

# QUALITY OF LIFE OF GOVERNMENT AND ENTERPRISE EMPLOYEES IN NANNING CITY UNDER THE NEW PENSION SCHEME OF THE PEOPLE'S REPUBLIC OF CHINA

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## Abstract

China has the largest population in the world, with over 1,439 million in 2020. The population average growth rate is 5.63% during 2000-2016. China has become an aging country, the population of the elderly (60 or older) in China is about 128 million, or one in every 10 people. It is estimated that China could have up to 400 million people over 60 years of age by the year 2050. With the rapid development of China's socialist market economy, the gap between government departments/institutions and enterprises has become more and more obvious, which strongly affected the social fairness and justice, social contradictions continue to intensify. This system has played a significant role in protecting the lives of retirees and stabilizing cadres. This paper is part of the research on "the new pension scheme and its impacts on the quality of life: a comparative analysis of government and enterprise employees in Nanning City, the People's Republic of China."

The research objectives include to study the existing social security system and its new pension scheme for government and enterprise employees, and to inquire the suggestions for improving the new pension scheme for a better quality of life of government and enterprise employees. The paper focuses on the in-depth interviews with three policy directors from the Department of Human Resources and Social Security of the Guangxi Zhuang Autonomous Region and two people from different sub-bureaus, as well as three directors of the salary sector from different enterprises in Nanning city, including six case studies. The findings show that China's new pension system provides the most comprehensive coverage to Chinese retirees in Nanning. But in some dimensions, such as health, all the retirees are concerned about their health. Both retired from government and business had few social activities and little support from their families in terms of social relationships. All cases believe that they still have lots of control over the important things in life. Sometimes their pension restricts their life or hobby. In terms of financial situation, government retirees are more satisfied than private enterprise retirees.

**Keywords :** Nanning city's elderly quality of life, The new pension scheme of the People's Republic of China

## Introduction

Quality of life is an individual's perception of their position in life in the context of the culture and value systems in which they live and in relation to their goals, expectations, values, and concerns incorporating physical health, psychological state, level of independence, social relations, personal beliefs, and their relationship to salient features of the environment. Quality of life refers to a subjective evaluation which is embedded in a cultural, social, and environmental context. No one disputes that quality of life is essential to human beings.

According to the latest data provided by the National Bureau of Statistics of China in January 2022, the Chinese population amounted to around 1.41 billion people in 2021 (Statista, 2022). China has become an aging country. The population of the elderly (60 or older) in China is about 128 million, or one in every 10 people. It is estimated that China could have up to 400 million people over 60 years of age by the year 2050 (Xin Dingding, 2010). The rapid aging process is not only dramatically impacting on government finances but also putting huge pressure on how to take care of them so they can have a quality of life.

China has a pension system, which plays a critical part in the social security system. Due to complex historical reasons, China's government departments and enterprises have two different types of pension systems. State Council Document No.26 of July 1997 defined a pension policy requiring all state-owned enterprise (SOE) employees to make contributions of up to 8% of their basic wages, along with employer contributions of 20% of the enterprise's pre-tax wage bill. Under this document, the SOE pension system combining social pooling with individual accounts was instituted by 2000. Funds are pooled at the province level. The basic pension system of SOE consists of two parts: a pay-as-you-go (PAYG) component and a mandatory individual account, managed by a government entity. Document No. 42 of 2000 requires the segregation of the management of individual accounts from the administration of the social pooling funds. This policy, however, did not apply to employees of the government, institutions, or non-SOEs such as private and joint-venture businesses.

Another pension system is only for workers from government departments and institutions. Individuals working in government departments or institutions pay nothing for the pension system, but after retirement, their pensions are much higher than those of other retirees in enterprises where individuals and enterprises both need to make contributions of up to 8% of their basic wages, along with employer contributions of 20% of the enterprise's pre-tax wage bill. As a result, the enterprise can be seen as the main provider of social security. Some achievements have been made since these two different types of pension systems were implemented. However, more problems are urged to be solved. One of the biggest is how to integrate the SEO and the government's two different types of pension systems.

