# **Unemployment Status of Urban Labor Force under the Background of Industrial Transformation and its Influencing Factors**

#### **Zhang Fengrui**

Chengdu University of Technology Commercial College, Sichuan, China

**Keywords:** community residents; social economy; unemployment situation; labor capacity

**Abstract:** Under the background of economic globalization, China's economic and social development has entered a period of accelerated transformation. The biggest problem facing China is unemployment. The so-called unemployment is a social and economic phenomenon, a social form of separation of labor force and means of production, and a state of disconnection between labourers with labor capacity and employment posts. A large number of unemployment hinders economic growth, social stability and the sustainable development of the whole social economy. Through the analysis of the population of Hongxing community in Huaibei City, this paper studies the current situation of unemployment and the main causes of this phenomenon, and puts forward countermeasures.

#### 1. Unemployment status of community residents

#### 1.1 The meaning of unemployment

Unemployment refers to those who are over the working age, have the ability to work, are not engaged in income-earning work during the period of investigation (or are engaged in income-earning work for less than the required time), are looking for work, and can apply for employment within two weeks if they have a job. As a result of years of accumulation of deep-seated contradictions between economic construction and management mechanism, the current difficulties of enterprises and the increase of laid-off workers have resulted. The causes of unemployment are complex and varied. Generally speaking, they mainly include: along with the cyclical fluctuation of macro-economy, the short-term change of the relationship between labor supply and demand, the formation of cyclical unemployment phenomenon, and the friction loss caused by the friction of labor market and the change of industrial structure, the mismatch between employment desire and employment demand, and the mismatch between the human capital of job seekers and the requirements of employers, respectively. Unemployment and structural unemployment.

The unemployment of Red Star residents mainly exists in several aspects: first, Red Star is almost an effective area, the traffic is relatively inconvenient, and far away from the city center, which loses the hardware advantage; second, the industry is relatively small, most of the residents mainly work next to a Red Star Machinery Factory, which leads to the lack of jobs for residents; third, Red Star community, women and children are in the majority, which leads to the lack of jobs for residents; third, Red Star community, women and children are in the majority. Even if there is work to do, but can not recruit the right talent. In the current market economy, the allocation of labor force is regulated by the market. After entering the market, the labor force can flow freely and achieve the optimal allocation with other factors. For the whole society, unemployment wastes labor resources, labor resources are idle, and workers can not play their personal abilities, which is undoubtedly a huge waste of resources to society. For workers and their families, unemployment deprives them of income and source of livelihood. This situation exists in both developed and developing countries, especially in developing countries. When we study and solve the problem of unemployment in Red Star community, we must first understand the current situation and causes of unemployment in Red Star community.

DOI: 10.25236/etmhs.2019.356

## 1.2 Current Situation - The unemployed population is younger and the phenomenon of gnawing on the old people is prominent, and the old people can not bear the burden.

According to the unemployment survey report of Red Star Community in June 2011, young and middle-aged people have become the group with the highest unemployment rate in Red Star Community, while the proportion of highly educated unemployed people is on the rise. In recent years, with the rapid growth of China's economy, the unemployment problem in cities and towns has become increasingly prominent. The number of unemployed is increasing year by year. At present, the problem of unemployment has become the most prominent problem in the current social economy of our country. According to the Red Star Community Survey data, the unemployed aged 16-29 accounted for 32% of the total unemployed population in the region. 5%. Nearly 70% of the unemployed people in the region are under 40 years old. The phenomenon of "gnawing old people" in urban areas has become increasingly prominent. More than 80% of the citizens think that there are "gnawing old people" around them. Relevant surveys have expressed the expression of "gnawing the old people" as follows: gnawing the old people is also called "eating the old people" or "near the old people". They are not unable to find jobs, but voluntarily give up employment opportunities and stay at home. Not only do they depend on their parents for food, clothing, shelter and transportation, but they also spend a lot of money. They have the ability to make a living, but they are not weaned, they have to depend on their parents. Some sociologists call this group "the new unemployed group". According to the data of contemporary studies in China, the majority of people are between 20 and 40 years old. Among them, 28% have undergraduate degree or above, 36% are male and 25% are female. Compared with the community, the "gnawing old people" mainly concentrated in urban areas.

