The Transfer of Rural Labor Force Employment and Development of Urbanization

WANG Ao, HOU Suyu
School of Economics and Management, Beijing Jiaotong University, China, 100044
waoreo926@163.com

Abstract: This paper studies the transfer of rural labor and structural reflux problem from the perspective of promoting economic transformation and stabilizing employment. It establishes the economic capability model of urbanization transfer of migrant workers’ families and estimate the economic ability of transferred migrant workers’ families by consider their income and consume condition. Then it calculates that a transferred migrant workers’ family needs at least 16-year working to achieve urban settlement and analyses how the factors like industrial structure adjustment and economic transition impact on transferred migrant workers’ employment. At last, this paper proposes four suggestions.

Keywords: Urbanization, Rural labor transfer, Economic capability model of urbanization transfer, Structural reflux

1 Introduction

Lewis (Lewis, 1954) put forward the labor force supply modal on the condition of dual economic structure in his book *Economic Development with Unlimited Supplies of Labor* [1]. The model considers that dual economic structure is widespread exist in developing countries. Traditional agriculture departments used backward mode of production to absorb a lot of labor. As a result, it produced a lot of labor surplus, as well as the marginal labor productivity decreased to zero or even less than zero gradually. Most of the modern industrial sectors are mainly centralized in urban. Using advanced production methods, they can create higher profits, achieve the expansion of large-scale and attract a lot of capital. On the same time, they can also absorb the surplus labor from the agricultural sectors. Lewis model of labor force supply under the dual economic structure well explains the population transfer and the development of urbanization process in developing countries. However, a series of questions also revealed during the process when the modal adapted to China’s realities (1) Although traditional agricultural sectors contain a large number of surplus labor, the situation of employment difficulty and unemployment can still exist in urban because of its limited capacity to absorb surplus labor from modern industrial sectors; (2) The system reform of rural area and the development of agricultural modernization in China will enable the further emancipation of rural labor. Thus it will release more surplus labor. At the same time, the technological advances are also making a substantial increase in labor productivity of modern industrial sectors. Simple labor and low levels of labor are gradually being replaced by modern equipment that are mechanized, automated and informationalized. Thus, the capacity of modern industrial sectors to absorb surplus rural labor is further compressed; (3) Under the dual economic structure, the income gap, the differences in infrastructure and living conditions between urban and rural lead to a growing willingness of rural population to transfer to urban. In some rural families, as a result, there are only the elderly and the children who left behind in rural areas. Some areas also engendered a lot of “empty villages”, serious when, even occur “fallow land” phenomenon. The excessive transfer of rural labor force has been far beyond the concept of surplus labor transfer and to some extent caused the loss of the rural labor force. (4) The transferred rural surplus labor force mainly assembled in the industries such as manufacturing, construction and most of the low-end positions of service sectors. For the reasons of significant market volatilities, development cycle and great elasticity of job demand, there comes to less stable jobs and frequent transfers. So the rural labor has been dubbed the special title named “migrant workers”. Migrant workers’ unstable
transfer and employment are the periodic products of China’s economic and social development. The rural surplus labor force is absorbed by the city unstably. Also, the urbanization developments promoted by the transfer of rural surplus labor force still have uncertain factors. (5) The modern industrial sectors absorb a certain amount of surplus rural labor while the employment income is generally higher than the traditional agricultural sectors. However, the cost of living stably in Chinese cities is much higher than which in rural areas. With the intensity of China’s favorable policies in agriculture increasing gradually, rural surplus labor transfer’s living costs and opportunity costs are also increasing. Plus the cost of family separation and the mental anguish of being far away from home, some migrant workers may choose to return home. The shortage of workers once spread from coastal areas to Chinese mainland. (6) The household registration which is characterized by separating the urban and rural residents caused the system partition in urban and rural areas. At the same time, it limited the freedom of rural surplus labor force transfer. The transferred rural labor force is often difficult to obtain stable jobs and permanent residence permits in the city. So that, some scholars compared the China’s domestic migration with the international illegal migration and revealed a series of similarities between the two (Solinger, 1999; Roberts, 2000) [2] [3].

