

Chapter 2

Rural Household Employment

CHFS (China Household Finance Survey) reports that the economically active rural population comprises 60.7 % of the overall rural population while the working population comprises 97.4 % of the economically active population. 50.6 % of the rural economically active population that is 60 or older still works. Among them, 91.0 % are engaged in agricultural activities. In terms of employment type, 56.6 % of the rural working population engages in agricultural work while 43.4 % is employed in non-agricultural work. Agricultural producers receive an average of 6.2 years of education with an average life expectancy of 50.7 years. Males account for only 49.5 % of the rural population. Agricultural producing, non-agricultural labor, and agricultural and non-agricultural hybrid households (hereafter referred to as “hybrids”) account for 37.6, 31.8, and 30.6 % of household employment sources, respectively. In terms of both individual employment and household employment, there’s a clear tendency towards non-agricultural employment.

2.1 Working Population

According to the People’s Republic of China statistical system, the economically active population refers to people who are at least 16 years old and work in economic production or service activities over a certain period of time. These people, also referred to as the labor force, participate or are expected to participate in social economic activities. Together, the employed population and the unemployed population comprise the economically active population.

According to CHFS, the rural economically active population refers to the portion of the rural population that is at least 16 years old and is employed, unemployed, or seasonally employed. Table 2.1 illustrates the statistics of the rural economically active population.

As is illustrated in Table 2.1, the rural economically active population accounts for 60.7 % of the rural population, higher than the 54.2 % nationwide. The rural

Table 2.1 Rural economically active population and employment (*unit %*)

	Rural	Eastern region	Central region	Western region	National
Economically active population/total population	60.7	59.4	62.3	60.2	54.2
Working population/economically active population	97.4	96.8	97.8	97.5	94.6

working population accounts for 97.4 % of the rural economically active population, slightly higher than the national statistic of 94.6 %.

In terms of geographic distribution, the eastern region’s rural economically active population rate is 59.4 %, slightly lower than the national statistic of 60.7 %. The western region’s corresponding figure has a generally similar overall figure. The ratio of the central region’s rural economically active population is higher than the national statistic of 60.7 %. The working population accounts for 96.8, 97.8, and 97.5 % of the rural economically active populations in the eastern, western, and central regions, respectively, with only slight differences between them.

Since the proportion of the rural economically active population and the working population are significantly higher than the average national figure, this report will further analyze age structure of these two groups. Table 2.2 demonstrates the proportion of the rural economically active population and working population that is at least 60 years old.

As is shown in Table 2.2, the rural economically active population accounts for 50.6 % of the rural population, much higher than 13.5 % for urban areas. Meanwhile, the rural working population accounts for 50.0 % of the rural population, which is also much higher than the 12.2 % in urban areas. Thus, the difference between the rural economically active population ratio and the working population ratio stems from the employment of rural seniors.

CHFS classified China’s working population’s employment types into seven groups: employed by others; self-employed; agricultural activities; people who retire and are subsequently rehired by the same organization (hereafter referred to as “rehired”); freelancing; seasonally employed; and others. Agricultural activities are the only type of agricultural activity while the remaining employment types are non-agricultural activities. Table 2.3 shows the employment categories of the rural working population that is at least 60 years old.

Table 2.3 allows for the inference that of the majority of the rural working population that is at least 60 years old, 91.0 %, is engaged in agricultural activities.