There were a lot of critics from many scholars making pension problems were lack of relevant laws and regulations, the provisions of the pension insurance rate and the proportion of individual accounts are different, the root causes of institutions and institutions are not the

replacement rate is too high, and the old pension system was not perfect and fragmented. Not only did part of the institutions and enterprises implement inconsistent systems, but even part of the joint-stock enterprises and private enterprises did not implement the pension insurance system.

Eventually, in 2015, the Public Employee Pension System (PEP) merged into the Basic Old Age Insurance System (BOAI), and as a result, BOAI became a uniform program for all employees in urban sectors.

Currently, the pension system in China has two elements: one is the individual account, which is directly linked to one's contribution, and the other is the social pooling fund, which differs from various pension projects. A pensioner might find it's difficult or even impossible to transfer his or her own parts of social pooling from one project to another. This becomes a big obstacle for labor force movements.

Nanning is the capital city of the Guangxi Zhuang Autonomous Region, located in the South China Sea. Guangxi is the only coastal autonomous region in southern China. As of the end of 2016, the region's resident population of 48.38 million people was under the jurisdiction of 14 prefecture-level cities. The number of employees on duty was reported at 783.749 people in 2020.

#### **Concepts and theories of quality of life of aging in international level.**

1. There are 8 stages in the life of human beings as Erikson mentioned, which is a comprehensive psychoanalytic theory that identifies a series of eight stages, in which a healthy developing individual should pass through from infancy to late adulthood. For the retirees, they experience in the last stage, which is Wisdom stage: ego integrity vs. despair (maturity, 65-death). In the stage, the retirees would like to ask themselves the question: Is it okay to have been me? When they look back on their lives and accomplishments, they have a better quality of life if they have achieved their goals and lead a successful life, if they did not accomplish their life goals, they become dissatisfied with life and develop despair, often leading to a sense of depression and hopelessness.

2. There are 3 major psychosocial theories that describe how people develop in old age and are defined as a focus on social and psychological aspects leading to successful aging, which are the disengagement theory, the activity theory, and the continuity theory.

The disengagement theory of aging states that "aging is an inevitable, mutual withdrawal or disengagement, resulting in decreased interaction between the aging person and others in the social system he belongs to", which was developed by Elaine Cumming and Warren Earl Henry in their 1961 book "Growing Old." Subsequently, the theory has been largely debunked. The disengagement theory of aging claims that it is natural and acceptable for older adults to withdraw from society and personal relationships as they age. The theory further suggests that society responds to the elder's disengagement with a sort of mutual recognition that the elder

will soon pass and society must prepare to function in their absence. As such, the theory argues that it is natural and acceptable for older adults to withdraw from society.

The activity theory of aging was developed by Robert J. Havighurst as a response to the disengagement theory of aging, which proposes that older adults are happiest when they stay active and maintain social interactions. These activities, especially when meaningful, help the elderly to replace lost life roles after retirement and, therefore, resist the social pressures that limit an older person's world. The theory assumes a positive relationship between activity and life satisfaction. Activity theory reflects the functionalist perspective that the equilibrium that an individual develops in middle age should be maintained in later years. The theory predicts that older adults that face role loss will substitute former roles with other alternatives.

The continuity theory of normal aging states that older adults will usually maintain the same activities, behaviors, personality traits, and relationships as they did in their earlier years of life. The theory considers the internal structures and external structures of continuity to describe how people adapt to their circumstances and set their goals. The internal structure of an individual – for instance, an individual's personality traits – remains relatively constant throughout a person's lifetime. Other internal aspects such as beliefs can remain relatively constant as well, though are also subject to change. This internal structure facilitates future decision-making by providing the individual with a strong internal foundation of the past. The external structure of an individual consists of relationships and social roles, and it supports the maintenance of a stable self-concept and lifestyle. The theory is criticized for including a distinction between normal and pathological aging that does not take into account older adults with chronic diseases. The theory is also criticized for not considering the influence of social institutions on the aging of individuals.

3. Quality of life means that the issues on quality of life are discussed widely in different scientific fields. In sociology, quality of life is understood as subjective understanding of well-being considering individual needs and understanding. In economics it is the standard of living, in medicine it is ratio of health and illness with the factors influencing healthy lifestyle. Health factor is often given a priority in quality of life though the quality-of-life concept must be understood more widely.

