

Affordable Housing for Rural Migrant Workers in Urban China

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abstract : Rural-urban inequality including migrant's problem has reached the top levels of the Chinese leadership. But many migrant workers are still excluding from public services such as housing, health insurance and education for their children. On the urban fringe, lack of land use planning and absent the right to develop the land, local peasants can only build illegal inferior-quality apartments for migrant workers. But recently this kind of urban sprawl "villages within cities" in metropolitan outskirts is being redeveloped. And commercial apartments for migrant workers are demolished. There is little formal housing policy for migrant workers.

State Council requires local governments to improve migrant workers' living conditions by various channels. The enterprise and local government also thinks that such dormitory and housing complexes for migrant workers are advantageous for the manpower securing. Developing migrant housing complexes both single and family migrant workers should be expanded. And new low-rent housing system for migrant workers should be made.

The aim of this paper is to analyze affordable housing for rural migrant workers from the viewpoint of social policy and housing well-being.

keywords: affordable housing * housing well-being * migrant workers * urban china * "villages within cities"

Introduction

The annual rate of urbanization in China has increased rapidly from 19 % in 1980 to 44 % in 2006. PRC Bureau of Statistics suggests 126 million rural migrant workers are living in urban areas in 2005, an increase of 20 million compared to 2002 (National Bureau of Statistics). According to “Report on Rural Migrant Workers” migrant are experiencing three big changes. Migrant workers are full engage in the non-agricultural sector, stay in the city more permanently, and seek to equality. Before most of migrant workers are young single and work in the city periodically. In recent years, many migrant workers stay in the city more permanently with their family (Yan Shanping 2007 :68). 58% of the secondary industry and 52% of the tertiary industry of the employee are migrant workers. China can't develop sustainable without them. Social inclusion of migrant workers required for social stability.

Latter half in 1990s in China income difference expanded and the housing shortage for low-income person became serious. Many redevelopments are advanced in the private base, and the removal compensation changes from the offer of the substitution housing to the supply of the compensation, evictions have developed into social problem. Therefore all the residence security polices for the low income earner are being done during the regulations about the land accommodation, the construction of the residence for the work person and the house rent assistance to the low income earner and so on (Yoshihiro Okamoto, etc. 2004).

In 1990's the attitude of the Chinese government has not been to support the development individual property. The government expects most people to get houses in the housing market by themselves and does little to provide public welfare housing for people who are not able to get housing on the housing market. However a lot of people cannot get housing on the private housing market. In China public housing is provided for people who are clearly incapable of obtaining accommodation in the private housing market. The amount of public housing is low, and there are strict criteria for the eligibility for public housing. So only a few urban people can get accommodation in public housing. Most of the rest live in low rent private housing. Some companies and agencies provide dormitories, company-run houses, home ownership support programs, and some welfare provisions for their employees. Migrant worker often find it difficult to obtain low-cost housing in the general housing market. But there is little formal housing policy for migrant workers. Local governments provide little support for the residents themselves. Low-quality and low-rent private housing has provided accommodation for migrant workers. Especially on the urban fringe, lack of land use planning and absent the right to develop the land, local peasants can only build illegal inferior-quality apartments for

migrant workers. But recently this kind of urban sprawl “villages within cities” in metropolitan outskirts is being redeveloped. And commercial apartments for migrant workers are demolished.

In 2006 The Hu and Wen political power has sent out the notice, for social including of migrant workers. The government is developing various system reform include employment and working conditions, social security and, education of migrant children, housing for the right equally as urban residents. The State Council has publicized opinions on solving housing difficulties for low-income urban families’ in 2007(State Council 2007:24). In these opinions the government take major responsibility to solve the housing problems of urban low-income groups included migrant workers.

According to these opinions the housing problem for migrant workers has been placed on the agenda of the states.

1.The state of migrant workers housing

(1) Rented rooms and Issued houses

According to“中国农民工调研报告 [Report on Rural Migrant Workers in China]” most of migrant workers lives in the rental housing and the dwelling of the employment enterprise offer in most of the city (State Council Study Group 2006).

Half of migrant workers live in “villages within cities” where house rent is cheap, public traffic are convenient and job opportunity is many. A similar tendency is seen in Nanjing 南京(Zhu Li and Cheng Lu 2003:9, 85). The employed populations are 1.03 million people among Temporary Resident Population1.45 million on October, 2005 of Nanjing City, and the composition is as follows (Nanjing Foreign Affairs Office 2005).

