mainly to the increase of the cropping index, the improvements of methods of agricultural production and the elevation of education level.

In economically underdeveloped countries where there is lack of capital and tools of production are backward, it is necessary to employ a large labor force in planting, cultivating and harvesting. Because of the high index of cropping in Taiwan, farmers seldom have leisure. However, with improved farm implements, a large proportion of farm laborers can certainly be shifted to other trades if employment opportunities are available.

### III. Two Problems

- A. How can we accelerate the increase in national income to such a degree as to make it surpass the growth of population?

The national income in Taiwan has been on the increase. However, due to the speedier increase in population, the per capita real income was on the decrease especially in 1954 and 1956 as is shown in the following table:

Year	1953	1954	1955	1956	1957
Income					
Link indices of national income at current prices in each of the affected years	137.0	105.0	120.0	115.0	115.7
Link indices of national income at current prices of 1952	115.3	104.0	106.2	105.4	108.0
Link indices of average per capita income at current prices in each of the affected years	132.0	101.0	116.0	112.0	112.2
Link indices of average per capita income at current prices of 1952	111.3	100.2	102.3	101.9	104.8

- B. How can we create better employment opportunities for the disguised unemployed villagers?

The natural resources and environment of Taiwan promise the expansion of a bigger forestry and fishery industry. Another possibility for agricultural development, such as full utilization of upland, the development of grazing farms, the expansion of livestock production, and the cultivation of offshore low land might create many new employment opportunities for farm laborers.

The manufacturers have a higher average income per capita than the farmers. As the segments of manufacturing, mining and communications are now employing more laborers and are absorbing a greater proportion of the total labor force than before, it might be sound to say that the acceleration of industrialization is the

main course to resolve the problem of the disguised unemployment villagers.

Although many factors, such as capital, management, technique and market are necessary for the development of agricultural resources, yet capital formation is probably the key factor. How to stimulate the incentive of saving and investment is therefore closely connected with the problem of the employment.