

## **Decision on labor and employment issues**

The Executive office of the Central People's Government, July 25, 1952

The prolonged imperialist aggression and the Kuomintang's long-standing reactionary rule have caused severe unemployment in Chinese society, leaving a large number of unemployed people in the people's new China. Over the past three years, the People's Government has done a lot to solve the problem of employment and provide relief to the unemployed who are temporarily unable to find jobs and face difficulties in life, and has achieved remarkable results. First, when the People's Government took over, it adopted a policy of taking over all the former public servants and teachers who were employed when the Kuomintang's reactionary rule collapsed. Thanks to the economic recovery and development and the commencement of various construction projects over the past three years, the vast majority of the large number of unemployed workers and intellectuals left behind by the reactionary rule have found new jobs. By December 1951, over 1.2 million unemployed workers had found new jobs, including approximately 600,000 new employees in state-owned industrial and mining enterprises. Since liberation, approximately 1 million unemployed intellectuals have been recruited through various training, recruitment, and individual placements to various jobs. In rural areas, thanks to the completion of land reform in areas with an agricultural population of over 400 million, unemployed vagrants, former military officers who had returned to rural production, and landlords who had never been involved in production have been allocated land and engaged in production, just like the peasants. Now, both in cities and in rural areas, the number of employed people is much greater than at any time in history, and the number of people who have the ability to work but do not work and the number of people who have no employment opportunities have been greatly reduced compared with any time in history.

However, there are still some unemployed intellectuals, old military officers and old officials left over from the old society. Because they have not been reformed or lack specialized knowledge and skills, the employment problem cannot be completely solved before the country's various construction and work in all aspects have developed on a large scale. At the same time, due to the continuous restructuring of the social economy over the past three years and the progress on the road of new democracy, many non-productive industries that are not conducive to the national economy and people's livelihood and industries that rely on shoddy work and speculation to make money have been gradually eliminated. The industries that used to serve the landlords, bureaucrats and compradors for corruption, enjoyment and extravagant consumption are gradually declining, which will inevitably lead to new unemployment and semi-unemployment. After production reforms and improvements in labor organization, and the promotion of advanced production methods, the labor efficiency of industrial, mining and transportation enterprises has been reasonably improved, and the original employees in the enterprises have become surplus. In addition, the vast number of housewives in the city (among them)

Many are educated women with a considerable level of education. Some, previously discriminated against in the old society and unable to find work, now seek employment. Some, previously dependent on their husbands for support and unwilling to seek work, have experienced a change in their thinking over the three years since liberation and are now seeking employment. They constitute a considerable surplus labor force in the cities. In the past, there was a surplus of rural labor due to a shortage of cultivated land. After land reform, everyone has land to farm and food to eat, but the shortage of cultivated land has remained largely unchanged, and a large surplus of labor remains. With the development of the mutual aid and cooperative movement and the improvement of agricultural tools possible under current conditions, the surplus of rural labor will increase even more unless active efforts are made in agriculture, sideline production, forestry, animal husbandry,

and handicrafts. Currently, the surplus rural labor force continues to flow blindly and unorganized to the cities, which in turn increases unemployment and semi-unemployment in the cities. However, we must recognize that the new unemployment and semi-unemployment problems in the cities brought about by economic restructuring, as well as the surplus urban labor force that has emerged as a result of production reform, social reform, land reform, and organizational reform, are inevitable temporary difficulties in the process of progress. They are fundamentally different from the unemployment problem under reactionary rule.

The employment problems of various types of unemployed people in cities and the full utilization of the vast surplus labor force in rural areas are issues that must be addressed in the context of large-scale national construction. They can also be gradually resolved under the premise of the advancement of production. To prepare for the upcoming large-scale national construction, comprehensively resolve the employment problems of various types of unemployed people, gradually eliminate unemployment and semi-employment, systematically utilize the vast surplus labor force in rural areas in production and other social undertakings, and gradually achieve unified allocation of labor, the State Council of the Central People's Government convened a special meeting on labor employment issues in July. The findings of the meeting's discussions and research are summarized and formulated as follows:

(1) All public and private enterprises must abide by the Common Program and the policies and laws of the People's Government and actively develop production and business. In the large-scale economic construction that the country is about to embark on, all public and private enterprises that meet the needs of the state and the people have a future. Even if some enterprises encounter temporary difficulties, they should overcome their difficulties by actively developing production and business and should not resort to layoffs to protect the interests of employees and avoid increasing unemployment. Employee layoffs must be handled in accordance with the Trade Union Law and other relevant laws and regulations.