In China the constitution states all urban land is owned by the state, all land in rural areas is "collectively owned". The purchase of the land usage right indicates the practice of local governments allowing the State-owned urban land to be used and operated under the conditions of land size, usage years and functions by the receptor after paying for the land usage right granting fee.

And the renter get land use right certificate 土地使用权证. The current regulation prescribes maximum land usage duration of no more than 70 year for residential purpose. When you buy housing , you can get Land use right certificate 土地使用权证(up to 70years) and building ownership certificate 房产权证.

Table1 : Temporary Resident Population in Nanjing 2005

Working place :	Population	/ %
The building industry :	250,000	/ 24.3%
Enterprise manufacture :	220,000	/ 21.3%
Small-scale manufacture, and eating house, a store :	560,000	/ 54.4%

(Nanjing Foreign Affairs Office, 2005)

Table 2: Housing Types for migrant workers

Italicized areas are available to migrant workers.

Type of Housing	/ Building Ownership	/ Land Use Right	/ For Sell and transfer	/ For Renting
<i>Rural Land (owned by village or township peasants' collective organizations)</i>				
Private housing	<i>/ Vested ownership</i>	<i>/ only member</i>	<i>/ distribute only member</i>	<i>/ with permit</i>
Apartment, dormitory	<i>/ collectively owned*</i>	<i>/ only member</i>	<i>/ distribute only member*</i>	<i>/ with permit</i>
<i>Urban Land (owned by the state)</i>				
Housing	<i>/ Vested ownership</i>	<i>/ with complete 70years</i>	<i>/ right to sell and transfer</i>	<i>/ with permit</i>

*Under the name of contractual joint venture . Investment of local government and enterprises, managed by enterprise or township agencies. Revised to simplify (Weiping Wu 2002 :97-98) by author.

Rural land ownership, there exist many problems; such as absence of the subject of right, the house site usage right cannot be transferable for urban residents or migrant workers. And land use and building permission management insufficient. Rural Land distribute to the members of collective organizations only.

If to sell Rural Land it must be transferred urban land. But property (including the homes of rural residents) built on "collectively owned" land is sold illegally, there is no requirement to pay large sums in land-usage tax to the state so its cheap and people call it " limited ownership " 小产权,(No land use right certificate 土地使用权证 and no building ownership certificate 房产权证 by state). Only village government issues the local building ownership certificate. This local building ownership certificate is not protecting by Chinese law. Many local peasants build illegal apartment in their house site.

In China 60% of migrant workers live in rented houses in the large city. 30% of migrant workers live in issued houses. 5% of migrant workers is owned house. It borrows 5% of migrant workers temporarily staying with the relative or friends. (State Council Study Group 2006:42、274-281)

The dwelling of migrant workers depends on the employment situation as shown in Table 3. Temporary migrant workers have limited housing choices (Weiping Wu, 2002: 101) .The average income of migrant worker is quite low compared to urban labors, leaving very little for housing (Zhu Li and Cheng Lu 2003 : 87). Migrant workers work in the construction industries; usually live in construction camp sheds provided by their employers. Migrant workers who work in catering service and manufacture industries, their employers give them food and accommodation. More than half of migrant workers rented rooms in the farmer house of in “villages within cities”. Some migrant workers take their family with them share substandard houses or apartment with other people. Because of the city's soaring real estate prices, group renting is becoming more popular in the city, particularly among migrant workers. Some migrant workers live in converted-dwellings from warehouse or closed factories.

Table 3 : Accommodation of Temporary Resident Population in Nanjing

Accommodation:	Population	/ %	/ Employment Situation
Construction camps:	170,000	/ 12%	/ Construction
Rented rooms :	830,000	/ 57%	/ Wholesale and retail trade, eating and drinking places
Issued houses:	240,000	/ 17%	/ Manufacturing
Others:	210,000	/ 14%。	/ ——

(Nanjing Foreign Affairs Office, 2005)

(2) Live in the urban fringe “villages within cities”

A rapid, large-scale urbanization happened in China. The small-scale village that had been left in the development district on the metropolitan fringe sprawled and formed villages within cities

In China half of migrant workers lives in “villages within cities”. Also in Nanjing 70% live On the urban fringe (Zhu Li and Cheng Lu 2003: 10-11). Their settlements have especially concentrated on the southwest part, West bank of QinHuaiHe 秦淮河 and Out side of the Old wall. In statistics on 2005 ,Temporary Resident Population of Jianye 建邺 District: 260,000 , Gulou 鼓楼 district: 210,000 , Xuanwu 玄武 district: 190,000 and Jiannig 江宁: 110,000 (Nanjing Foreign Affairs Office 2005) .

