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**ABSTRACTS****A Study on the Ladder-type Relief of the Urban Residents' Minimum Living Security and Negative Income Tax Mechanism***Bian Shu · 7 ·*

The paper calculates the multi-level demand for China's urban residents' minimum living security allowance from 2003 to 2010 by using ELES model, based on the calculation designs a five-step ladder-type relief system. The research shows that the current actual level of minimum living standard is too low, which accounts for only 43.7 to 56.2 percent of theoretical calculation value. Compared with the Engel's coefficient, the theoretical value has more advantageous over the actual value in terms of achieving the policy objectives. For the adjustment, minimum living standard has a relatively stable relationship with related economic parameters. From the proportion of consumption expenditure of the previous year, the food line accounts for 19 percent, basic life line for 29 percent, continuing life for 34 percent, the preliminary development line for 42 percent and the comprehensive development line for 55 percent. These relations help to understand current line and its adjustment ranges. In addition, based on 2011 benchmark, the paper designs a negative income tax scheme. The negative income tax system has obvious effect on employment incentives, compared with a make-up fiscal system. Financial dependency ratio under the negative income tax system shows that most provinces are able to bear the increase of the financial burden without the central government fiscal subsidy. If the central government operates its subsidy according to 2011 level, all provincial governments will be able to bear the funds increment of negative income tax.

**A Study on the Types of Family with Elderly in Urban and Rural China Based on the Sixth Census Data***Wang Yuesheng · 20 ·*

In 2010, the proportion of China's elderly over 65 living in stem families with elderly people over 65 firstly decreased to below 50 percent. It means that most of the elderly have not lived together with their married children. However, there are some differences between the urban and rural elderly in living arrangement. The elderly's living alone and lived with married children coexist in contemporary urban and rural areas, implying a mix of traditional and modern living styles. But in both the urban and rural areas, the proportion of elderly living alone has been rapidly increasing. Among elderly people, the older, widowed and the old without self-care ability are more likely to live with married children, but living alone has elevated significantly comparing with the period prior to 2000. Family types in which the elderly lived correlate with the old-age security system, which is important to the difference between the urban and rural elderly in living arrangement. With population's aging, the proportion of the elderly who live in stem family with three generations has trended down. Meanwhile, the elderly in rural areas play a promoting role to upgrade the small family. Increasingly the elderly people's living alone invokes higher requirements of social endowment services and social security system. Therefore, family communications between different generations should not be ignored.

**Spatial Distribution of Beijing's Hukou-Residence Separated Population and Its Determinants***Yi Chengdong and Others · 33 ·*

Based on the data of the Sixth Census of Beijing, this paper shows that the scale of hukou-residence separated population can be divided into local hukou-residence separated population and immigrants. The former is separated more for the housing reasons and hukou benefits while the latter is more for jobs and strictly limited by hukou management. The size of Beijing's separated population is increasing and is concentrating on the suburban area. Their agglomeration settlements are mostly adjacent to or partly overlapped, but the former gets better location. Residential differentiations increase significantly between the groups of hukou-residence consistent population and hukou-residence separated population, which is at a moderate to inferior level. The immigrants are more isolated than intra-city hukou-residence separated population. Hukou-residence separated population is mainly attracted by the allocation of housing, public service facilities and individual's income and status, implying

serious problems of urban planning, development and management policy. Finally, the paper provides some policy suggestions.

### **The Spatial–Temporal Evolution of Economic and Population Gravity:**

#### **Evidence from Provincial Capital Cities**

*Ni Pengfei and Others* •44•

Through analyzing data concerned, this paper finds that: (1) From 1994 to 2011, the economic gravity of provinces with both higher GDP per capita and lower GDP per capita assembled to the provincial capital and then drift far away from the capital. The degree of deviation of the former is greater than the latter. The economic gravity of provinces' GDP per capita in the middle range is gathering to the provincial capital. (2) During 1990 and 2011, the population gravity of provinces with higher GDP per capita slowly move away from the provincial capital while such gravity of provinces with lower GDP per capita continues to gather in the capital. (3) In 2011, the degree of the deviation of economic gravity from the capitals is less than that of the deviation of population gravity from the capitals. (4) The process that the population gravity is away from (or close to) the capital lags behind the process that the economic gravity is away from (or close to) the capital. In a word, the fluctuations of the economic gravity and the population gravity around the capital present the contraction and expansion. Meanwhile, in the process of the fluctuations, the adjustment of economic gravity is faster than that of the population gravity, and they both continuous deviating from the provincial capital. These findings provide some reference to the design of development strategy for the urbanisation, regional's coordination, and narrowing the regional gap.

### **Spatial Linkage Studies on China's Labour Mobility and Regional Economic Growth**

*Li Xiaoyang and Huang Yixiang* •55•

This paper studies the influences of urban population's spatial distribution and net migration on regional economic growth convergence based on the China's provinces panel data from 1979 to 2011. The results show that regional economic growth in China has appeared significant spatial aggregation, which is mainly manifested as high concentration in the eastern and low concentration in the western. With the deepening of the reforms and economic development, the differences of the eastern, central and western economies perform the long-term convergence, but the spatial distribution of urban population is not rational. Big cities, especially supsize cities, have appeared diseconomies of scale, and this phenomenon suppresses the growth of regional economy. Labour migration among provinces has been excessive, so that the labour's moderate backflow will help further development of regional economy. The economic development of each province still depends upon the fixed investment, infrastructural growth, and savings. Therefore, unreasonable conglomeration of production factors in spatial aggregation easily leads to the polarization of regional economic development.