4. The term quality of life is understood in many ways. There is no universally accepted definition of quality of life. Usually, it is referred to the definition of World health organization introduced in 1995. Quality of life is an individual's perception of their position in life in the context of the culture and value systems in which they live and in relation to their goals, expectations, values and concerns incorporating physical health, psychological state, level of independence, social relations, personal beliefs and their relationship to salient features of the environment quality of life refers to a subjective evaluation which is embedded in a cultural, social and environmental context (World Health Organization Quality of Life WHOQOL Group, 1995).

5. Based on academic research, the following 8 dimensions have been defined as an overarching framework for the measurement of well-being. Ideally, they should be considered simultaneously, because of potential trade-offs between them (Quality of life indicators-measuring quality of life): (1) life overall, (2) health, (3) social relationships, (4) family, (5) freedom of life, (6) neighborhood, (7) financial situation, and (8) psychological.

This research is intended to prove whether there are any differences between government and enterprise-researched employees in the quality of life. If an important role of the pension system is income redistribution, it is through the adjustment of the income of different groups to provide the basic needs for the elderly living in poverty that we achieve social fairness and justice. At present, employees from enterprises and government departments/institutions have totally different pension schemes in the payment methods and treatment standards, so that their pensions are deeply unfair. The reform of the pension system is of great practical significance to the fair treatment of every employee and reducing the gap.

### **Research objectives**

- 1) To study the impact of the new pension scheme on the quality of life for government and enterprise employees.
- 2) To inquire about the suggestions for improving the new pension scheme for a better quality of life for government and enterprise employees in Nanning.

### **The scope of the study**

- 1) Scope of content: This research will focus on China's reform of the pension system and its impacts on the quality of life comparing government and enterprise retirees.
- 2) This research will focus on Nanning city, Guangxi province, the People's Republic of China.

### **Research Methodology**

The in-depth interview was used in this study to obtain intensive perspectives from key informants, including directors and staff from the government and enterprise, on the content of the new pension scheme, the problem of the former pension scheme, the difference in payment contributed by government and enterprise employees to the pension scheme, the difference in benefit received by government and enterprise employees from the pension scheme, and the satisfaction level in the pension scheme.

Six key informants were interviewed in their office for approximately two hours each using Mandarin Chinese. The in-depth interview was conducted on June 2018. Based on ethical principles, the author will use an alias for all interviewees.

An in-depth interview is used to interview the key informants with the government informants and enterprises. There are seven zones in Nanning city, which have seven sub-

bureaus reporting the pension information to the Department of Human Resources and Social Security of Guangxi Zhuang Autonomous Region. The department is the apex of the social security department and has authority over the Guangxi Province pension scheme. Key-informants interviewed include three policy directors, one person from the Department of Human Resources and Social Security of Guangxi Zhuang Autonomous Region and two people from different sub-bureaus.

For the enterprise key informant, three key-informants who work in Nanning city and are currently working in large enterprises with more than 2000 employees and three directors of salary sectors from different enterprises are interviewed. The aim is to explore their attitudes relating to the reform of social pensions and the new pension scheme.

After the in-depth interview, six case studies were conducted for retired people, of which three cases were in the government and three cases in enterprises. The aim of this method is to acquire an integral perspective of the new pension scheme. Moreover, the case study method offered a good opportunity to research the impacts of the new pension scheme on quality of life.

### **Ethical considerations**

The researcher received the certificate of research ethic from Huachiew Chalermprakiet University on February 6, 2018. Before collecting data, I introduced myself and informed all key informants/cases study of my current status. I explained the research objectives and asked for their voluntary participation to answer the questions. They are informed that their answer will be kept in strictest confidence, as well as the name of their current and/or past organizations. If they are uncomfortable with the interview, they can stop it at any time. In the case of an in-depth interview, I asked for permission to record the conversation. If they are uncomfortable with the record, please let me know, and I will turn the recorder off. If these conditions are accepted, I will start to collect the data.