Table 2.2 Rural economically active population and working population (*unit Yuan*)

	Rural	Urban	Nationwide
Economically active population	50.6	13.5	31.6
Working population	50.0	12.2	30.6

Table 2.3 Employment categories of rural working population aged 60 and over (*unit %*)

	Rural
Agricultural activities	91.0
Non-agricultural activities	9.0

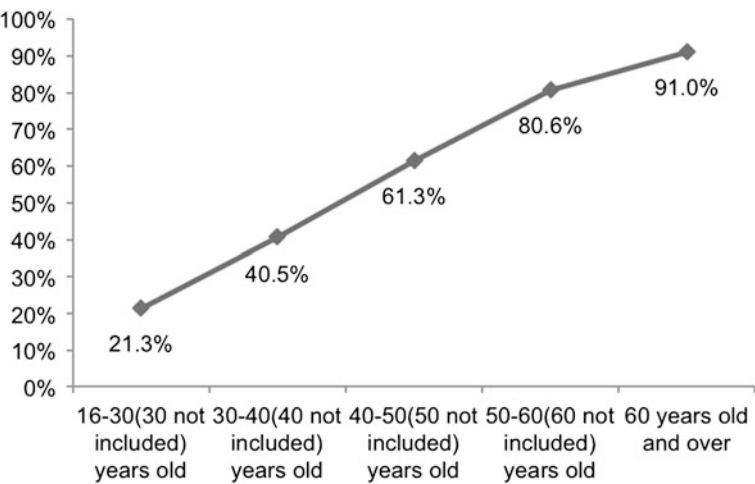


Chart 2.1 Proportions of rural population of different ages engaged in agricultural activities

Chart 2.1 displays the proportion of agricultural producers in the rural working population in terms of age distribution by separating the age cohorts by ten-year intervals. As is shown in Chart 2.1, the proportion rises along with age. 21.3 % of the population is between the ages of 16–30 while 91.0 % of the rural working population that is at least 60 years old engages in agricultural activities. The aforementioned statistics support the conclusion that there are less rural young people engaging in agricultural activities than rural seniors. In addition, rural seniors who have reached the age of 60 still participate in farming regardless of having reached retirement age.

2.2 Employment Categories

Table 2.4 illustrates the rural working population’s employment categories. 30.7 % of the national working population is engaged in agricultural activities while 69.3 % is engaged in non-agricultural activities. This indicates that the national population’s major employers are secondary and tertiary industries. 56.6 % of the rural working population is agricultural producing while non-agricultural workers account for 43.4 % of the rural working population. There is an obvious tendency

Table 2.4 Employment categories (*unit %*)

	Rural	Eastern region	Central region	Western region	National
Agricultural activities	56.6	48.4	58.7	61.5	30.7
Nonagricultural activities	43.4	51.6	41.3	38.5	69.3

Table 2.5 Demographic features of the rural working population (*unit Yuan*)

	Years of education (years)	Age (years)	Male ratio (%)
Rural working population	7.4	43.9	56.6
Agricultural producers	6.2	50.7	49.5
Non-agricultural workers	9.0	35.6	65.4

towards non-agricultural employment based on the employment categories of China’s rural working population.

In terms of geographic distribution, the western region’s rural working population has the highest proportion of agricultural producers at 61.5 % while the corresponding figure for the eastern region ranks the lowest with 48.4 %. There is a 13.1 % difference between the two figures.

Table 2.5 shows the rural working population’s demographic features, including years of education, age, and ratio of males residing in the rural areas. The rural population engaged in agricultural activities has an average of 6.2 years of education while the corresponding figure for the rural population engaged in non-agricultural activities is 9.0 years. This indicates that agricultural producers received 2.8 years less education than non-agricultural workers. The average age of agricultural producers is 50.7 years while the corresponding figure for non-agricultural workers is 35.6 years. The 15.1 year discrepancy indicates that agricultural producers are older. Meanwhile, 49.5 % of agricultural producers are male while the figure for male non-agricultural workers is 65.4 %, higher than the former. The general profile of agricultural producers is that they are less educated, elderly, and less are males.

2.3 Employment Type

Table 2.6 describes employment types of the rural working population’s non-agricultural workers. 71.3 % of non-agricultural workers are employed by others or institutions, 15.9 % are self-employed, and 9.6 % are freelancers. These three types comprise 96.7 % of non-agricultural workers.