All public and private enterprises should adopt a policy of retaining employees who become redundant as a result of production reforms and reasonable increases in labor efficiency. Their original wages should continue to be paid by their original employers (included in enterprise costs), and layoffs are prohibited. This opportunity should be utilized to provide rotational training in batches, improving their professional skills, as well as their political and cultural literacy, in preparation for future expansion or for national deployment. This will also help encourage employees' enthusiasm for innovation and the development of rational solutions.

For private enterprises that must relocate due to economic restructuring and find their current industry unpromising, in principle, labor should be transferred along with capital. If the relocation application and the planned new business have been approved by the industrial and commercial administration department, and after consultation between labor and management, a plan for transferring employees along with capital has been developed based on the new business's plans and the requirements of existing employees, if some employees are still unable to be relocated to the new business, management may apply to the labor department for layoffs in accordance with the Trade Union Act and other relevant laws and regulations. Upon approval by the labor department, layoffs may be legally permitted.

Some private enterprises are indeed suffering from huge losses and are unable to continue operating. After labor-management consultation, they are still unable to carry out business. When they must reduce operations or close down, the closure should be approved by the industrial and commercial management department, and the dismissal of part or all employees should also be

approved by the labor department. If they expand or resume operations in the future, they should try their best to reinstate the original employees.

Labor departments should carefully handle layoffs based on the current situation and the interests of both labor and management. Reasonable layoff applications should be approved; attempts to lay off employees under false pretences, or unauthorized closures, suspensions of work, wages, or partnerships should be resolutely stopped.

To stabilize the economy and reduce unemployment, industrial and commercial administration departments should not only carefully handle applications for business closure or rescheduling, but also carefully review applications for business opening, ensuring a thorough understanding of the applicant's financial situation, reasons for opening, and business plans. This will prevent impulsive business openings and closures that could lead to unemployment. To properly address these issues, industrial and commercial administration departments in large and medium-sized cities may establish an advisory committee, inviting participation from labor departments, trade unions, industrial and commercial federations, and other relevant agencies and groups.

To protect the health of workers, improve labor productivity, and expand employment, an eight-to ten-hour work system should be resolutely implemented in a planned and step-by-step manner. All major public and private industrial, mining, and transportation enterprises should implement an eight-hour work system whenever possible. Where raw materials, markets, and technical conditions permit, the current single or double daily shift system may be converted to a double or triple daily shift system. State-owned stores and cooperatives in large and medium-sized cities and industrial and mining areas should also implement an eight-hour work system whenever possible. For work that is harmful to health, the daily working hours should be less than eight hours. Overtime in all public and private enterprises should be strictly restricted.

Unemployed workers should be universally registered and offered employment or vocational training. Unemployed workers who cannot find immediate employment or vocational training and who are truly struggling should be resettled through methods such as "work-for-labor," "relocation and reclamation," or "self-help production," or be provided with temporary or long-term relief.

As for the working women who are unemployed or among the families of employed employees, as well as other working women in the family, we should, as far as possible, organize them to process for factories or engage in other handicraft production according to the conditions of raw materials and sales channels, and absorb them into other work according to needs and possibilities.

(2) Regarding the issue of intellectuals, the basic situation is that there are too few intellectuals to meet the needs of large-scale national construction. However, there is currently a group of unemployed intellectuals in society, the vast majority of whom lack specialized knowledge and skills. This is precisely the result of the colonial economy and outdated education system of old China. Their ideological progress is slow; some are beginning to gain some awareness, while others are still relatively backward. Still others have indeed complex political and historical backgrounds. Most are middle-aged and have significant family responsibilities. They are generally reluctant to work in rural areas, let alone remote areas. Some face real family difficulties if they work outside the province. All of this contributes to their inability to find employment soon. Some, for various reasons, have never held any professional positions in the past, and a significant proportion of these are family-educated women. Furthermore, some enterprises and government agencies have previously only been willing to accept young student cadres and have been hesitant to recruit these unemployed intellectuals into the workforce. We must now overcome this hesitation and, based on reality and the overall situation, adopt a policy of broadly absorbing, educating, transforming, and employing the existing

