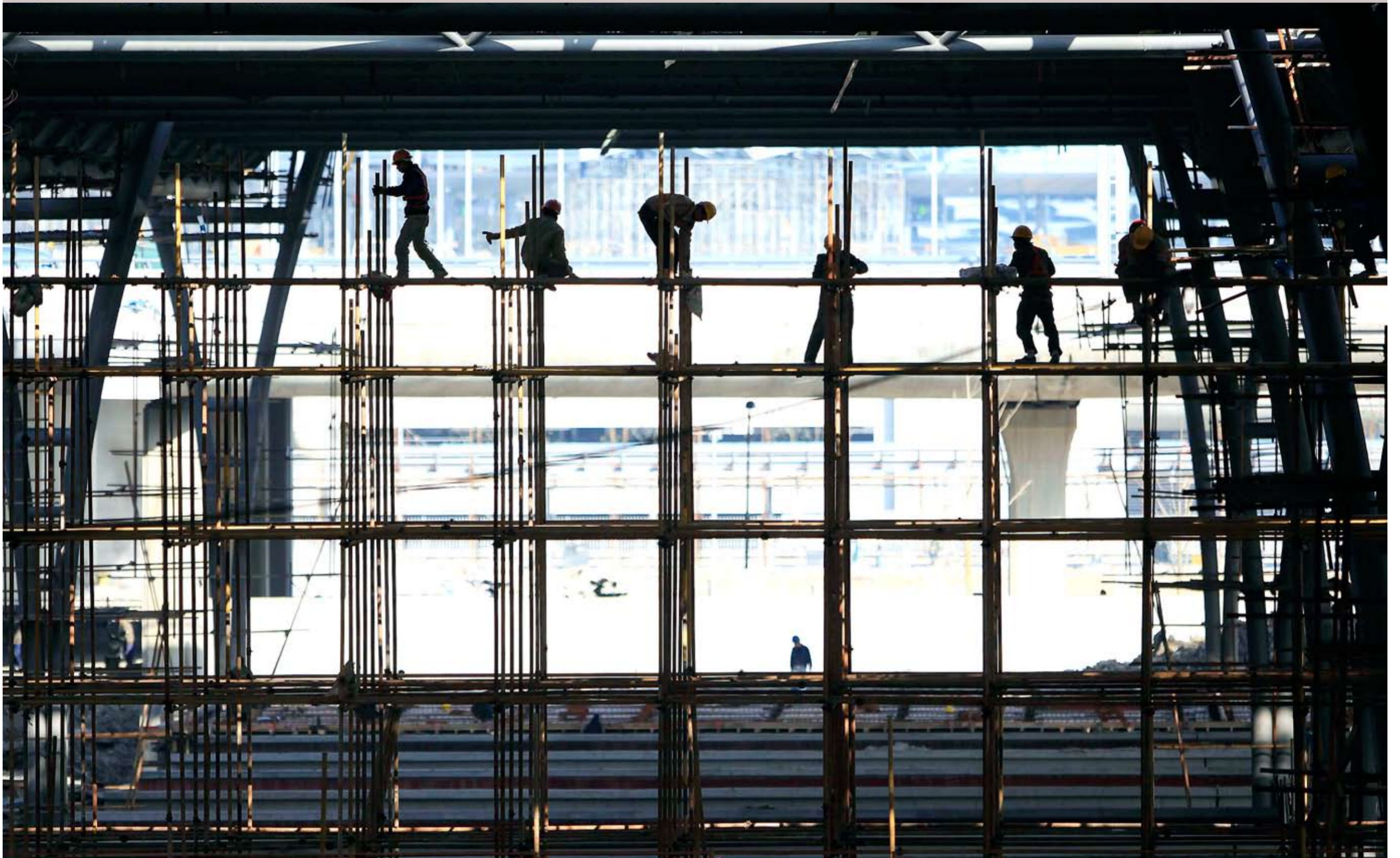


SUNDAY FEATURES

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▲ Migrant labourers work at a construction site near Shanghai's Hongqiao Airport on Thursday.

PHOTO: REUTERS

Urbanizing China a long way from residence reform

Now numbering an estimated 200 million, China's 'floating population' provides cheap labor while being denied access to city services under the country's Maoist-era household registration system

BY LUCY HORNBY
REUTERS, BEIJING

They build the skyscrapers and lay the highways, mind the city children, sew the clothes and tend the shops, but China's army of migrant laborers are still fundamentally aliens in the country's bustling urban centers.

Despite a push for reform ahead of this week's annual legislative meeting, the household registration, or *hukou* (戶籍), system is likely to stay in place for the near future, slowing China's rapid urbanization by denying city services to its estimated 200 million migrant workers.