In Nanjing settlements based on locality, a person from the same province living together : Jianye SuojieCun 所街村 and settlements that the many regions people living together : Xuanwu HongshanCun 红山村 are known.

Table 4: Accommodation of “villages within cities” in Nanjing Hongshan

Accommodation	/ Developer, Owner	/ Type
Private Rented rooms	/ Local farmer	/ Rural private Housing (mostly illegal building)
Apartment	/ Village government	/ Inn type
Shop Apartment	/ Village government	/ Dwelling whit shop
Migrants Hall	/ Investment of migrants	/ Dwelling whit shop or factory

(Wu Mingwei and Wu Xiao 2005 : 67,139-140)

In “villages within cities” there are many dwelling whit shops for self-employed migrant workers who manage wholesale and retail trade and the small factory. Dwelling whit shops are made by local government or self-employed migrant (Wu Mingwei and Wu Xiao 2005 : 61-64,136) . Accommodation of “villages within cities” in Nanjing Hongshan is Table 4.

(3) Poor living condition

As for “villages within cities”, the deteriorated residential area in city, neither the infrastructure nor the environments such as the road and drainage are bad. The residence management is not enough, and there is a problem on the public security.

Most of the dwellings are overcrowded, for example about 80% is below ten m² per person in Shanghai and the construction camp is more overcrowded, such as water service, rest rooms, and kitchens are common utility (State Council Study Group 2006:275) .

(4) Unstable Housing

Urban development is heated, migrant workers have received pressure that should frequently remove for clear out or the rent price hike (Meng Yi and Xie Biru 2005 : 55) .

Migrant workers rent from local residents or local governments by contract. Instances of squatting are rare. Many houses where they live are illegal dwelling made by the local farmer of “villages within cities”, and a dilapidated dwelling in down town. Amends of Relocation for the renter are very few. Owner of illegal buildings don't have the right of amends of clear out. The clear out amends to the dilapidated housings are low. Their work should unstably and should remove by job change. Who live s in Issued houses lost housing when he lost job.

2. Problem of housing security

(1) Exclusion from housing security

The social security service is provided for the person who has the city register in the region in China. However, a lot of migrant worker doesn't have the register of the local household residence and cannot access a public house. A dual register of the city and farm village was abolished in some province. The improvement was seen in the social security of minimum coast of living, elementary education, and child's health care. However, many of domestic migrant workers who exceed province cannot become the citizens of the large city on the present address, and they cannot have the prospect whether settle down in the large city.

(2) Redevelopment of "villages within cities" migrant worker settlement

The dwelling of "villages within cities" is neither an affordable rent price nor housing condition for migrant workers (Wei Lihua and Yan Xiaopei 2005). But these housing stock for low-income people support migrant workers' life. However, the dwelling is disappearing because of the redevelopment.

Because of the removal for the redevelopment, migrant workers consume the time and the labor for their new housing and their children's nursing and schooling (Meng Yi and Xie Biru 2005:55).

The redeveloped of the urban fringe is done not only to recite settlements and reconstruct farmers' housing but also to demolish all buildings in the village. The village is dissolved and is annexed to the city. A regional farmer disjointedly moves in the new apartment with the city resident (Xie Zhikui 2005:329).

The Nanjing municipal administration is planning to scrap and build a 71 village by in an old town and the central area (140,000 Temporary Resident Population among 240,000 residents.) in the responsibility of each district government (Nanjing Municipal government 2005:214)。

(3) Social, spatial exclusion

In the China planned economy time, the distribution-type gated community (workplace apartment hospital, a nursery school, an elementary school, a cooperative store ,a clubhouse) has formed (Masumi Shinya 1995:94).

After the socialist market economy time according to the commodity housing popularization, gated superblocs, large-scale residential district by income class has been formed (Wei Lihua and Yan Xiaopei 2006:55). The settlement of migrant worker and the low-income class has also concentrated

in the specific area. They are excluded from the social service such as public school and the hospitals. Now children of migrant workers can go to local public school. But local parents hope to organize other class only for children of migrant workers. Some urban residents take flight to the school of no migrant workers' children.

3. Housing security for migrant workers

(1) Housing security for low-income migrant workers class

The emphasis of the city house policy has moved from one's own house promotion in 1990's to the public house supply to the city low income in 2005(Masumi Shinya 2006).

