

Research on the Current Situation of Female and Older People in Chinese Labour Market

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Abstract—The aging of population in China has intensified. The shortage of Chinese labour pool and low fertility rate negatively influences both the corporations and society. China is trying to boost the number of women bearing children via its new two-child policy to reproduce the future labour force. The effect is subtle. At the same time, older workers, aged over 40, are facing high risks of being fired, especially in private firms. Taking Japan's policies and Google's management system as references, combined with China's national conditions, this article focuses on engaging more females and older people who are disadvantaged in the Chinese labour market to maintain harmony and stable development. Breaking discrimination, making suitable policies, and management transition to create a gender and age friendly working environment are core in promoting workforce diversity.

Index Terms—gender equality, older, workforce diversity

I. INTRODUCTION

Over the past four decades, China moved inexorably towards a powerful, prosperous and more equal country. Although the feminism movements in China have accelerated changes in the workplace, workforce diversity is still faced with challenges. Women's rights and interests have gradually retrograded in recent years. Gender gap has widened once again. Unmarried women and those who have not given birth are treated unfairly, under the stereotype that females are born to take the mommy track, which is considered to be less beneficial for a company. Meanwhile, the employment rate among older people drops significantly, especially in emerging industries. The labor market today still prefers young males. The declining productivity rate, to some degree, is exacerbated by the unfair competition in the labor market. With the rising cost of living and rapid extensions of life expectancy, China has undergone a dramatically rapid demographic transition. Labor pool shortage is becoming increasingly and intensively serious, which is beginning to bite China's corporations. Young male-dominated workforce is no longer a perfect talent strategy for nowadays' companies and the nation. To solve the emerging issues and shore up the foundation for long-term development, creating a true mix of different genders and different ages by tapping into the female and

aging population is core and inevitable. In the late 20th century, most OECD countries have experienced the stage of greying society earlier than China. After decades of attempts, OECD national governments and worldwide leading enterprises have been at the forefront of building up a working system for every kind of group. This article will take Japan's policies on rising women participation in the labor market and Google's Greygler network as a frame of reference for issuing initiatives to promote the workforce diversity in China.

II. ECONOMY, SOCIETY AND WORKFORCE TRANSITION IN CHINA

China has thrived at an unprecedented pace in the past forty years. Great leaps in its modern economy are accompanied by shifts in industrial transitions. Economic booms offer large amounts of opportunities. Information and communications technology companies spring up. Private enterprises rise, whose share of jobs rose from 15% to half in 14 years, since 2000 (Table I). Private sector starts to dominate the economy. With the movement of population, China is urbanizing. Migrant workers flooding into cities for well-paid, usually offered by private entrepreneurs, leads to the rising cost of living and intensive competitions. In recent years, from ICT to other industries, companies embrace a type of "hero" image to train their ideal workers who are willing to devote themselves to the corporation. The "996" working agenda was first mentioned in ICT enterprises. Leaving the workplace later than 9 p.m. daily becomes the norm for most employees. However, inevitable long working-hours reinforce gender and age inequalities. Besides, the policies on women's benefits are also contributing to the widening gap.

TABLE I. CHANGES IN EMPLOYMENT SHARES IN 2000-2014 (PERCENTAGE OF TOTAL) [1]

| | 2000 | 2014 |
|----------------------------|------|------|
| Urban | 32 | 51 |
| Rural | 68 | 49 |
| Agriculture | 50 | 34 |
| Industry | 22 | 30 |
| Services | 28 | 36 |
| Within urban areas | | |
| State-owned and collective | 45 | 17 |
| Private enterprises | 15 | 50 |
| Self-employed | 10 | 16 |

Source: CSYB 2001 and 2015

Manuscript received March 17, 2021; revised June 1, 2021.