For the reasons mentioned above, many scholars expanded Lewis’s dual economic structure to ternary economic structure in the process of combining the actual situation in China, which consists of traditional rural economy, villages and towns’ economy and urban modern economy (Chen Jiyuan, Hu Biliang, 1994; Xu Minghua et al., 2003) [4] [5]. Some other scholars further rose that China’s labor force always transfers in four sectors—the traditional agricultural industries, the rural non-farm industries, the urban formal industries and the urban informal industries. (Zhu Nong, 2001; Liu Li, Ren Baoping, 2007) [6] [7]. Quaternary economic structure model of rural surplus labor transfer is more in line with China’s actual development situation. In normal conditions, transferred rural surplus labor force is difficult to enter the urban formal industries directly, and they usually employed in informal industries. This agree with Todaro’s (Michael P. Todaro, 1969) [8] the “agricultural industries, urban formal industries, urban informal industries” ternary economic theory. Also, it can well explain the relationship between urban unemployment and the transferred surplus rural labor, as well as the coexistence of migrant workers’ shortage and college students’ employment. In addition, the transfer of surplus labor in China’s rural is significantly different from which in other countries, where migration is generally meant to complete the two processes of moving out from one place and settling down in another place simultaneously. But many studies have revealed that most China’s rural labor force who achieved migration to urban or developed areas did not intend to have a long-term settlement in that place (Wang Feng, Zuo Xuejin, 1999; Roberts, 2000) [9]. That is to say, the China’s labor mobility is a process of outflow and backflow (Cai Fang, 2001) [10]. Chinese migrant workers’ roving migration shows that the majority of Chinese migrant workers did not really achieve urbanization so the China’s urbanization level is still low in real terms. There is still a considerable part of the pseudo-urbanization (Zhai Zhenwu, 2012) [11] and semi-urbanization (Wang Xingui et al., 2008) [12].

The studies on China’s rural surplus labor transfer of many scholars are mainly in the context of the rapid development in China’s economy and markets after the reform and opening up. It was investigated over a long period of stable economic development, in which China’s most fields are in the middle of a comprehensive construction. During this period, the construction industries and the service industries absorbed a lot of labor transfer. However, the comparative advantage of China’s labor-intensive manufacturing is gradually weakening, the development period of large-scale construction is over soon, and service industry is becoming mature. China is ushering in a period of changing in industrial structure adjustment and transformation of economic development. It is also a beginning of cracking the urban-rural dual structure. In this context, this paper will study the transfer of rural labor and structural reflux problem from the perspective of promoting economic transformation and stabilizing employment.
2 The Condition of Migrant Workers’ Employment and Economic Income

According to a sample survey from the national bureau of statistics in 2013, there are 26,894 million migrant workers in China, which is an increase of 2.4% over the previous year. The number of rural migrant workers accounted for 42.72% of the total rural population. Among the migrant workers, there are 16,610 million migrant workers who are away from home, which is an increase of 1.7%. And there are 10,284 million Local migrant workers, which is an increase of 3.6%. Furthermore, 3,525 million people among the migrant workers away from home are the ones going out with all family members, which is an increase of 4.4%.

From the survey data of migrant workers, the total amount of Chinese migrant workers is growing in a stable and sustainable rate. However, the number of local workers and the ones going out with family members have more pronounced growth.

This shows that migrant farmers as a means of family income only increased, but local migrant workers and the families of migrant workers are more pronounced growth. This shows that it is just a means to increase household incomes for farmers to work outside rather than the pursuit of their ultimate lifestyle. Migrant workers want to increase revenue, but what they want most is that getting a stable job and a living place, which can completely change their living environment and living standards, rather than living a displaced type of discrete life.

