



Rising labor costs good for China's economic restructuring

Tuesday, March 8, 2011

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BEIJING, March 8 (Xinhua) -- A pinch of rising labor costs has been felt by Chinese factories, but China's labor minister said on Tuesday it is good for the nation's strategic economic restructuring.

China faces a dilemma that underpaid factory workers demand higher wages while many small-sized export-oriented factories could not afford the rising costs of labor and raw materials, Yin Weimin, minister of human resources and social security, told a press conference.

"Rising labor costs, however, could push for the transformation of the economic development pattern," he said.

The wage increase could be realized through more consultations between employers and employees, he noted.

After decades of economic boom on the back of cheap labor and intensive energy use, China wants to make the economy more technology-dependent and vowed to make more ordinary people share the benefits of the growth.

In the 12th Five-Year Plan period (2011-2015), China aims to increase the disposable income of urban and rural residents by at least seven percent a year, the same rate as the GDP growth target.

The minimum wage should increase by at least 13 percent a year over the next five years.

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[Labor shortage mainly affects coastal labor-intensive employers: minister](#)

BEIJING, March 8 (Xinhua) -- China's human resources minister said Tuesday labor shortage is a structural problem which mainly affects the labor-intensive manufacturing and service sectors in east coastal areas.

"On the whole, China still has labor surplus, and the shortage mainly arises from difficulties in hiring assembly line operators," said Yin Weimin, minister of human resources and social security. [Full story](#)

[China has labor surplus in rural and urban areas: minister](#)

BEIJING, March 8 (Xinhua) -- China's human resources minister said Tuesday that China still has labor surplus in urban and rural areas, including 14 million college and high school graduates in cities this year.

"There is a workforce surplus of about eight million people in rural areas and 24 million urban people waiting to be employed," Yin Weimin, minister of human resources and social security, said at a press conference. [Full story](#)

[China's aging population big challenge to pension system: minister](#)

BEIJING, March 8 (Xinhua) -- Aging population poses a huge challenge to China's pension system, minister of human resources and social security Yin Weimin said Tuesday.

The country's population is rapidly aging, and there are 170 million people over the age of 60, who account for 12.8 percent of the total population, Yin said. [Full story](#)

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