III. FEMALE WORKERS

Females are more suited for raising the next generation. Under that gender norm, based on the Separate Spheres ideology, women take most of the family responsibilities passively while men are endowed with freedom and rights to work. Overtime working breaks the balance between work and child rearing, reducing women's career aspirations and even forcing them out. On the other hand, legitimate maternity leave launched by the government also promotes sex segregation in the workplace. Considering women's lower input-output ratio than men's, the labor market naturally favors the latter. Therefore, females are treated unequally in recruitment, wage, and promotion. It could be problematic to decline women's participation and sustain gender segregation in the workforce. China is experiencing an unprecedented aging society. The previous one-child policy, replaced by two-child in 2015, imposed more challenges on the cost of living for younger generations who are supporting their parents alone. After the two-child policy was announced, companies are concerned about the increasing labor cost more than before, resulting in the employment difficulties of women. Life stress and unfair competitions in the labor market largely reduce fertility desire, especially women's motivation to raise a child. It is indeed a vicious circle. The inequalities women face and suggestions for improvement will be discussed in the forthcoming article.

A. Recruitment

In China, the preference for male workers exists in numerous companies. Gender gaps are bigger in private enterprises [1], especially in ICT and technology-based industries. The "male graduates only" is a frequent statement in requirements. Though the government has addressed gender equality and there is less gender limit in most companies' advertisements, male is still a default choice, typically in core positions.

Like Japan and other economic developed countries' female workers, mom's duties, the main culprit [2], encourage Chinese women to leave the workplace to bear the burden of enormous domestic jobs and interrupt their career track. The two-child policy aggravated Chinese women workers' dilemma because giving birth and bringing up two children will double the time out of work. In private enterprises, where the gender gap is wider and working hours are longer than state-owned and collective sectors, the management pays more attention to corporate revenues. Employees' performance is critical to producing value for the company. Long periods of maternity leave and the subsequently frequent parental leave can't guarantee females' discipline and commitment to work. To avoid that, gender discriminatory in recruitment becomes legitimized.

B. Wage

Women's bias plays a vital role in salaries. Studies reveal a marked rise in gender wage gaps for full-time employees, with 30%-40% gap in the 2010s and double

that in the 1980s [1]. Gender discrimination also negatively influences women with children, defined as motherhood-penalty. In 2005, working moms earned about one fifth less than single women [3]. Wages also differ in different types of firms. The wage gap drops noteworthy from 30% in private corporations to 17% in government and public institutions [1]. These statistics suggest that state-owned and collective sector is closer to gender equality. However, the private sector is also the main body of China's economy. To permanently cure the problem, the transition in the private sector's management is inevitable.

C. Promotion

After decades of struggling, more women have been able to tap into administrative work. The share of female in the realm of management rise on a small scale, from 9% to 12%, in ten years [4]. However, compared to Fortune 500 companies, this data is not a patch. What's worse is that over 40% of China's top 300 companies have no women on boards in 2014. Based on high-level performances and seniority, promotions to administrative positions usually occur in employees' the 30s when most women have to take care of toddlers. Lack of time makes women can't devote themselves to cultivate their specific skills and expertise. They compromise by sharply reducing the time they spent on creating value for companies, which puts them into a disadvantaged position. Even if some of them have received a major promotion at that time, the burden of increasingly domestic tasks will still knock them out. Quitting or moving to marginal positions seems to be the optimal choice for working moms with young children.

For companies, women workers may be the stereotype of lacking commitment. The legitimate benefits for mothers will significantly increase labor cost. It will bring risks to programs charged by female leaders and then negatively influence companies' profitability. On the contrary, appointing seasoned mid-career male workers with advanced non-firm and in-firm skills [2] can shake their workforce up and keep their workplace competitive. Thus the middle and top of the corporate hierarchy are usually in control by males, especially in the private sector.

D. Unpaid Work

One of the core issues in gender segregation in companies is the work-family conflicts. In traditional perception, domestic services are non-career, for example, housework and childcare. In other words, males do not need to pay for them to their wives. Table II shows that Chinese women spent triple time as much as men did on unpaid work. Working longer hours for paid work also makes men difficult to assume their caretaker's responsibilities, enlarging the gender gap in the labor market by increasing the burden of domestic works on women.

