

Migrant Workers' Old-age Insurance Policy in China:
Beyond an Economic Development Perspective

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Abstract

This thesis examines old-age insurance policy provision for Chinese internal migrant workers. In recent years, the government's old-age insurance policy has been redesigned to include migrant workers in the current insurance scheme and to offer them better protection. However, the participation rate is still extremely low and numbers of migrant workers are increasingly high, making it imperative to investigate the reasons for such low participation. To this end, this thesis employs a three-dimensional analysis framework of old-age insurance policy for migrant workers: individual perceptions, policy analysis of old-age insurance policies and documents, and the linkage between the economic and political environment and social security/old-age insurance reform.

However, the prevailing framework of State economic development goals creates deeply embedded institutional obstacles for these workers, and more significantly, because of their confined capabilities in relation to the resources they possess, migrant workers are severely limited in their access to old-age insurance. There are a number of insurmountable constraints stemming from the poor real-world situation they are in, notably their lack of access to information about old-age insurance, the lack of guarantee provided for future benefits, and their well-founded fear of making demands on their employers. The institutional obstacles exclude migrant workers from participating; the old-age insurance policy inherently has discouraging factors which negatively influence migrant workers; and the national goal of economic development has led to massive economic and social consequences, which effectively marginalise rural populations, including migrant workers, and restrict their access to equitable social welfare provision.

In this thesis I argue that since the economic reform of 1978, the mechanisms formed under powerful new economic and social imperatives have defined migrant workers as cheap, unprotected labour. In this context, in order to secure their own interests, provincial governments have developed a collusive relationship with profit-seeking enterprises. Thus rather than strictly

implementing the old-age insurance policy for their workers, they have sided with capital over labour. Finally, as an interest group, migrant workers are greatly disadvantaged in contention with the other powerful groups, especially provincial governments and profit-seeking enterprises, and their interests are marginalised. Compared to these powerful interest groups, migrant workers command very limited resources; they are often powerless and their old-age insurance interests are infringed.

The Chinese migrant workers' old-age insurance policy is well-intentioned and equitably conceived. However, under the prevailing economic development imperative, the government's implementation is stymied by the lack of support from powerful interest groups caught up in the lust for capital. Effective government policy needs to be implemented to resolve the current situation.

Declaration

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