Granting them rights in cities could encourage them to spend more, fulfilling the goals of central planners to raise Chinese consumption and reduce dependence on export markets.

Reformers were disappointed when Chinese premier Wen Jiabao (溫家寶), who has made fairness and reducing income disparities a hallmark of his administration, called for relaxing the *hukou* requirements only in small and medium cities in his work report this month.

He didn't mention giving migrants equal treatment outside their provinces, or in China's biggest cities.

As evidence the central authorities are not open to radical change, editorials calling for abolishment of the *hukou* system were removed from most of the Web sites of 13 regional newspapers.

The papers had launched a rare coordinated call for reform earlier this month.

The deputy editor who wrote the editorial for the *Economic Observer* was fired, the *New York Times* reported on Wednesday.

Defenders of the system contend cities are unable to provide the services migrants demand in the absence of a nationwide and transferable social security network.

"The main problem with changing this system is some powerful opposition, especially from the public security apparatus and the city governments who face a really high cost," said Dorothy Solinger, a political scientist at the University of California, Irvine, who has written about China's *hukou* system.

"They'd have to expand schools for migrants as well as pensions and benefits for people who have moved temporarily, or even permanently, to the cities. There's been

a real plea from city governments not to burden them."

Police oppose the abolition of the *hukou* system because they would lose control over China's "floating population," many of whom are poor. Migrants convicted of crimes often end up serving harsher sentences, because of confusion over jurisdictions, prisoners' rights advocate, the Dui Hua Foundation (中美對話基金會), said.

FLOW OF REMITTANCES

Hukous date from the famines of the late 1950s, during Mao Zedong's (毛澤東) disastrous experiment with collective farms. Rations were tied to where people were registered, keeping starving peasants from flooding into better-fed cities.

Half a century later, a new generation of migrants call the cities home, with nary a glance back at the fields their grandparents tilled.

Reform would let them buy houses and bring their children to live with them, slowing the flow of remittances to villages.

"If I could change things, I'd get a Beijing *hukou* right away," said Lu Zhaolu, a carefully made-up woman from northeast China whose 16-year-old attends a school for migrants in Beijing.

"There are a lot of advantages. For instance, I could apply for a mortgage to buy an apartment. Now I can't get a loan."

The migrant families who have settled in Beijing are now so permanent that city officials tolerate, but do not certify, about 260 schools each with 400 to 500 migrant students.

Several of those schools fell victim to developers' bulldozers this winter, along with surrounding communities of makeshift housing.

"By sixth grade, some of our pupils have been through 15 schools. This really affects their education," said Li Dengfeng, who runs a school for migrant children in Beijing's outskirts.

Most migrant children only make it through junior high before dropping out to become laborers themselves, Li said.



▲ Migrant workers sort crayons at a toy factory in Dongguan, Guangdong Province, on Tuesday. South China's export stronghold Guangdong is experiencing labour shortages, which could result in higher wages.

PHOTO: REUTERS



▲ A migrant worker eats noodles in a restaurant in Shanghai on Thursday.

PHOTO: REUTERS

Many jurisdictions have abolished the distinction between residents of urban and rural districts, in response to the rapid urbanization that has swallowed former villages into city sprawl.

That could help foster development of smaller cities across China, creating jobs closer to family and diverting labor from export centers like Guangdong. Localized shortages this month have led to talk of wage hikes.

FARAWAY FACTORIES

"Those who have been working outside the province for a long time already have quite settled jobs, already have homes," said Zhang Zuoha (張作哈), vice-governor of Sichuan Province, which contributes 20 million rural people to the national labor pool.

"In each place they want to be accepted, get a household registration and resolve their household registration problems."

No reforms have yet bridged provincial lines, even though the factories of the south and the coast attract migrant workers from thousands of miles and many provinces away.

Pension and medical insurance plans designed to allow workers to transfer between jobs generally don't cross provincial lines, so workers are reluctant to pay into them.

That has resulted in one of the biggest contributions that migrant workers have made to China's economic growth — their lack of legal protection has helped keep Chinese wages low.

"There's more paperwork for outsiders to find jobs, and the salaries tend to be lower," said Shi Jing, a young migrant shopkeeper with bleached hair and a fashionable green coat and leggings. "The job agencies don't trust outsiders as much."

Chinese such as Shi who have been migrants for more than a generation have little attachment to the hometowns where they are supposed to return for paperwork, medical reimbursements or for children to attend officially recognized schools.

"We need to change our attitudes towards migrants," said Chang Dechuan (常德傳), president of Qingdao Port Group. "The old attitude was to use them because their wages are cheaper, and they cost less than city residents. I think this is outdated."

"Nowadays, migrants are no longer just unskilled peasants."