

## Analysis on the Social Insurance of Transferring Agricultural People in Chongqing Under the Perspective of Local Government Governance Mechanism

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**Supported by:** the Fundamental Research Funds for the Central Universities of 2015 “Research on Social Security Policy Change of Transferring Population in Chongqing During the Process of Citizenization (SWU1509301).

Received 9 February 2015; accepted 25 March 2015  
Published online 26 April 2015

### Abstract

The characteristics of Chongqing social fabric are “big rural area, big mountainous area, and big reservoir area” with large number of rural household registration. However, with the process of new urbanization, most rural household registration moved to urban and lives there, and the 18th National Party Congress firstly defined this group as Transferring Agricultural People. Whereas, low coverage of their social insurance becomes the handicap of the survival and development in urban, and lead to a new dual structural contradiction that needs to be solved timely. This article makes the low coverage of transferring agricultural people social insurance as the clue to explore the deficiency of Chongqing local government governance mechanism, and then provides some appropriated strategies.

**Key words:** Chongqing; Transferring agricultural people; Social insurance; Local government governance

Chen, Q. (2015). Analysis on the Social Insurance of Transferring Agricultural People in Chongqing Under the Perspective of Local Government Governance Mechanism. *Studies in Sociology of Science*, 6(2), 41-44. Available from: URL: <http://www.cscanada.net/index.php/sss/article/view/6863> DOI: <http://dx.doi.org/10.3968/6863>

### INTRODUCTION

The characteristics of Chongqing social fabric are “big rural area, big mountainous area, and big reservoir

area” with large number of rural household registration. And the transferring agricultural people promote the industrialization development and modernization process of Chongqing invisibly, while, under the new situation, their social insurance problems become obstructions to their survival and development, and so, there appears a new contradiction in urban to resolve. This article makes the low coverage of transferring agricultural people social insurance as the clue to explore the deficiency of Chongqing local government governance mechanism, and then provides some appropriated strategies.

### 1. THE CORE CONCEPT DEFINITION

The *New Urbanization National Plan (2014-2020)* clearly proposed that the transferring agricultural people means to the population that has a rural household registration but works in urban and live there for a long time (*National New Urbanization Development Plan*, 2014, March 17). The social insurance mainly contains five aspects, firstly, the endowment insurance: The work units pay 10% of the premium, the individual pay 8% of that until the mandatory age for retirement, after that, the individual can get the retirement allowance based on the endowment kind and term; the medical insurance: the work units pay 8% of premium, the individual pay 2% of that to guarantee the employees basic medical demand; the work-related injury insurance: the work units pay the premium to allowance the employees medical fees that caused by the work-related injuries; the unemployable insurance: it is a fund established by the whole social, the work units pay 2% of their gross payroll, the individual pay 1% of that to allowance the unemployable survival; the Maternity insurance: the work units pay 0.7% of their gross payroll to allowance the woman who does not have the survival resources during the pregnancy. The transferring agricultural

people social insurance plays a basic guarantee role in their survival and development in urban and the low coverage mainly means the number that transferring agricultural people who buy the social insurance is small, and they mostly just buy one type of social insurance. The *New Urbanization National Plan (2014-2020)* makes a targeted plan of transferring agricultural people social insurance problems, the overall direction is large coverage, and low payment. On the aspect of endowment insurance, the government should encourage the transferring agricultural people buy the social insurance activity and continuously, and realize the basic endowment pension overall nationwide ; on the aspect of medical insurance, absorb their medical insurance into urban, and encourage them to buy it flexible; on the aspect of work-related injury insurance and unemployable aspects, the government should strengthen the payment responsibility of industries, and promote the cooperation of social insurance and commercial insurance.

The academics mainly define the concept of government governance from three perspectives: Firstly, the public economy perspective, they regard the government as the collocate of public materials, and the process of public materials allocate is called as governance; secondly, the politics perspective, they make the government as the implementer of public power, the vindicator of social orderly development, and the government governance is the realization process of social benefit and social public awareness; thirdly, the sociology perspective, they make the government as the distributor of social self-governance, and the government governance is the providing process of public service (Huo, 2013). So, the transferring agricultural social insurance problems in different places belong to the local government governance category. The dynamic mechanism of local government handle the problems of transferring agricultural people social insurance is local financial consideration from the level of macro, and from the micro level, the dynamic mechanism is the

performance of local officer present during the process of social governance (Liu, 2012). This article makes the social insurance of transferring agricultural people in Chongqing as the starting point to explore the deficiency of local government governance dynamic mechanism in Chongqing, and then provides the appropriate strategies.