Another important factor driving farmers into the city is the urban-rural disparity. Most of the Chinese rural areas have poor environment, and the public facilities there, such as education, health care as well as sanitation, are in a low level. The followings are some dates. In 70% of rural areas, people live with the livestock. In 90% of rural, domestic waste is piled exposed. 50% of rural roads are lack of surface hardening dispose. 50% of administrative villages do not have running waters. 96% of administrative villages have no drainage and sewage systems. 85% of rural residents use stoves and straws to cook. 91% of the villages have no fire-fighting facilities. 60% of rural residents are lack of public activities. Meanwhile, farming with livestock is relatively common in China’s vast rural areas. Due to the tiresomeness and the physiological payment to farm, a lot of people do not want to stay in rural areas engaged in agricultural production, especially the young ones. As shown in a large-sample survey conducting by Chinese academy of engineering research group, “80s” and “90s” generation of migrant workers are generally reluctant to return home to farm again and they desperately want to become a real citizen.

There are two patterns of rural surplus labor transfer. As shown in Figure 2-1, one is working pattern, which means those migrant workers only get employed as temporary and short-term workers in urban during the slack seasons, the pillar of their income still comes from farming. As the Chinese migrant workers’ prevailing mode, it is just a means of increasing income farmers to. Another is
urbanization pattern, which is an important way for farmers to improve the quality of family life more comprehensively through employment and lifestyle changes. Undoubtedly, for rural surplus labor, working for others is more like a helpless choice, and urbanization pattern is more in line with their expectations.

Under China’s existing social system and economic conditions, the urbanization mode of rural surplus labor transfer needs to achieve two breakthroughs, one is breaking through the separation between rural and urban coming from dual urban-rural social system (Cai Fang, 2001; Li Qiang, 2003; Wang Xingui et al., 2008) [13]. The other is improving the migrant workers’ economic capacity of living and working in the city (Li Jing, 2008; Zhang Zheng et al., 2008) [14]. Dual social structure belongs to the system designing issues, and China has begun to deepen structural reforms related fields. In July 2014, the State Council issued a document named views on further promoting the reform of household registration system, which shows the full liberalization of towns and small cities settled restraints, the liberalization of medium-sized cities settled restrictions, reasonable determination of the city settled conditions, the strict control of the large urban population size, the establishment of a unified household registration system, and the full implementation of the residence permit system. At the same time, the government is going to expand the compulsory education, ensure housing security and complete the rural property system as well as some other basic public services. The institutional barriers of rural surplus labor force to achieve urbanization have been broken, and the “stable employment” and the “urban settling” have become the substantive issues for migrant workers families to achieve urbanization.

Table 2-1 2013 Migrant workers employment status in different industries (%)

<table>
<thead>
<tr>
<th>migrant workers employment industries</th>
<th>total</th>
<th>classified by malds</th>
<th>classified by methods</th>
<th>classified by regions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>gress</td>
<td>Local</td>
<td>egress</td>
</tr>
<tr>
<td>manufacturing</td>
<td>31.4</td>
<td>35.0</td>
<td>27.5</td>
<td>35.8</td>
</tr>
<tr>
<td>construction</td>
<td>22.2</td>
<td>23.5</td>
<td>20.8</td>
<td>25.6</td>
</tr>
<tr>
<td>wholesale and retail</td>
<td>11.3</td>
<td>8.1</td>
<td>14.8</td>
<td>5.5</td>
</tr>
<tr>
<td>transportation, storage and postal industry</td>
<td>6.3</td>
<td>4.6</td>
<td>4.1</td>
<td>4.5</td>
</tr>
<tr>
<td>accommodation and catering industry</td>
<td>5.9</td>
<td>7.0</td>
<td>4.7</td>
<td>3.3</td>
</tr>
<tr>
<td>residents service, repair and other services</td>
<td>10.6</td>
<td>9.4</td>
<td>11.9</td>
<td>10.0</td>
</tr>
<tr>
<td>other industries</td>
<td>12.3</td>
<td>12.4</td>
<td>12.2</td>
<td>13.3</td>
</tr>
</tbody>
</table>