#### 1.3 Analysis of community employment guidance policy and implementation

The community should fully recognize the importance of employment and take the implementation of active employment policy as an important measure to implement the scientific concept of development. It is understood that at the beginning of November 2006, Yuan Wei appointed Hongxing Community as secretary. After learning that most of the residents in the area under his jurisdiction were landless, especially the difficult employment situation of women, he immediately went to Longhu Industrial Park in Huaibei Economic Development Zone to find foreign-funded enterprises that could recruit. After investigation and negotiation, on the same day, "Huaibei Feiyang Garment Technology Company" held a job fair in the community, recruiting 200 workers on the spot. Subsequently, the Red Star Community rented a car to take residents to the factory to visit, so that the residents who are about to embark on training posts have a better understanding of the factory. Renwei office has 10 communities, 2. More than 40,000 residents have lost their land because of coal mining collapse. Employment of landless residents has become the most important task of Renwei office. Renwei office director Li Jian told reporters: Red Star community has taken the first step in the employment of landless residents, and then 10 communities in the jurisdiction will build platforms for residents one after another to solve the big problem of landless residents'employment difficulties.

### 2. Reasons for the Formation of Unemployment Problem in Community Residence in Urban Areas

The unemployment of community residents is not only an economic problem, but also a sensitive social problem. Only by solving the unemployment problem, can the society be stable, the residents live and work in peace and contentment. Full employment is one of the important macroeconomic goals of modern countries. The unemployment rate of a local resident can reflect the local government's implementation of relevant policies.

#### 2.1 Reasons for the quality of labor force

Although the total amount of labor force has been in excess of demand for a long time, it is the

basic reason for unemployment in urban areas of China. However, at present, the employment pressure in urban areas is increasing, the number of surplus labor force in urban communities is large and the quality is low, and the phenomenon of asymmetry between the skills of workers and the skills required for jobs is becoming more and more obvious. Many new industries and new types of workers are in short supply, and the supporting policies are seriously lagging behind, which makes the transfer process not smooth. This basic situation remains unchanged, and it is difficult for other measures to improve community productivity and increase residents'income. The root cause of the low quality of urban community labor force in China is the incomplete investment in education.

#### 2.2 Over-labour and increased employment pressure

The serious surplus of urban community labor force is due to the rapid population growth, which greatly exceeds the bearing capacity of local natural resources and the employment limit of local economic development level. The urban community has a large population. Under the huge population base, the family planning policy has been adhered to. However, the working age of the community is still increasing. Every year, the new labor force in the urban area surpasses the supply and demand by a large margin. Urban community is the direction of the transfer of surplus labor force in our community. The transfer of community surplus labor force belongs to the reallocation of economic resources. The direction of the transfer depends on the principle of labor force transfer in demography. The transfer target is of course the largest and medium-sized cities with the fastest economic development. Industrialization and population urbanization are the main ways to solve the problem of surplus labor force in urban communities. In the past two decades, China has been in the process of rapid economic development, industrialization and urbanization. However, the low-end labor surplus and the high-end labor market are also showing gaps. The society urgently needs senior managers, applicable technicians and various kinds of compound applied talents. Therefore, controlling population growth is still an important task for China's long-term family planning work in the future.

# 2.3 The process of urbanization is speeding up, the urban and rural labor market is becoming more and more integrated, and the competition is fierce.

City is a political, economic and cultural center. With the deepening of the reform of household registration system and labor system, barriers to the urban and rural labor market have been broken. Therefore, it has attracted a large number of farmers and township residents who have economic foundation outside the city to settle down in the city. The surplus labor force in these communities, unemployed residents in villages and towns and migrant workers outside the province are looking for employment opportunities. With the increase of labor supply, I am facing more severe employment competition in a city where employment is rather scarce.

#### 3. Solving the unemployment problem of community residents

Unemployment can be said to be an inevitable social phenomenon in any society that implements market economy policy. Since the reform and opening up, with the tremendous changes in economic structure, economic life and social structure, China's labor relations have undergone profound and tremendous changes. Labor relations have become increasingly diversified and complex, and a large number of contradictions and problems have emerged in the field of labor relations. At the same time, according to the view of economics, necessary and reasonable unemployment can play a role in regulating the supply and demand of labor force in the process of social reproduction. Based on this, it is unnecessary and impossible for society to eliminate unemployment completely. Unemployment is a bad economic state in which workers are separated from the means of production, unreasonable allocation and use of social resources, resulting in waste of resources, which is not conducive to overall economic growth and social stability. Unemployment is a heavy blow to workers themselves. Due to various setbacks in employment and life, the unemployed people complain about social inequity and generate resentment, which is easy

to cause harm to society. Therefore, we should fully recognize the importance of resolving the problem of re-employment of the employed population and take effective measures to control the scale of urban unemployed population and reduce the unemployment rate.