### **Research Results**

Based on the information from 6 key-informant in-depth interviews, it can be synthesized as follows:

Government employees understand the new pension scheme well. They believe that the country has built a fair, unified, and standardized pension system for all retired people since 2015. The new pension scheme, together with other social assistance and benefits, will better safeguard seniors' basic lives. They have high expectations for the new policy. They all agree that the new pension scheme will ultimately benefit more people than the old one. However, because there is no previous experience to fall back on, the new pension scheme needs more time to operate and then adjust gradually. "The new pension scheme, in my opinion, will benefit more people than the old one, but the government must consider how to make the majority

of people understand the value of the new pension scheme as soon as possible". Key informant 1: Mr. Leo (alias)

Enterprise employees are understanding the new pension scheme within the limit. They are acquainted with the former pension scheme that covers almost the entire Chinese population, and the retired people are able to receive the pension as long as employees contribute to the pension system for at least 15 years. However, they do not have many channels to explore the new pension scheme and it is difficult to find a formal version of the new pension scheme through the internet as a result of some misunderstanding. They believe that the new pension scheme will change their lives in a good way. Although there were two different pension systems in the past, they are not much different now. Since 2015, all employees have needed to contribute to the pension system. They believe in the motherland. Everyone can feel the quality of life every year is better than that of last year. Therefore, the implementation of the new pension scheme will affect their lives in a good way. They are looking forward to the differentiation narrowing in the near future. *"The employees of enterprise are happy to see the reform and expect it to improve their lives after retirement." Government employees recognize the advantages and benefits of the new pension scheme earlier than others, and they are also optimistic about the pension reform."* Key-informant 2: Mrs. Yun (alias)

Government employees have not shown plenty of anxiety about retirement life. They argue that government employees have lower salaries in the whole employment life than private employees, whereas private employees have saved numerous amounts of money in their employment as higher salaries or invested in some way to maintain their wealth in order to satisfy demand for a retired life. Therefore, it is fair that government employees should receive a higher pension than private sector employees, as it is hard for people working in the government to save money in employment. Mrs. Hong mentioned that the country has built a fair, unified, and standardized pension system for all retired people since 2015. The new pension scheme, together with other social assistance and benefits, will better safeguard seniors' basic lives. However, some people do not understand the new policies very clearly. She said that there have been 2 different pension systems in the past, in which employees in government were not asked to contribute to the pension system, but others did. Right now, we have only one pension system, rather than two. As a result, all employees need to contribute to the pension system now according to the percentage of their salary. Mrs. Hong stated that the elderly must save for themselves as well as contribute to the pension system before retiring. She mentioned that, according to a new rule announced by the Ministry of Human Resources and Social Security and the Ministry of Finance, a unified pension system ensures that every employee will have the opportunity to receive pensions after they pay relevant monthly contributions for 15 years. Employees in enterprises are able to look forward to more benefits from the new pension scheme soon. Government employees understand very well that the purpose of the new pension scheme is to benefit all people. Therefore, they do not have more

questions than others. She said that: "*The pensions for both government and private employees will be almost the same in the future.*" As a result, employees in businesses are more likely than government employees to see rapid growth in pensions in the near future."

Key-informant 3: Mrs. Hong (alias)

The social security system covers almost the entire Chinese population, and people's quality of life is ensured with an improved pension system, as long as people contribute to the pension system for 15 years. In the past, there were 2 different pension systems. As a result, employees of enterprises receive a very small pension compared to the government's employees. The quality of life of employees in enterprises has been rapidly declining.

In terms of contributions to the pension system, things are not much different now. However, he said that the government's employees did not need to contribute to the pension system before in 2015, whereas enterprises' employees have contributed to the pension system year by year. For the sake of keeping a satisfactory life after retirement, the critical factor for enterprise employees is to depend on our saving, but most of the government's employees may not worry about the issue too much. He also mentioned that we understand that we will obtain a lower pension after retiring than government employees. Therefore, we must deposit as much as possible or invest in a way to keep the wealth in order to resolve some unexpected incident after retiring. However, government employees may not face many difficulties. "*In years, government employees receive more pension than enterprise employees, while enterprise employees must consider more in terms of retired life while working.*" Key-informant 4: Mr. Wang (alias)