In terms of geographic distribution, the three aforementioned employment categories account for 97.2, 96.5, and 96.4 % in the eastern, central, and western

Table 2.6 Types of non-agricultural activities that the rural working population engages (*unit %*)

	Rural	Eastern region	Central region	Western region
Employed by others	71.3	69.8	71.4	72.8
Self-employed	15.9	18.0	16.2	13.1
Freelance jobs	9.6	9.4	8.9	10.5
Seasonal jobs	2.4	1.7	2.7	2.9
Rehired workers	0.1	0.1	0.1	0.1
Others	0.7	1.0	0.7	0.6
Total	100.0	100.0	100.0	100.0

regions, respectively. There is little difference regarding this type of employment. Obvious differences can be seen in self-employment, however, which accounts for 18.0, 16.2, and 13.1 % of non-agricultural workers in the eastern, central, and western regions, respectively. There is a 4.9 % discrepancy between the highest 18.0 % in the eastern region and the lowest 13.1 % in the western region.

2.4 Employment Distribution

Table 2.7 shows the distribution of employment categories and two other types of employment. In terms of occupations, technicians, business and financial operation occupations, service industry workers, industrial occupations and transport occupations, and other occupations account for 34.6, 23.9, and 14.1 % of the national working population, respectively. The rural working population shares a similar

Table 2.7 Employment distribution of non-agricultural workers in the rural working population (*unit Yuan*)

Occupations	Rural	Nationwide
Technicians	32.1	34.6
Civil servants	8.6	15.2
Business and catering employees	18.3	23.9
Agriculture, forestry, animal husbandry, fishing and hydraulic engineering employees ^a	6.7	1.9
Manufacturing, construction and transportation employees	28.4	14.1
Management occupations	5.7	10.1
Military occupations	0.2	0.2
Total	100.0	100.0

^aHere, agriculture, forestry, animal husbandry, fishing, and hydraulic engineering employees refer to people who work for corresponding agricultural businesses (e.g. agricultural enterprises). Since the businesses are not family-owned, people working for those businesses are classified as non-agricultural employees

employment distribution pattern. The ratio of the three employment types is 32.1, 18.3, and 28.4 %, respectively, totaling 79.5 %. One noteworthy difference is that the ratio of rural population engaged in industrial and transport occupations is relatively higher with a 14.3 % discrepancy.

2.5 Employment Industries

Table 2.8 shows the rural population's employment industries. As is illustrated in Table 2.8, the main industries of employment nationwide are manufacturing, construction and transportation, warehousing, and postal services which account for 16.0, 10.9, and 8.2 %, respectively, totaling 35.1 %. Compared with national statistics, the rural working population mainly engages in manufacturing, construction and agriculture, forestry, fishing, and hunting. Manufacturing and construction in particular account for 22.0 and 25.4 %, respectively, for a total of 47.4 %.

Table 2.8 Industry of employment of rural non-agricultural employees (*unit %*)

Industry	Rural	Nationwide
Agriculture, forestry, fishing and hunting	9.3	4.0
Mining	4.4	1.9
Manufacturing	22.0	16.0
Electric power, coal gas, water manufacturing and supply	3.2	3.7
Construction	25.4	10.9
Transportation, warehousing and postal services	5.0	8.2
Information, computer service and software	0.7	3.2
Wholesale and retail	3.7	7.0
Hospitality and catering	4.3	4.6
Financial services	0.7	4.3
Real estate	0.9	1.6
Leasing and business services	1.6	3.6
Scientific research, technical services and geological exploration	0.1	0.7
Water conservancy, environmental industry and management of public facilities	0.8	1.4
Resident services and other service industries	7.0	8.0
Education	4.6	8.1
Health care, social security and welfare	3.7	6.3
Cultural industry, sport industry and entertainment industry	0.5	1.9
Public administration and social organizations	2.1	4.6
Total	100.0	100.0

2.6 Categories of Household Occupations

This report has grouped rural households into three categories based on the household members' occupations: agricultural producers, non-agricultural employees, and hybrids. Among rural working households, being an agricultural producer indicates farming as the only occupation for all household members while households with no work related to agricultural activities fall into the non-agricultural employee category. The rest belong to the hybrid category whose household members are occupied with farming as well as non-agricultural activities.