The unemployed people's educational level, gender and technical level are different from the employer's requirements. On the one hand, the unemployed are unwilling to choose the jobs or units with poor working conditions, low wages and poor working environment, which leads to the problem of unemployed people not getting jobs. On the other hand, it is difficult to find suitable people from the unemployed people and form the phenomenon of "vacancy" in some occupations or units because of their good working conditions, high wages and good working environment. Employment difficulties coexist with employment difficulties in enterprises, and the contradiction between supply and demand structure is very prominent. Therefore, the unemployed must face up to the reality, correct their mentality and change their ideas. The problem of unemployment is not isolated in itself, but closely related to economic and social development. The fundamental solution to the problem of unemployment lies in the long-term prosperity of the national economy and the rational growth of the population.

### 3.1 Strengthen job development, intensify economic restructuring and expand employment channels

First, we should vigorously strengthen vocational training and employment services to improve the cultural quality and vocational and technical level of workers. Vocational training should be taken as an important means to promote re-employment and resolve the contradiction of structural unemployment. Accelerating the pace of forming a market-oriented employment mechanism, strengthening publicity and education, and changing the concept of job-hunting are the basis of tackling unemployment. The essence of solving the employment problem is to allocate labor resources adequately and reasonably. In this regard, the labor market plays an irreplaceable role.

Secondly, in the case of surplus labor force, we should allow the strategic transformation from large enterprises to capital-intensive industries, appropriately reduce government investment in construction and capital-intensive enterprises, relax government control over entrepreneurship, clean up all kinds of fees and fines for entrepreneurship and individual, micro and small enterprises, merge and reduce the numerous law enforcement of government and administrative institutions, and develop cities and towns. Urban community banks should vigorously develop individuals, micro-enterprises and small and medium-sized enterprises that can accommodate a large number of labor force to avoid the social and economic crisis caused by high unemployment.

Thirdly, the measures of reemployment project are not perfect enough. We should establish an early warning system for unemployment and improve the social security system. Employment is an important issue related to the national economy and people's livelihood. China's social structure transformation is closely linked with the economic system transition. The adjustment of industrial structure and other factors have led to a large number of unemployed and laid-off workers. As a cost of reform, the consequences of unemployment should not be borne by the unemployed alone, but by the government, the beneficiaries of reform and the rich.

Fourthly, enterprises should be encouraged to recruit more unemployed household registration workers, and policies should be encouraged; unemployed workers should be encouraged to re-employment through temporary, seasonal, flexible, self-employment, and other flexible and diverse forms, providing them with micro-loan guarantees and other supporting policies. The system of job declaration shall be implemented, and priority shall be given to the recruitment of unemployed persons with user registration. Continuously improve the employment development system, form a job development mechanism involving all government departments, all sectors of society and enterprises, and provide more job resources for unemployed residents.

Fifth, vigorously develop the economy, actively tap industries and industries with great potential to increase employment, open up employment resources, and coordinate economic growth with employment growth. The introduction of international rules into WTO and the improvement of market-oriented economy will inevitably create favorable space for the development of small and

medium-sized enterprises. Strengthen the construction of labor market, speed up the adjustment of industrial structure, actively develop the tertiary industry, and improve the employment service system. In knowledge economy society, the proportion of tertiary industry is the largest and employment growth is the fastest. It can effectively expand employment capacity, which is the fundamental way to solve the problem of unemployment. It is the fundamental way to solve the problem of unemployment. To increase employment, we must create certain channels and channels of employment. The tertiary industry has the advantages of less investment and more labor force.

Sixth, actively develop community service posts. Developing community employment posts is to expand the employment channels and fields of unemployed people. It has relatively low requirements for the cultural and vocational skills of workers, and can meet the needs of community construction to facilitate the lives of residents. In particular, we should actively develop employment posts for community residents'living services, logistical support of government enterprises and institutions and community public management, as well as public welfare posts such as cleaning, greening, community security, rental housing management and maintenance of public facilities. The Posts created by government investment, preferential policies or government franchise should be developed into public welfare posts in a certain proportion, and priority should be given to the employment of the unemployed, especially the unemployed, with household registration.