The employment of surplus rural labor is mainly in the manufacturing, construction, services and other labor-intensive industries. From Figure 2-2, it can be seen that the employment percentage of manufacturing industry was 31.4%, the proportion of employment in the construction industry was 22.2%, and the employment percentage of traditional services was 34.1%. Among those who were employed by others, the proportion of working in manufacturing and construction industry is higher than other industries. In the self-employed scheme, the share of the ones who are engaged in traditional service industries was increased to 76.3%. This also shows that migrant workers are mostly engaged in the traditional service industries which have low barriers to entry in and require manual labor to go in for repetitive simple tasks. Their jobs are mostly in the urban informal sectors or urban formal sectors as the non-settled positions. Rather than “the official series”, the nature of their employment attributable to “contract labor”, “casual”, “service workers”, “labor dispatching”, “supernumeraries” and other series. In China, the main way to transfer for rural surplus labor force is informal employment, which is not only present in the informal sectors of the city, but also widespread in urban formal sectors such as “auxiliary police”, “police association”, “co-management in urban” and so on [15]. Generally, the transferred rural surplus labor employment is of low level and poor job stability.
In addition, the costs of settling in rural and that in urban are obviously different. That is to say, the rural surplus labor needs higher economic level or strong economic capacity to cover their costs of transferring by urbanization. 2013 national monitoring survey data of migrant workers shows that the annual per-capita income of migrant workers is 31,308 yuan, which is 8,896 yuan higher than it of rural residents and 29,547 yuan higher than it of urban residents. The reason of this result is that migrant workers’ income is statistics on 100 percent of employment population. If it is calculated according to the whole family living out (a couple raising a child, have a main job and an auxiliary job, and the income of the assisted one is 80 percent of the dominated one’s), the annual per-capita income of migrant workers is 18,785 yuan. At the same time, we assume that the families of migrant workers live a saving life and only seek the lower-middle urban living standards after achieving urbanization. So we estimate their per-capita consumption expenditure according to 70% of current urban residents’ per-capita consumption expenditure. Then we can conclude that after the urbanization, the average annual per-capita consumption expenditure of migrant workers is 12,615 yuan, and their annual household earnings are 18,510 yuan.

3 The Economic Capability of Urbanization Transfer of Migrant Workers’ Families

If the transfer of the migrant workers’ families is following the urbanization pattern, then the lowest economic capability they are of will be the capability to cover the living consumption in urban and the cost of settling after transferring. If a migrant worker’s family is capable economically, then their urbanization transferring will be sustainable. If they are not capable or, in other words, their economic capability is not sustainable, then their urbanization transferring will be reversible. According to this analysis, we can build a modal that describes how migrant workers’ families accumulate the essential economic base that sustains their basic urban life, as Figure 3-1 shows.