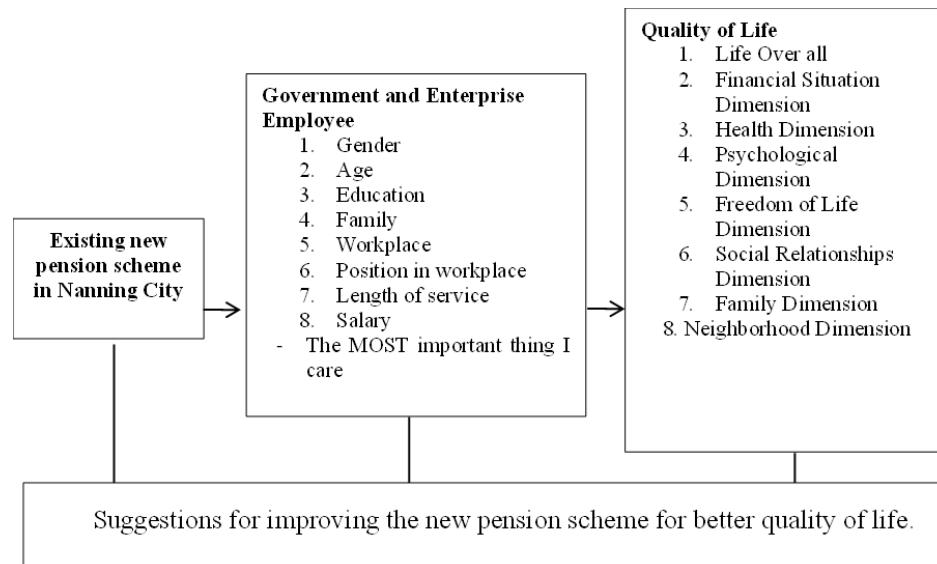
Mrs. Fang (alias) mentioned that the new pension scheme is to unify the two different pension systems created in the past, which means employees of government will contribute to pension system from in 2015. The former pension scheme is not quite fair to the employees who work in the enterprise. Now it is the same to payment contributed by government and enterprise employees to pension scheme. All of employees need to contribute to pension system. She also said that "*Although employees in government will receive more pension than working in enterprise during the former pension system, we look forward to the gap narrow now*". Key-informant 5: Mrs. Fang (alias)

She said that the employees of enterprises prefer to save so as to have enough money to maintain a satisfactory life, whereas government employees may not have many problems. Regarding the different feelings of government and enterprise employees from the pension scheme, most enterprise employees have little knowledge of the new pension scheme. The main reason for this is that the new pension scheme was just issued two years ago, and substantial rules and regulations are still being revised. Therefore, people are having difficulty finding out a formal version of the new pension scheme through the internet.

Meanwhile, a key-informant from enterprise had an interesting comment that pension after retirement based on education background would not be fair. According to his experience,

he thinks that the trouble, such as the health problem in old age, happens to everyone with no relevant education background. “*Sometimes, we have the question of why people receive pensions depending on their educational background. We begin working at a younger age with a lower education background, so we must accept a lower pension than those with a higher education background, but many issues, such as the health problem in older people, affect everyone regardless of education level.*” Key-informant 6: Mr. Zhou (alias)

According to overall findings, it can be synthesized as the following diagram.



In the research, the in-depth interview was adopted to gain intensive perspectives, of key informants include directors and staffs from the government and enterprise, about the content of new pension scheme, the problem of the former pension scheme, the difference of payment contributed by government and enterprise employees to pension scheme, the difference of benefit of government and enterprise employees from pension scheme, the satisfaction degree in life, as well as the difference feeling of government and enterprise employees from pension scheme.

According to key-informants, China had two different types of pension system, joint-venture enterprises, and the pension for the worker from government department. The individuals working in government department pay nothing for the pension system, but after retirement, their pension is much higher than other retirees in the enterprises where individual and enterprises both need to make contributions of up to 8% of their basic wages, along with employer contributions of 20% of the enterprise's pre-tax wage bill. As a result, the enterprise is the main provider of social security. Chines government reformed the original pension system by merging two different types of pension insurance system of government department/institutions and enterprises was conducted by China government in 2015. The goal of this reformation is to unify the different pension systems which means nearly 40 million workers within government/institutions starting to make contributions to pension system as the

employees in enterprises. It promotes fair pension treatment, the optimal allocation of talent and social stability. Everyone must make contributions to pension system which promote the China's pension system in a fair way.