TABLE II. AVERAGE TIME USE OF CHINESE(HOUR/WEEK) BY GENDER (2008)[1]

| | Total | | Urban | | Rural | |
|--------------------|-------|-------|-------|-------|-------|-------|
| | Men | Women | Men | Women | Men | Women |
| Paid work | 42 | 30.7 | 33 | 25 | 51.7 | 37.3 |
| Unpaid work | 9.6 | 26.1 | 11.7 | 26 | 7.2 | 26 |
| Housework | 8.1 | 22.3 | 10 | 22.5 | 6.1 | 21.9 |
| Childcare | 1.3 | 3.6 | 1.5 | 3.2 | 1 | 4 |
| Adult care | 0.2 | 0.2 | 0.2 | 0.3 | 0.1 | 0.1 |
| Total hours | 51.6 | 56.8 | 44.7 | 51 | 58.9 | 63.3 |
| Percentage gap (%) | | 33 | | 28.6 | | 37.6 |

Note. Percentage gap (%) is the gender gap in unpaid work for total working hours per week

Source: Dong & An, 2012, and author estimates.

E. Inequality Caused by Women's Welfare Benefits

The health of a nation depends on the workforce. When China's fertility rate went down and the aging society is accelerating, two-child policy has been used to encourage women to bear children. However, it intensifies the Welfare State Paradox [5, 6], issued by Hadas Mandel and Moshe Semyonov. Some family policies, like the parental leave mentioned before, will bring negative effects on women's employment. Employers need to pay the salaries to women who are in their maternity leave or parental leave. And at the same time, their jobs need to be done by other employees. These types of family policies provide more chances for women to engage in work. However, they also force corporations with a high rate of women's participation to undertake heavy labor costs. To pass costs, entrepreneurs reduce positions for women and cut women's wages. It is trade-offs.

In economic developed countries, for example, Japan, researches show that under simple well-treatment policies for women, a large number of them are sorted into Female-Typed occupations and other non-important positions. Women are discouraged to enter male-dominated areas. The traditional gender division of labor is sustained. However, in those who do not have enough family policies to support women to take care of children via parental leaves, the share of female's participation in the leadership is higher. From these studies [6], simply providing maternity and parental leave is far enough to close the gender gap.

F. New Strategy and Plan to Increasing Women's Participation in the Workforce

In the past three decades, Japan set a series of laws and policies to promote women's rights in the labor market. Paid housework had been first put forth by Japan's governors [7]. Relative policies in re-employment are implementing in the 2000s. Additionally, the government starts to change the national consciousness of the family's caretaker. Childcare is also father's job. Working fathers also have the rights and obligation to participate in domestic tasks. The childcare laws grant Japanese fathers a year of paid leave to undertake the childcare responsibility. To change the

traditional cultural norm and to compensate the companies in which employees taking paternity leave, subsidies are given to the corporations. Specific seminars on promoting gender equality and the importance of women's participation in both workforce and family are provided to managers and entrepreneurs. Public servants and the employees in large companies are force to take paternity leave as pioneers of the reform, for example, the MUFG bank.

When males are assuming more responsibilities for childcare, women can get more freedom and be more focused on their career-track, which can balance the labor cost between male and female, creating a more equal working environment for both genders. Japanese policies to promote gender equality could provide some references for China.

- (1) Introducing a new legitimate childcare system to grant Chinese fathers the same period of childcare leave as Chinese mothers have is the first step. And then the government can start the reform in state-owned and collective sectors. Meanwhile, training employers to accept the equality concept is also important. The company's loyalty culture, which requires employees to sacrifice themselves, needs to be changed to make a family-friendly workplace environment for all employees.
- (2) To move the reform forward, subsidies will be given to companies based on the number of days of paternity leave taken by their employees. Tax reduction can be applied in companies with a large number of female workers.
- (3) Giving approval for existing state-owned Kindergarten and building up more facilities to provide both preschool education and nursery care can release the heavy burden of childcare.
- (4) Specific skills training courses and re-employment policy should be provided for women who want to come back to work after giving birth.
- (5) There are legal aids for women whose rights have been violated. Companies forcing women with childbearing plan to opt out will be severely punished.
- (6) The government can improve the system of maternity insurances. Companies refusing to buy

maternity insurances for their female workers will be punished financially.