## 2. THE CURRENT SITUATION OF TRANSFERRING AGRICULTURAL PEOPLE SOCIAL INSURANCE IN CHONGQING

The characteristics of Chongqing social fabric are “big rural area, big mountainous area, and big reservoir area” with large number of rural household registration. However, with the process of new urbanization, most rural household registration moved to urban and lives there. According to the national statistical bureau, at the end of 2012, there are mostly 3.3 million populations in Chongqing, among them, there are 1.3 million rural household registration, and 1.7 million urban household registration, and 3 million urban inhabitants, and the urbanization rate is 56.98%. Otherwise, the purchase rate of transferring agricultural people social insurance is low, and the purchase rate order from high to low is endowment insurance, basic medical insurance, work-related injury insurance, employment insurance, and maternity insurance. The specific outdistance shows as Table 1. according to a survey, there are just 17.88% transferring agricultural people buy more than 4 kinds social insurance, 14.57% transferring agricultural people buy more than 3 kinds social insurance, 19.21% transferring agricultural people buy more than 2 kinds social insurance, 31.79% transferring agricultural people buy more than 1 kind social insurance, 16.56% transferring agricultural people don not buy any kind of social insurance (Zhou, 2012).

**Table 1**  
**The Social Insurance Purchase Rate of Transferring Agricultural People in Chongqing**

Dates	Insurance types	Endowment insurance	Basic medical insurance	Work-related injury insurance	Unemployable insurance	Maternity insurance
Population (ten thousands)		716.86	496.5	374.89	323.53	253.53
Rate		24%	17%	13%	11%	9%

Note. The number of Chongqing urban inhabitant population in 2012 is almost 3 million.

Of course, the problems of low social insurance purchase rate of transferring agricultural people relate with many aspects, which include the urban-rural dual structure of household registration system, the lack of specific

funds, the lack of specific laws, cognition deficiency of transferring agricultural people, mobility of works and so on (Zhou, 2007), however, the governance failure of local government is an object problem that cannot be ignored.

### 3. THE POLICIES ANALYSIS OF TRANSFERRING AGRICULTURAL PEOPLE SOCIAL INSURANCE IN CHONGQING

The center government is firstly proposed to promote the establishment of work-related injury insurance and serious illness medical insurance in 2007, and pointed

out to improve the transfer and re-mewing mechanism. According to the overall planning of center government, the Chongqing government carries s out a policy chain that suitable for the local transferring agricultural people characteristics, that is which kind of social insurance should buy first, which kind of social insurance should pay attentions on it, and the government should promote the improvement of transfer and re-mewing social insurance. The specific circumstance shows as Table 2.

**Table 2**  
**The Policy Chain of Transferring Agricultural People Social Insurance in Chongqing**

Year	Government sector	Policy name	Main policy target
2007	The general office of Chongqing municipal government	Chongqing transferring agricultural people endowment insurance trial implementation	Low payment rate; Large coverage; Transferable; Apportion insurance level.
2007	The general office of chongqing municipal government	The municipal co-ordinate serious illness medical insurance trial implementation of transferring agricultural people in Chongqing	Low payment rate; Protect from serious illness; Purchased by the employer.
2010	The general office of Chongqing municipal government	The municipal co-decorating urban and rural household registration system reform social security implementation (trial implementation)	The rural registered population can enjoy the equal social security with the urban register populate after the household registration transfer.
2012	The general office of Chongqing municipal government	The notice of related problems in the combination of transferring agricultural people serious illness medical insurance with urban employee basic medical insurance	High proportion of reimbursement; Establish medicaid insurance individual account.
2014	The social insurance bureau of Chongqing & the employment service administration bureau of Chongqing	The notice about social insurance transfer and re-mewing works in Chongqing	Strengthen the combination management work of five kind's social insurance.