In this research, the case study was adopted to acquire an intensive perspective of the 8 dimensions of quality of life. Six case studies were interviewed by using the Mandarin Chinese language for approximately 2 hours to 3 hours per one. Six case studies can be summarized based on the 8 quality of life dimensions as follows:

1. Overall, all the retirees from government are satisfied with their overall life, while there are differences in satisfaction with the lives of retirees from enterprise. The 1st case satisfies life overall, while the 2nd case is not so satisfied but trying to take it easy with any problem, and the 3rd case is not satisfied with life overall. The reason behind differences in satisfaction among the retirees from enterprises is that they get a lower pension than the retirees from the government, which results in the satisfaction rate. The 1st and 2nd cases have more adaptive skills than the 3rd case, which has more responsibility for the study expenses of their kid, so he would worry about the higher expenses. This factor would influence less satisfaction compared to the 1st and 2nd cases.

2. Health: All the retirees from government are concerned about their health and want to take care of the health issues, while 3 cases of retirees from enterprise are concerned about health, but some of them did not take any action for some reasons. Although all of them agree on the importance of health, some retirees from enterprises did not take any action because they get a lower pension, so making money will more appeal to retirees from enterprises.

3. In terms of social relationship satisfaction, government retirees differ. The first case did not participate in many social activities and preferred to spend his time with family; the second case continued to socialize with same-generation friends; and the third case participates in some social activities but spends the majority of his time with his grandson. While the first case of a retiree from an enterprise had few social activities, the second case liked to meet new friends.

4. Retirees from the government enjoy staying with family members. However, enterprise retirees prefer to meet new friends. Maybe they have many friends, or sometimes it is an escape from reality. One case of a retiree from the government likes to mention kids quite often, and two cases have good relationships within their family, and they usually talk about family members. While one case of a retired business owner receives support from his son and enjoys family time, the other two cases do not receive any support from family but are acceptable with a calm mind. Retirees from the government have mentioned less family support and more concern for family members. Enterprises' retirees hope that they can get support from family, but they do not have and do not talk too much.

5. In terms of freedom and life control, government retirees differ. The first case spent more time travelling; the second case spent more time dancing with friends; and the third case spent more time with family. Government retirees prefer traveling or going outside and seem

not to worry about their kids' jobs or studying too much. While two cases of retirees from enterprises spend more time on family and one case spends more time on meeting friends. All of these people believe that they still have lots of control over the important things in life, but sometimes their pension restricts their life or hobby.

6. Neighborhood and environment: Two cases of retiree from government play more attention on neighborhood and environment, but one case does not care too much. While three cases of retiree from enterprise play more attention on neighborhood and environment. All of enterprise's retirees point out that neighborhood and environment are very important, it is probably for this reason that their live in commercial housing district, however, most of government's retirees live in the same district where government agency-built housing and then sale only to government staffs.

7. One case of a retiree from the government was very satisfied with his retired life, and two cases met the basic needs of his retired life. While the financial circumstances of enterprise retirees vary, the first case does not worry about life too much, the second case has a hard life, and the third case has peace of mind. The satisfaction of government retirees is higher than that of enterprise retirees. It is most likely that the government pension is more than that of enterprises.

8. Two cases of retirees from the government and two cases of retirees from enterprise didn't care about psychological and spiritual achievement, while one case of a retiree from the government and one case of a retiree from enterprise had achieved psychological and spiritual achievement.

## Discussion

The findings show that China's new pension system provides the most comprehensive coverage to Chinese retirees in Nanning. But in some dimensions, such as health, all the retirees are concerned about their health. Both retired from government and business had few social activities and little support from their families in terms of social relationships. All cases believe that they still have lots of control over the important things in life. Sometimes their pension restricts their life or hobby. In terms of financial situation, government retirees are more satisfied than private enterprise retirees. It is most likely that the pension of a retired government employee is more than that of a retired enterprise.