Agricultural producers, non-agricultural labor, and hybrid occupations account for 37.6, 31.8, and 30.6 % of rural working households, respectively, as shown in Table 2.9. The statistics demonstrate the continuously changing occupation pattern of China's rural working households. Comparing the hybrid households with both occupation and non-agricultural employees (which constitute the majority of rural working households), agricultural producers only comprise slightly more than one third of households. This reflects the trend of rural Chinese households participating in more non-agricultural activities.

With respect to regional differences, non-agricultural employees make up 40.4 % of working households in the eastern region; hybrid households comprise 39.4 % of those in the central region. There are more agricultural producers and hybrid households in the western region than non-agricultural employees which account for approximately 25.4 % of working households. These figures correspond with the economic development disparity between Eastern China and Western China.

Table 2.10 shows the age cohorts of rural households with different types of employment. The average ages of agricultural producers, non-agricultural employees, and hybrid employees are 40.2, 37.6, and 36.2 years, respectively. It

Table 2.9 Employment types of rural working households (*unit %*)

Household employment type	Rural	Eastern region	Central region	Western region
Agricultural producers	37.6	25.1	33.6	36.2
Non-agricultural employees	31.8	40.4	27.0	25.4
A mix of agricultural and nonagricultural employees	30.6	34.5	39.4	38.4

Table 2.10 Age levels of rural households of different employment types (*unit year (age)*)

Employment type	Rural	Eastern region	Central region	Western region
Agricultural producers	40.2	41.9	40.1	39.2
Nonagricultural employees	37.6	38.1	37.1	37.5
Hybrid employees (a mix of agricultural and non-agricultural employment)	36.2	37.3	34.9	36.7

Table 2.11 Average years of education received by rural working households of different employment types (*unit* year)

Employment type	Rural	Eastern region	Central region	Western region
Agricultural producers	6.7	6.9	7.1	6.2
Nonagricultural employees	8.1	8.6	7.8	7.7
Hybrid households	7.8	7.9	8.0	7.5

Table 2.12 Average income of rural households of different employment types (*unit* Yuan/year)

Employment type	Rural	Eastern region	Central region	Western region
Agricultural producers	20,219	19,024	22,242	19,092
Non-agricultural employees	55,048	63,727	46,653	51,386
Hybrid households (a mix of agricultural and non-agricultural employees)	42,591	38,546	46,395	41,855

can be inferred that the average agricultural producer’s age is higher than that of hybrid employees. In terms of regional distribution, agricultural producers in the western region are younger than agricultural producers in the eastern and central regions with an average of 39.2 years. For non-agricultural workers and hybrid employees, their average age in the central region is lower than those in the eastern and western regions.

Table 2.11 demonstrates the average years of education received by rural households with different types of employment. The average years of education for agricultural producers, non-agricultural workers, and hybrid employees were 6.7, 8.1, and 7.8 years, respectively. This leads to the conclusion that non-agricultural workers received more years of education. To analyze these figures from a regional perspective, this report concludes that non-agricultural workers receive the highest level education followed by hybrid households. Agricultural producers receive the least education.

Table 2.12 illustrates the average income of households with different types of employment. The average incomes of agricultural producers, non-agricultural workers and hybrid workers are 20,219 RMB, 55,048 RMB, and 42,591 RMB, respectively. The household income of non-agricultural workers is 2.7 times greater than that of agricultural producers while the household income of rural hybrid households is 2.1 times higher than that of agricultural producers. The household incomes of both non-agricultural and hybrid workers are much higher than that of agricultural producers. This conclusion can also be drawn from analyzing the figures from a regional perspective. The household incomes of rural agricultural producers and rural hybrid workers in the central region are relatively high while non-agricultural workers in the eastern region enjoy high incomes.

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