IV. GREYING WORKERS

A. Chinese Greying Group in the Labor Market

Like the female workers, older employees, aged over 40, also encounter difficulties in their career-track. Lack of mobility, demoralized and low energy level are frequently seen in them. While rewarding those who work hard and overtime, companies force the greying to opt out. Seen as labor-cost-savers, recent young college graduates are more preferred by the corporations because they are cheap and more energetic. This phenomenon occurs frequently in the ICT industry, where age structure has stronger effects on firms' productivity. However, the lack of people of different ages in the team brings deviation on products, narrowing their target customers. At the same time, the large pool of older unemployed will result in an increasingly financial burden to families and society, which may lead to recession and ultimately hurt companies themselves.

B. New Strategy and Plan for Increasing older workers' Participation in the Workforce

As one of the world top companies, Google has realized that workforce diversity is crucial in corporate long-term development. Diverse demands from the market and disconnect between clients and their employees who design products prompt Google to create a real-life mix of different groups of people. Since 2014, Google has willingly published its annual workforce diversity report. The ripple effect caused by Google's operation urges other technology companies to revise their management in diversity. To close the splits among different genders and ages, Google's corporate management introduces network systems for different specific group of employees. Gathering employees with a similar background, such as the same gender, can break the conformist culture [8]. Network systems can propose ideas and alternative viewpoints at a community level. Hearing more employees' voices will increase intellectual diversity to produce various products satisfying different types of customers, and consequently bring a positive influence on corporate development.

Greygler network is one of Google's well-named network systems. However, creating a community for workers aged over 40 is not bold enough to eliminate perceived age-bias. Culture and consciousness are hard-core. As mentioned in the female sector, it is important to bring progressive concepts and corporate culture to change the shameful stats on older employees' participation [9]. There are proposals to improve age diversity:

- (1) For governors and entrepreneurs, confronting the biases and promoting equality between young and older employees are the first step. Social media is one of the best ways to unconsciously change norms.

- (2) Using daily lunch hour and all-ages-friendly team building will encourage all employees to know each other.
- (3) Senior workers are usually experienced and with various specific skills, which helps them to fuel the firm. The group of older people can teach younger generations, technically contributing to programs.
- (4) Mature employees can take training courses for upgrading skills that are job-related to keep up with trends.
- (5) Older workers who have good performance in continuously creating value will be rewarded via the incentives system. Companies can embrace outstanding employees' images among the greying workers' networks to motivate them to maintain diligent and loyal. Otherwise, they will take penalties based on their bad evaluations.
- (6) Specific health insurances need to be designed for employees in their 40s by governors.

V. CONCLUSION

Under a fast aging society, China needs to seek alternative labor forces to solve the shortage of the labor market pool at hand and reproduce future workforce, which requires efforts of both the government and the employers. Improving workforce diversity can help companies to fulfill the diverse market demands and promote the stable development of Chinese society. To engage more women and workers over 40 as a part of the main labor forces, their rights should be protected. From a macro perspective, politically correct culture, family-friendly policies and lifelong learning consciousness can provide a friendly atmosphere for the disadvantaged groups of employees, such as women and older people. Breaking the discrimination and vigorous pursuit of policies is the guarantee of implementing workforce diversity successfully. From a micro perspective, management transition and specific plans like incentives system and insurances can steadily carry the workforce diversity forward. Japan and other economic developed countries' experiences can provide China's governors' useful information in making policies. For entrepreneurs, specific seminars with other employers in China and if possible from world top companies to discuss advanced management is a good way to upgrade their corporate management system and follow the diversified development trend. With the gender gap and age splits shrinking, China and Chinese corporations can maintain a relatively fast and stable development in the long run.

CONFLICT OF INTEREST

The author declares no conflict of interest.

AUTHOR CONTRIBUTIONS

In the whole process, the author herself collects, organizes, thinks, revises and finally completes this article.

ACKNOWLEDGMENT

I would like to express my gratitude to all those who helped me during the writing. I gratefully acknowledge the help of Professor David Krackhardt, for his constant encouragement and professional guidance. Also, I would like to thank Miss Wang and Miss Sun, who kindly helped me when I had questions.

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Graduate Show.

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