#### 3.2 Improving the unemployment security system and promoting employment skills

Market economy competition will produce a large number of unemployed people at any time. The changes of economic conditions such as industrial restructuring, exhaustion of natural resources and deterioration of business conditions will easily lead to the transformation of labor force among different enterprises, industries and departments, and the corresponding sharp changes of frictional unemployment will also take place. From the target of enterprise reform in our region, all workers who are likely to be unemployed should be included in the scope of unemployment insurance system, and eligible workers should enjoy unemployment benefits. This is not only in line with the development direction of social security, but also conducive to the deepening of reform and the rational flow of labor force.

Firstly, we should consider the inclusion of some specific groups in the scope of unemployment insurance. For the peasant workers who used to rely on agricultural land for production, but now enter the counties, many of them are also facing the plight of unemployment after losing their land. They belong to the typical structural unemployed. To this end, they should provide basic livelihood security and vocational training for the peasants who have no land and no job, and put them into the scope of unemployment security. Secondly, the unemployed college graduates who can not find jobs every year and the unemployed youth accumulated in previous years should be included in the scope of security, and the corresponding security measures in unemployment training and job introduction should be implemented. Establish a standardized employment training mechanism to improve the effectiveness of employment training. Thirdly, we should invest more in enterprise introduction and training fund, provide basic financial support, pay attention to the pertinence and usefulness of training content, and establish a training assessment mechanism with the linkage between training institutions and trainees. We should change our concepts so that the unemployment security can be re-employed; strengthen the management of the unemployed to promote their re-employment; and establish a comprehensive social unemployment security system to promote the overall improvement of the re-employment rate.

## 3.3 Establishing a unified and efficient labor market and correctly handling the relationship between the government and the market

Speed up the process of urbanization and promote the orderly flow of labor force. That is to say, the increase of unemployment is an objective phenomenon caused by the long-term oversupply of China's labor force; from the early days of the founding of the People's Republic to before the reform and opening-up, the population growth rate was much higher than the economic development rate due to the wrong decision-making in population policy. The quality of workers

affects employment opportunities. On the whole, the quality of Chinese workers is not very high. In recent years, due to the influence of age, skill level, overall employment environment and difficulties in implementing preferential policies for reemployment, it has become more difficult for laid-off workers to achieve reemployment. Employment is not only an economic problem, but also a political and social problem. Only by reducing the unemployment rate can the urban community economy develop better and faster.

#### 4. Conclusion

Expanding employment is not only an important guarantee to promote economic development and maintain social stability, but also an important task of macro-control. Community employment plays an important role in increasing employment and solving the problem of urban unemployment and laid-off. In order to further strengthen the functions of urban grass-roots social management and improve the service level of urban modernization management, according to the grand goal of building a well-off society in an all-round way and speeding up socialist modernization at the 16th National Congress of the Communist Party of China, we should grasp the overall situation of reform and development, emancipate our minds, keep pace with the times and be bold in line with the main theoretical thought of "development is the first priority and development is the hard truth". To build and strive for development, we need new ideas, new breakthroughs in reform, new prospects in opening up and new initiatives in all our work. Community employment is an important part of community construction. It can relieve the pressure of employment, help the groups with employment difficulties to reemploy in community service posts, develop community economy, protect the urban vulnerable groups, and maintain social stability.

#### References

- [1] Cain G G. Unemployment and the Labor-Force Participation of Secondary Workers [J]. Industrial & Labor Relations Review, 1967, 20(2):275-297.
- [2] Sullivan T A. Labor Force [J]. Handbooks of Sociology & Social Research, 2005, 55(3):209-225.
- [3] Duryea S, Hoek J, Lam D, et al. Dynamics of Child Labor: Labor-Force Entry and Exit in Urban Brazil [M]// Child Labor and Education in Latin America. 2009.
- [4] Veracierto, Marcelo. On the Cyclical Behavior of Employment, Unemployment and Labor Force Participation, Working Paper 2002-12[J]. Journal of Monetary Economics, 2008, 55(6):1143-1157.
- [5] Davis D E, Schluter G E. Labor-Force Heterogeneity as a Source of Agglomeration Economies in an Empirical Analysis of County-Level Determinants of Food Plant Entry [J]. Journal of Agricultural & Resource Economics, 2005, 30(3):480-501.
- [6] Watts H W, Skidmore F. The Implications of Changing Family Patterns and Behavior for Labor Force and Hardship Measurement. Background Paper No. 16.[J]. Concepts & Data Needs, 1978:77.