These findings are consistent with the ADB report in 2019, which pointed out that the increasing elderly population is accompanied by higher rates of age-associated chronic diseases. A 2019 survey found that more than half of the elderly population in Nanning (52%) have hypertension. Arthritis or rheumatism is also common (39%), followed by cervical or lumbar spondylosis (28%), osteoporosis (25%), and heart disease (22%). Mental health disorders, such as dementia and Alzheimer's disease, also become more prevalent as people age.

An ADB report in 2019 revealed that economic and social pressures forced children of

elderly people to move out of their parents' houses in search of better economic opportunities. About 40% of elderly people surveyed in Nanning did not have someone in their family to provide care for them. The elderly trend to rely on pensions and income support from their children. More than 70% of the elderly people in Nanning have savings of less than CNY50,000 (\$7,240). Low savings indicate that the elderly may be sensitive to long-term care prices, especially from private facilities, which tend to be more expensive.

Many elderly care and health care facilities are not well coordinated to provide comprehensive services, such as fast-track referrals. This creates additional time and travel burdens on the elderly. The cost and level of service vary widely, especially between public and private facilities. In Nanning, pervasive problems reduce the quality of service, such as lack of standards, lack of skilled staff, inadequate equipment, and uneven geographic coverage.

Keyong Dong and Donghyun Park (2019) suggested that the People Republic of China (PRC) must reinforce and accelerate pension reform by shifting from regional to national pooling, raising the retirement age, reducing the contribution rate, and building the second and third pillars of a multi-pillar pension system. If the PRC can do this, there is every chance that it can become an inclusive society that protects the elderly from economic deprivation and social marginalization.

## Suggestions

Based on findings and discussions, the authors would like to suggest the Chinese government as follows:

1) Carry out the policy of vigorously increasing employment; promoting employment through economic growth; implementing some employment policies; and adopting various effective measures to improve the rate of employment.

2) Provide more job opportunities, rationally adjust the employment structure and guide the development of expanding domestic demand while maintaining the high-speed development of national enterprises. While vigorously promoting the economy, the government stresses the development of labor-intensive enterprises with comparative advantages and market potential and encourages various forms of employment, which will increase employment and expand employment channels.

3) Establish a market-oriented employment mechanism; encourage laborers to find employment on their own initiative; the market adjusts the demand for employment; and then the government promotes employment through fair competition to shape a market-oriented employment mechanism. The mechanism should be such that the market guides training and training promotes employment.

4) With the speeding up of economic restructuring, the long-accumulated contradictions in the operating mechanisms of enterprises have become increasingly apparent, and large numbers of redundant employees in enterprises have been laid off. Most of the people laid off

from state-owned enterprises are relatively older, poorly educated, and skilled. Therefore, it is rather difficult for them to find employment. The government, while guaranteeing their basic livelihood, should implement some vigorous policies to promote the reemployment of the laid-off and unemployed in order to guarantee their basic livelihood.

5) By reducing or waiving taxes and fees and simplifying the procedures for granting loans, the government should improve and implement preferential reemployment policies to help laid-off and unemployed people seek reemployment or find their own means of livelihood.

6) Guarantee women's right to employment; carry out the principle of equal pay for equal work to men and women; and especially protect women during the menstrual period, pregnancy, maternity, and breastfeeding. The Chinese government and all sectors of society can adopt more flexible forms to provide employment opportunities for women to meet their different requirements.

7) Attach great importance to the rights of the disabled and help the disabled and other special groups to find work. The government can adopt preferential policies, such as reducing and waiving taxation for enterprises, to increase employment for the disabled and other special groups. Meanwhile, the government requires all enterprises and institutions to hire a certain proportion of the disabled, and those who fail to do so will lose a certain amount of money.

8) Establish a unified and standardized labor market and ameliorate the employment service system. The reform of the employment service system should be deepened and made to guide both the employee and the employer.

9) Improve the quality of workers in an all-around way and adopt flexible forms of employment. Meanwhile, vocational education, continuing education, and reemployment training should be strengthened. Flexible forms of employment should be encouraged.

10) Deepen the reform of the social security system and speed up the update of the social security system for its improvement. Meanwhile, it needs to establish a reliable and stable social security mechanism, rationally adjust the payment rate and substitution level, and improve the operational efficiency of social security funds and the efficiency rate of investment so as to ensure the stable, healthy, and orderly operation of the social security system.

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