unemployed intellectuals. Otherwise, we will not be able to meet the urgent needs of the large-scale national construction that is about to begin. In particular, departments such as education, health, trade, and cooperation must pay attention to absorbing these unemployed intellectuals, training and reforming them, employing them, and continuing to reform them in their work. At the same time, unemployed intellectuals themselves should recognize their own ideological shortcomings and strive to reform themselves. For those with some historical problems, as long as they honestly and faithfully confess clearly, the policy of education, reform, and employment should still be adopted. For those unemployed intellectuals who are eligible to apply for colleges and universities or secondary vocational schools, they can be helped to apply and continue their studies to meet the needs of further national construction and development.

Among the unemployed intellectuals, there are also a number of people who possess considerable knowledge and local prestige, but who, due to old age and physical weakness, are unable to undertake hard work. Appropriate measures should be adopted to recruit them into suitable work and provide them with care. Appropriate relief should also be provided to unemployed intellectuals who are generally old and frail, have completely lost the ability to work, and are facing real difficulties in life.

As for housewives of intellectual backgrounds who are now seeking to work, special consideration should be given to the fact that most of them are burdened by family matters. Appropriate measures should be gradually and systematically adopted to encourage them to work, such as requiring them to work half a day or a few hours a day and providing them with a certain living allowance. This is also a mutually beneficial approach.

(3) A large number of former military officers and officials left in society by the reactionary rule of the Kuomintang were generally supporters of the reactionary rule. Although some of them still have oppositional feelings towards the people's government, the majority, inspired by the great victories of the people in the past three years, have expressed their willingness to move closer to the people and to make meritorious contributions to atone for their sins.

Most of the old officers and officials have returned to the countryside to produce, received land in the land reform, and engaged in agricultural labor. After they returned to the countryside, some of them were displeased by the local masses, and the peasant masses once controlled and supervised them. This was very natural, correct and necessary. However, as long as they really work hard in production or engage in other legitimate occupations, abide by government laws and regulations, and do not have any reactionary behavior, and it has been three years since the local liberation, their class status as old officers and officials should be changed with the approval of the county people's congress and the county people's government, and a new class status should be set according to the nature of the labor or occupation they are engaged in (those who are also landlords should be dealt with according to the provisions on changing the class status of landlords). Some of the old officers and officials scattered in the cities have ways to make a living, some have found jobs, but some are engaged in improper operations, and some are indeed

Their lives are very difficult. The latter two categories should be registered and, through a policy of education, reform, and employment, trained in a planned, phased and batched manner, reformed, and helped transition to civilian life, allowing them to continue their transformation through labor and work. Similarly, former officers and officials should strive to reform themselves and give a clear account of their histories. Those with minor political and historical issues who have sincerely confessed should continue to be treated with the policy of education, reform, and employment. A small number of senior former officers and officials who are unable to participate in training and

transition to civilian life but are genuinely struggling should also be given appropriate consideration in their handling, provided they have no significant past misdeeds and have not drawn public outrage.

In addition, among the old officers and officials there are some who participated in the Revolution of 1911, the Northern Expedition, the War of Resistance Against Japanese Aggression and the uprisings and were demobilized and returned to their hometowns. If they have no significant bad deeds in history, they should be treated with preferential treatment.

(4) The vast surplus labor force in rural areas is different from the unemployed and semi-unemployed in cities. They have food to eat and land to farm. However, they possess a vast potential for untapped labor, and efforts should be actively made to mobilize this potential for production. At the same time, cultivated land is insufficient, and under current technological conditions, it is no longer sufficient for cultivation. Further development will inevitably create even more surplus labor. This is a fundamental issue. Therefore, from a fundamental perspective, we must systematically and systematically migrate to the northeast, northwest, and southwest regions, reclaiming wasteland and expanding arable land without disrupting soil and water conservation or hindering the development of animal husbandry. We should extensively develop small-scale water conservancy projects, convert dryland into water-rich land, improve seeds and farming techniques, promote intensive farming, and increase yields per unit area. Even in densely populated areas, there are still large amounts of abandoned land, such as sandy, alkaline, and red soils. Experience has shown that these can be utilized, and we should mobilize the surplus rural labor force to reclaim these abandoned lands. Land restoration and soil improvement, as well as flood control and reclamation work in lakes and soil and water conservation in mountainous areas, should also be carried out in a planned manner.