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1 According to statistical standards, the samples to calculate the average monthly income of migrant workers do not include the ones who were exempted meals and accommodation costs; Residents’ living expenses include hydro fuel fee, renovation costs, Expenses of construction materials for maintenance, rent, heating costs, and property management fees and so on. But they do not include the expenditure of purchasing or building house and the virtual rent of owner-occupied housing. Because of the discontinuous jobs of migrant workers, their per-capita income is estimated by summing the per-capita monthly income of 12 months. So, there is a certain tendency to overestimate their per-capita income.
We have estimated the average family surplus of migrant workers’ families after deducted their urban life consumption when they finished urbanization transfer. We assume that this part of surplus is all used to spend on their settling, then the migrant workers’ families can cover their residential consumption only by their accumulation in rural and their family surplus in urban. Furthermore, we can estimate their accumulation in rural by two methods, which is assuming that they have already achieved 20% of their residential consumption, or we can estimate by adding their savings to their assets disposing in rural. As for their residential consumption, we can calculate it depending on the price of lower-rent housing and affordable housing. As the first measurement is lack of accuracy, the second measurement is selected to estimate. According to the statistical bulletin of national economic and social development in 2013, the total amount of the savings deposit of both urban and rural residents has reached 44.76016 trillion Yuan. Therefore, the average rural saving accounts can be calculated with the states of rural and urban population proportion and average deposit ratio. As the sixth nationwide census in 2010 indicates, the total of urban population is 665,575,306, which occupies 49.68% of the national total population; and the total of rural population is 674,149,456, which occupies 50.32% of the national total population. In the aspect of the average deposit saving ratio between urban residents and urban residents, we measure it by calculating the average yearly surplus ratio between urban residents and urban residents and the proportion is about 0.197:1. According to the result of the estimation, the average rural saving account is 11,249.7 Yuan, and the average rural family saving is 33,749.1 Yuan. In the meanwhile, the rural assets can be estimated by 350 m² each family in homestead, and the valuation after the assets disposition is 150,000 Yuan. In consequence, the economic surplus of each family in the rural area is 183,749 Yuan.

To estimate the residential consumption of the transferred migrant workers’ families, we divided Chinese urban into three classes according to their developing level and city scale, in order to calculate the average price of an ensuring housing in urban, which includes lower-rent housing, affordable housing and so on. Among all the 287 prefecture level cities in China, there are 35 cities contains the municipality cities, the provincial capital cities, the capital of the autonomous region cities (not including Lhasa), which can be classified as the first class cities. There are 35 cities are classified as the second class cities such as Tangshan, Qinhuangdao, Baotou and other medium-sized cities, while the other cities are classified as the third class cities. According to China real estate development report, in 2013, the average price of commodity housing in these three classes of cities is 14,000 yuan per m², 8,000 yuan per m² and 5,200 yuan per m² respectively. So the average price of commodity housing in China is around 6,237 yuan per m². Further, the lower-rent housing is usually with the house architectural area of 100 m², while its price is usually of 85% of the commodity housing’s; the affordable housing’s price is of 53% of the commodity housing’s, and based on the affordable housing lease law, only 18 square meters are allowed to rent for each qualified individual, so the architectural area for a family of three is 54 square meters; the price of public rental housing and price-limited housing is about 70% of the commodity housing’s and with an average areas of 90 square meters. To sum up, the average price of a set of ensuring housing is 381,392 yuan, which is also the residential consumption of the transferred migrant workers’ families.

As mentioned, transferred migrant workers’ families can pay for housing in urban only by their accumulation before transfer as well as their family surplus after transfer. Then when a migrant worker family with a family surplus of 18,510 Yuan per year and 82,749 Yuan’s accumulation decides to buy a house of 381,392 Yuan, they will still need to work continually for 16 years to have the possibility to afford the house, which is the lowest economic ability they will contained to achieve settlement.

4 The Impact of Industrial Structure Adjustment and Economic Transition

During the possessing of migrant workers transfer, a stabilizing employment is the foundation of settling in urban. Unstable employment condition is an important factor hindering the sustainable development of migrant workers transfer. Currently, the youth migrant workers in China that already leaved to urban
become unemployed in their early middle age, which is determined by their working fields. As mentioned, the employment of surplus rural labor is mainly in the manufacturing, construction, services and other labor-intensive industries with informal employment. These three industries are all facing the impact of technology development, industrial structure adjustment and economic transition. It directly lead to jobs dropped especially the simple jobs that the migrant workers have.

