

## **Govt pledges job support to labor-intensive sector**

The government yesterday pledged to support labor-intensive enterprises and small- and medium-sized enterprises (SMEs) to protect jobs amid the global financial meltdown.

"The current global financial crisis has affected China's employment situation, particularly export-oriented businesses," Yin Chengji, spokesman for the Ministry of Human Resources and Social Security, told a news conference.

"The government will help create jobs by encouraging development of labor-intensive industries, small- and mid-sized businesses, private companies and the service sector."

Yin said the nation has formulated policies to bail out enterprises, including:

Increasing bank loans and raising export tariff rebates;

Working out favorable taxation, financing and other policies to encourage start-ups;

Providing more vocational training for laid-off workers to increase their chances of re-employment;

Establishing a pension system in rural areas and expanding the urban pension system to cover rural migrant workers.

Yin said the registered jobless rate for urban residents stood at 4 percent by the end of September, the same as the end of last year.

Experts said the result was commendable, given the challenging economic situation this year.

"It means that the country's economy is still growing fast enough to generate jobs," said Wang Dewen, an expert with the Institute of Population and Labor Economics affiliated to the Chinese Academy of Social Sciences.

The economy created 9.36 million jobs in the first three quarters, and another 4.09 million laid-off workers were re-employed, figures show.

The efforts include helping more than 1 million laborers from areas hit by a massive earthquake on May 12 in Sichuan province find new jobs.

Yet the registered urban unemployment rate, which excludes the vast majority of more than 200 million migrant workers, "far from reflects the true gravity that China faces in its job market", Wang said.

The global credit crisis has taken a heavy toll on China's export-oriented SMEs, which are magnets for rural migrant workers, he said.

Figures from the National Development and Reform Commission show that 67,000 previously profitable SMEs collapsed during the first half of the year. And two-thirds of the labor-intensive textile enterprises are facing restructuring.

In Dongguan, Guangdong province, half of the toy makers have closed down.

Those enterprises are major engines fueling employment in China, creating about 70 percent of new jobs every year, said Ding Dajian, an expert at the School of Labor and Human Resources at Renmin University of China.

"The collapse of such enterprises inevitably means grave job prospects for migrant workers," said Ding.

*Source: China Daily*

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