### 4. THE DEFICIENCY OF DYNAMIC MECHANISM OF CHONGQING GOVERNMENT GOVERNANCE

Although the Chongqing government has carried out a series of social insurance policy chains according to the transferring agricultural people characteristics, however, the realities appeared a reverse circumstance to the targeted policy results. firstly, almost each policy mentioned the large social insurance coverage, however, the real dates show that the purchase rate of transferring agricultural people take less than 30% of the urban inhabitants, and the least proportion is less than 10%; secondly, the serious illness medical insurance, the policy clearly pointed out that the employers should pay the work-related injury insurance, but the employers choose to give the employees pay raise rather than pay their social insurance, and the government supervision is fail. Thirdly, on the aspect of household registration transfer, there remains a situation of nonfeasance, for the goal of transferring amount, some sectors use the employee evaluation rules as bargaining chip, and declare this action is a coordination method of policy mechanism, and the sectors don not respect the willingness of rural household registration. These deficiencies fully reveal the failure of local government

governance. The local government governance as the implementer of public right, the protector of public benefit, the implementer of public awareness, and its dynamic mechanism is a perspective that we should pay attention on. As a local government, when making a policy or implementing a public right, the Chongqing government is hard to avoid the local protectionism, and the dynamic deficiencies of handling the problems of transferring agricultural people social insurance are the local financial protectionism and the promotion indicator of local official.

#### 4.1 The Local Financial Protectionism

The Chongqing government carried out social insurance transfer and re-mewing work on May, 2014, and that mainly aims to solve the transferring agricultural people who work in Chongqing, as for the transferring agricultural people who works in other cities, there still remains a lot of problems. The employment pattern of transferring agricultural people is mostly mobility, that is to say, their works need they migrate from one city to another frequently. When facing the transferring agricultural people who come from other city, if they want to live in Chongqing , for the consideration of local financial expenditure, the local Beau will handle their social insurance transfer and re-mewing with the minimum standard, even nonfeasance; If the transferring

agricultural people who want to live in other cities, their social insurance should migrant with them, and the local government should pay the premium that belong to them, for the consideration of local financial expenditure too, the government will possibly decrease the mobility of their social insurance, and then this action will lead to the disconnect of transferring agricultural social insurance transfer and re-mewing. No matter the transferring agricultural people move in or out of Chongqing, the local financial will pay the related premium, so when facing the problems of social insurance transfer and re-mewing work, the related bureaus possibly adopt some negative actions, and the transferring agricultural people will give up or feel tired of their social insurance until they don't want to buy it any more. The social insurance transfer and re-mewing work under the deficiency of local financial protectionism will limit the work place of the transferring agricultural people, to some extent, it also will become the object reason that the transferring agricultural people do not want to buy social insurance. Otherwise, from the source of social insurance premium, the initiative input of local government is small, which mainly depend on the appropriation of central government. When facing the reality of overspend, the government will confront with a financial gambling, it possibly will lead to the situation of local financial protectionism with the driving of local financial intervention.

#### 4.2 The Promotion Indicator of Local Officer

Chou Nian proposed that the Chinese local officer governance model is "promotion tournament governance model" when he researched the Chinese economic development (Zhou, 2007). That is to say, when made the development plan according to the realities, the officer would do it depend on the promotion indicators, however, these indicators are mostly quantitative. With the driving of promotion indicator, the local officer would handle the local problems in alternative. As a live-hood policy, the social insurance need a longtime investigate, and the short time investigate will not get a obvious effect, however, if the local officer investigate a lot of energy and finance, their performance will not obvious, and of course, their promotion will be limited, so the local officer will avoid the investigate to social insurance consciously, put it in a blind angle of development, and use various kinds of fake slogans and forms replace the real action, and then just rely on the central government special financial allocation, what's worse, they will possible blame the bad development of social insurance to the lack of finance, whereas, there exists the invisible hinder of promotion indicator.

#### CONCLUSION

According to the dynamic mechanism deficiencies of social insurance promotion work of transferring agricultural people in Chongqing, this article puts forward

the following strategies. According to the local financial protectionism: Firstly, the central government and local government should obey the principle of financial-affair right unification to realize the effectively partition, the local financial bureau should burden the related social insurance premium expenditure, at the same time it should take some responsibility of social insurance development, if the government just allocates finance without actual result, it should get the related punishment or release the next year central government financial allocation, on the other hand, the well development place will get more central government financial allocation (Zhao & Sun, 2013); Secondly, the central government responsibility for the longtime development of transferring agricultural people social insurance, and the local government responsible for the key development of that to realize the government governance mechanism of hierarchical classification (Qian, 2008). The central government makes the long-term plane and investigation, and separate the periods of the plane, and then make a limit time to the local government to actual implement with its realities, and by doing so, the accountability system is established, and the central government can supervise the local government more effectively. Thirdly, according to the promotion indicators of local officer, since the performance of public service is invisible, so, the government should adjust the assessment mechanism to establish a system that combines the quantitative and qualitative assessment, that is to say, the government should make the performance of promotion and improvement of transferring agricultural people social insurance into its assessment mechanism to forbidden the local officer behavior of avoid the important and dwell on the trivial.

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