Take manufacturing industry as an example, developed technology like the automatic production line and the industrial robot liberates people from labor and primary lobar with simple work get liberated firstly. For example, Beijing Blue Imagination Logistic Limited Liability Company, with 196 employees includes 42 on the payroll, is a book logistic company attached to Higher Education Press. BI Company invested 3.7 billion Yuan to build a highly informationize, automatic and modernize storage and distribution base, which covers an area of 180 mu, building area of 56,000 square meters. There contains the biggest modern individualistic unattended stereoscopic warehouse in Asia. The warehouse was put into use by the end of 2009, which marked BI Company to enter the informatization, automation stage of modern logistics development. Although their business is doubling growing, the demand of the operating personnel did not increased; on the contrary, they adjusted the human resources structure in essence from pyramid-shaped to dumbbell-shaped. They cut down the number of operating employees and the new demand of human resource is of administration, technical, and business.

As another example indicated, Shenzhen Foxconn Group, with 1.2 million workers, announced its “Millions of Robots” plan, aiming to cooperate with Economic-Technological Development Zone to bring one million industrial robots to replace some manual labor forces. High intense and monotonously repeating work makes their workers under too much press so that a lot of suicide accidents took place continually as a result. Nevertheless, the “Millions of Robots” plan was carried out not only to respond to the suicide accidents, but also to help Foxconn itself to step up its pace of structure adjustment. Bringing in mechanized production massively is the only way for the manufactory industry to combine the advanced manufacturing scale, capacity and the industrial chain. With the demand of labors decreasing, part of the migrant workers with low technical level will be probably face with the situation to come back rural if their abilities can’t match the technology’s upgrade.

The development scale of the construction industry will also lead to a large number of migrant workers become unemployed. The number of migrant workers in the construction industry is 30% of all the migrant workers, there is about 40 million workers engaged in the construction industry. Because the city’s construction process is closely related to the work positions of construction industry, the demand for labor of construction industry is elastic. According to Chinese statistical yearbook data, the number of Chinese construction enterprises in 2004 is 59,018, in 2013 it reached to 79,528; the number of practitioners in 2004 is 25.003 million, and increased to 44.993 million in 2013. As the practitioners in construction industry accounted for 5.84% of total employment in 2013, we can know that China is now in the stage of overall construction. But with the number of construction projects is transferring from increment to stock, the construction period is transferring to operation period; the scale of construction in China will transfer from stabilization to the recession. The developed countries have already experienced the construction period that the number of construction enterprises and practitioners have
decreased a lot. According to the data from BLS, in USA, construction industry practitioners dropped from 7,117,000 in 2004 to 5,876,000 in 2013. The practitioners in construction industry accounted only for 4.28% of total employment in 2013. Assuming the total employment in China remains stable, estimated according to the proportion of USA, than there will be a decrease of 12,008,000 in the demand of labor in the construction industry when China step in the recession period.

The factors of economic cycle and economic development cause the decrease of labor demand. In particular, the cycle of construction industry leads to a dramatic decline in labor demand, which result in a larger migrant workers’ circumfluence.

The industrial promotion and structure adjustment also leads to the dynamic adjustment of labor resource arrangement and labor demand. Currently, the labor resource slowly transfers from primary industry to secondary industry, and then to tertiary industry. However, there is a trend of technology development and capital in place of labor exists in secondary industry; in tertiary industry, the employment is saturated in traditional commerce and service industry. Though new industry such as information, consultation, technology and finance have high employment elasticity, the employment barrier is higher, which causes decrease of low-class labor’s demand.

However, due to passive informal employees can only maintain simple reproduction, they cannot defray the expense of promoting skills and are lack of motivation of pursuing work training, which increase the difficulty of transferring from low-class labor to high-level labor.

Besides, the labor age structure will also cause larger labor circumfluence. The issues of Chinese citizen labor rejuvenation and unemployment midlife-trend are more serious. Though labor-intensive enterprise has great demand of labor, some enterprises will fire elderly labor for self-profit, and the reducing income caused by lower productivity will also arouse voluntarily departure. Thus, the phenomena of migrant worker shortage of youth labor and great labor circumfluence of middle-aged labor coexist.

Those migrant workers’ families which work continuously for 16 years with steady revenue is few, which means the minimum quality for migrant workers’ families to settle are hard to achieve.