### **An Empirical Study on the Effects of Vocational Education on China's Urbanisation**

*Kan Daxue and Lv Lianju* •66•

Based on provincial dynamic panel data, this paper uses the System Generalised Method of Moments (GMM) estimators to overcome endogeneity. We find that the vocational education is conducive to improving China's urbanisation. Before 2001, secondary vocational education had the greatest positive effect on China's urbanisation. After 2001, the higher vocational education had the greatest positive effect. In the regional perspective, the vocational education in the eastern, central and western regions were all beneficial to the urbanisation from 1992 to 2011. Before 2001, the positive effect of vocational education to urbanisation in eastern region was greater than those in the central and western regions, but it was on the contrary after 2001. Prior to 2001, compared to the higher vocational education and the primary vocational education, the secondary vocational education had the greatest positive effect on urbanisation of three regions. However, compared to the central and western regions, the secondary vocational education had the greatest positive effect in the eastern region. After 2001, the positive effect of the higher vocational education to urbanisation was larger than that of the secondary vocational education in eastern and central regions while the secondary vocational education was the greatest effect in the western region, but where the positive effect of higher vocational education has been gradually increasing.

### **The Change of Residents' Living Standards and the Satisfaction to Local Public Services**

*Chen Shixiang and Xie Qiushan* •76•

Based on data from Chinese General Social Survey 2011 and provincial Statistical Yearbooks, this paper analyses the impact of the changing in individual's living standards on the satisfaction to local public services. The research finds that:

(1) the change of individual's living standards definitely have effect on its satisfaction to local public services; (2) local fiscal autonomy has effect on its satisfaction with local public services, but the impact is not very significant; (3) per capita inputs of the public services have little effect on its satisfaction to local public services. The results mean that only increasing public expenditures or fiscal autonomy cannot effectively increase residents' satisfaction to local public services. The effective way is to speed up the pace of urbanisation and industrialisation, to enhance financial accountability, to reinforce funds efficiency, and to improve residents' living standards.

#### **Minimum Wage, Adjustment Costs and the Structure Differentiation of Income Distribution Effects**

*Fu Wenlin · 85 ·*

The minimum wage system has multiple effects on employment, income distribution and industrial structure upgrade. This paper, using sector data at provincial level, estimates the employment effects and income distribution effects of the minimum wage system based on a simple labour demand model with adjustment costs. The results indicate that the minimum wage has a negative effect on employment of the lower wage sectors, especially in the less developed central and western provinces, leading to big losses of job opportunities. The minimum wage system, currently, has not played a role of narrowing the gap among the income distributions, especially in the eastern provinces. This study suggests that when governments at all levels intervene in labour market, it is necessary to introduce policies to promote human capital accumulation of low-skilled workers.

#### **Trade Liberalisation, Industrial Structure and Employment Threshold Effect**

*Song Wenfei and Others · 96 ·*

Based on a theoretical model by Mortensen, this paper introduces the concept of productivity's 'saturation point' into the theoretical framework in order to explain the impact of trade liberalisation on employment. The paper presents a hypothesis of phases heterogeneity in productivity and wages, which is about the effect of trade liberalisation on employment. Based on 33 industry segments sample data from 2004 to 2012, the paper uses the threshold regression techniques to test the hypothesis. The results show that the impact of trade liberalisation on employment has been close to or have reached 'saturation point', mainly in labour-intensive industries with comparative advantages becoming 'saturated'. The impact of trade liberalisation on employment faces 'structural' contradictions. Therefore, besides promoting the productivity of capital or technology-intensive industries, it is important to promote the development of new industries and enhance the industry's own ability to absorb employment.

#### **Estimation of the Change of Real Labour's Income Share and Analysis on Its Trend Change**

*Zhou Minghai · 108 ·*

This paper re-estimates the labour's income share by distinguishes the nominal and real labour's income share and discusses the impacts of such distinction on the trends of labour's income share in China. The results show that the real labour's income share by considering the price factors is lower than the estimated nominal value by 6-14 percent. The larger decline and long-term decline for the real labour's income share indicate that the worsening situation of national income distribution is more severe than expected, which matches the feelings of income distribution by ordinary workers. The U-shape turning point of real labour's income share may cause by the short-term effect triggered by the change of supply and demand in labour market. It may also be the long-term effect from the improvement of labour productivity. Therefore, this study concludes that China shall change the traditional development mode of capital substituting labour, promote the labour-augmented technical progress, develop the labour-favoured service sector and increase the productivity of human capital and labour.

#### **The Impact of the Public's Knowledge on Climate Changing on Supporting Government Actions:**

##### **Based on a Survey of China Weather Network to Its Users**

*Cui Weijun and Xiang Yan · 117 ·*

The paper, based on 3 527 samples from the China weather network, analyses the relationship between public knowledge for climate change and government's actions by using PLS regression. This study shows that: (1) The public support to government's response is currently at a high level. There are differences among the public with different attributes. (2) The knowledge of the causes, influences and responses has a significant effect on government's response plan. (3) The recognitions for the relationship between climate change and human activity, climate change and environmental degradation, and the effect of climate change on human's life have the greatest influence on support to government's actions concerned.