Furthermore, the planned development of marketable sideline handicrafts, the preliminary processing of agricultural and sideline products, afforestation, fish farming, river dredging, road construction, and large-scale water conservancy projects can all accommodate a large number of surplus laborers. Relevant departments should formulate plans, adapt them to local conditions, and implement them gradually. Cooperative associations, in particular, should organize handicraft production cooperatives whenever possible to promote handicraft products that are both marketable domestically and exportable.

We must actively organize and carry out a movement for mutual assistance and cooperation. On the basis of organization, it will be easier to carry out projects such as resettlement and reclamation of wasteland, land restoration, and small-scale water conservancy projects.

The development of cities and industry, as well as the advancement of national construction in all areas, will absorb a whole batch of labor from the countryside. However, this work must be carried out in a planned and step-by-step manner, and it is impossible to absorb a large number of laborers in a short period of time. Therefore, we must vigorously persuade the peasants to overcome their tendency to blindly migrate to the cities.

(5) We must pay earnest attention to and help resolve the unemployment problem of ethnic minority residents scattered in cities, currently focusing primarily on the unemployment and underemployment of Hui people. Because their customs and habits differ from those of the Han people, their employment opportunities are limited. We must strive to provide them with broad opportunities for employment and career change. In addition to helping them find jobs on a sporadic basis, it would be best to systematically absorb them into industrial and mining enterprises in large numbers, and their customs and habits should be respected to the utmost.

(6) Returning refugees and impoverished overseas Chinese must be properly resettled. Overseas Chinese affairs agencies and local civil affairs authorities should pay careful attention to this matter. Every opportunity must be fully utilized to help them find employment or establish employment arrangements. Unemployment, schooling, or homelessness must not be tolerated. Those without the ability to work, those who are impoverished and without support, and those facing financial hardship, must be given practical assistance.

(7) There are still a number of elderly, weak, disabled, and homeless people in society who have lost their ability to work and are impoverished and helpless. They should be systematically taken in, educated, or provided with relief. Some of these individuals are still capable of light labor, and they can be organized into production to supplement their lives. As for vagrants and beggars who are able to work, they should be forced to work, and if possible, they should be taken in together for labor reform.

(8) All unemployed persons in cities shall be registered uniformly. Workers and employees formerly engaged in manual or mental labor in public or private industrial and commercial enterprises, transportation and shipping enterprises, handicraft workshops, government agencies, organizations, and schools, as well as construction workers and porters without a fixed employer who are still without a fixed job after becoming unemployed, seasonal workers whose industries have declined and who are unable to find work, unemployed intellectuals with a junior high school education or above, independent producers who have ceased operations, peddlers, agents of capital, and small business owners who have ceased operations and now have no other income, are in financial difficulty, and seek employment as wage laborers, as well as former military officers and officials who are still unemployed and in financial difficulty and seek employment, shall all be registered.

After registration, individuals will be handled individually based on their circumstances. Training should generally be planned and phased, and their careers will be gradually resolved based on the needs of national development and their own circumstances. To meet the needs of their work, political training, employment training, and career transition training should generally be handled by the employing department. After registration, unemployed individuals who are genuinely in financial difficulty should be provided with appropriate assistance.

To uniformly address employment issues and gradually achieve unified labor deployment, labor and employment committees should be established at the central government, major administrative regions, provinces, and major cities. These committees should also be staffed with dedicated personnel to guide labor departments and other relevant departments in handling the registration and processing of all unemployed persons. Provincial-level cities may also establish labor and employment committees, depending on work needs and with approval from the provincial people's government.

In short, to deal with the employment problems of the unemployed and semi-unemployed people in cities, and the problem of the huge surplus labor force in rural areas, we must base ourselves on the needs of national construction, take a holistic view, proceed from reality, focus on long-term plans, and start with what we need to do now. Only then can we gradually eliminate unemployment and systematically enable the surplus labor force in rural areas to give full play to its potential labor capacity, create more wealth for the country and society, and promote the further development of the country's economic construction and other construction projects.