5 Conclusion

The main conclusions are following, (1) there is a great many surplus labor force in China’s 629 million rural populations, and the total number of migrant workers has reached 269 million in 2013. This huge population of migrant workers is mainly employed in rural non-agricultural sectors, the urban informal sectors and the informal industries of urban formal industries. Most of them are in the way of informal employment to work. Survey data show that due to the apparent gap between China’s urban and rural, migrant workers’ willingness of urbanization is getting increasingly strong. However, the main obstacle to the urbanization is not the household registration system but the stability of migrant workers’ employment and the economic capacity. (2) Migrant workers are primarily employed in low-end jobs of manufacturing, construction and traditional Services. At this period, industrial structure in China is being adjusted and upgraded, China’s infrastructure construction period is coming to an end, the low-end labor is being emancipated as technology advances, Chinese comparative advantage in labor-intensive industries is declining, and the economic development stage is coming with the substitution of capital for labor. So, rural surplus labor can’t wage to transfer in urban anymore and the space of low-end employment is no longer optimistic. (3) Technology and capital formation have made positive promotion on industrial structure upgrading and reduced the formation of low-end posts. Changes in the economic development cycle and the end of large-scale construction period make a more adverse effect on employment low-end employment. The human resource structure of manufacturing in which migrant workers mainly employed change from pyramid-shaped to dumbbell-shaped. Also, the development scale of construction and traditional Service will be reduced gradually. If the professionalism and employability skills of migrant workers can’t enhance appropriately, some migrant workers is likely to be abandoned by the city and return home in the future and appear reflux of migrant workers in China. In addition, there is a lot of data to prove that Chinese enterprises are widespread
employment of young, and most Chinese migrant workers are young adults for fewer and fewer opportunities for working beyond a certain age. Unquestionably, the employing methods of Enterprises will exacerbate migrant workers’ reflux and lead to the coexistence "Reflux Tide" and "Labor Shortage", but also will restrict the families of migrant workers to achieve sustainable development of urbanization more severely.

Suggestions: (1) the reform of land circulation system and the achievement of agriculture modernization will release more rural labor force. Accordingly, compared with taking a more centralized approach to improve in towns, improving rural infrastructure and farmers’ living conditions in vast and scattered rural areas is more feasible. Meanwhile, intensive urbanization can release land resources occupied by rural residents, so that the village ecological environment can be improved and the Demographic Dividen of the rural population can transfer effectively. Conversely, healthy development of urbanization will effectively promote China’s economic effectively. So, we should promote the development of China’s urbanization more actively. (2) Big cities create corresponding jobs that correspond to its economic developments; small towns have relatively low cost of urbanization. So, there are the existences of space for rural surplus labor to transfer both in large cities and small towns. Because of significant differences in the cost of urbanization of cities and small towns and rural families’ interpersonal circle, the urbanization of migrant workers first appeared in the nearest town or suburban and hardly appeared in a distant city. The purpose of the choice of more distant cities is earning more money. Therefore, China should establish staged development road of urbanization and choose town or suburban to solve urbanization problems preferentially. Secondly, we should give migrant workers a certain percentage of low-cost housing such as low-rent housing and public-rent housing of the city to solve their urbanization problems and meet city’s structural requirements of human resources as well as guarantee a stable supply for better urban Economy. (3) The sustainable development of urbanization depends on its industrial development and migrant workers’ stable employment. We should promote industrial development and structural optimization of urbanization to achieve its healthy and sustainable development. Also, the promulgation of laws, systems and policies is very important to promote the adjustment of recruit policies and increase the uniformity and stability of migrant workers’ employment. (4) Although china’s urbanization has get substantive development, it still exist structural reflux of migrant workers made by the factors such as industrial upgrading and Structural adjustment inevitably. Therefore, we should establish appropriate mechanisms for migrant workers reflux to ensure the entire community stability and healthy development.

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