The State Council has publicized opinions on solving housing difficulties for low-income urban families' in 2007(State Council 2007:24)said that to control the land use for ordinary housing, to balance housing structure and surging housing price, to expand of low-rent housing security should be carried out.. For low-rent housing, the fund should be raised to use publicly reduced of the real estate profit.

Newly developing ordinary housing construction projects must consist of units with construction size below 90 m² (including economically affordable houses) accounting for more than 70% of the total construction areas.

The local finance for low-rent housing security should incorporate it into the annual budget. The net income of the public housing fund (PHF) should be used to low-rent housing construction.

No less than 10% of the net income of the land transfer should spend to guarantee low-rent housing.

There are no policy provisions to include migrant workers in the low-rent housing security. The land use control and the fund should use for migrant workers housing too.

Ministry of Construction of the People's Republic of China brief the work of drafting opinions is below (Qi Ji 2007).

The living conditions of the shantytown, old resident districts, and migrated workers' temporary housing should be gradually improved. The city government should make redevelopment plan for the shantytown based on the local conditions. To improve the living conditions of migrant workers, we should practice on the principles of unified planning, employers' accountability and governments' policy.

(2) Inclusion of social service

The government will try to resolve problems regarding migrant worker -- relatively low and delayed pay, labor management and security, hiring and training, social security, and public service, especially schooling of their children (State Council 2006 : 5).

Better services, education for children, labor employment, health care and legal aid, will improve management of administration of migrant populations, family planning.

For example Jiangsu Kunshan 江苏昆山, local government improve their living conditions through concrete social service, such as no delayed wages system, health services and work-injury insurance, and they accumulate good human resource in the region (State Council Study Group 2006 : 393-397) .

(3) Developing migrant workers housing

State Council require local governments to improve migrant workers' living conditions by various channels (Yukio Yamaguchi 2006 : 240-241).

In South of Jiansu 苏南, there are a lot of large and middle scale enterprises of manufacturing, many dormitory for migrant workers are set up by government and enterprises (State Council Study Group 2006 : 283). In Chongqing 重庆, there are a lot of small and middle scale enterprises, and they involve reusing old temporary housing and a cheap inn for migrant workers' apartments by government-subsidized. In Shanghai Taopu 上海桃浦 migrant housing complexes are managed by sub district and township agencies. The complex accepts migrant workers working in nearby enterprises or engaged in small businesses for a sustained period of time. It accommodates both single working migrant workers as well as migrant families (State Council Study Group, 2006:277).

In Nanjing housing complexes for temporary population are 537 sites and more than 170,000 people live in there (Nanjing Foreign Affairs Office 2005).

Today the young labor is always shortage. The enterprise and local government think that dormitory and housing complexes for migrant workers is advantageous to secure manpower (State Council Study Group, 2006: 283).

(4) Economically affordable houses and the Public Housing Fund (PHF)

The beneficiaries of the economically affordable housing are urban low-income families. And migrant workers can buy the economically affordable housing to use PHF loans, if they get regular employed positions. But most migrant workers are Non-Regular employed and employment-based PHF has no effect on them. So this policy only favors high-income migrant workers.

Conclusion

The State Council has publicized opinions on solving housing difficulties for low-income urban families, and according to these opinions the housing problem for migrant workers has been placed on the agenda of the states.

State Council requires local governments to improve migrant workers' living conditions by various channels. The enterprise and Local government also thinks that such dormitory and housing complexes for migrant workers are advantageous for the manpower.

Developing migrant housing complexes for both single and family migrant workers should be expanded. New low-rent housing system for migrant workers should be made.

Notes

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Temporary Resident Population

Age above 16,planned living period: more than 3 months. Migrants how have rural household and urban household of other city.

Migrant workers

In this article ,Migrant workers means migrant workers who has rural household.

Set up in 1958, China's household registration(Hukou 户口) system divides the population into rural households and non-rural households, and social service such as education, healthcare, housing and employment are closely linked with household registration.

Economically affordable houses

The government encourages the building of houses affordable to middle and lower-income groups by providing cheap or free land or tax rebates for developers. The building area per apartment should be limited to around 60 m². The affordable housing can only be on sale 5 years after the purchase. When people sale the price gap between the economically affordable housing and the common commodity housing.

The low-rent housing security

The low-rent houses designed to help the poorest urban group. Such houses are built or sourced from the market by the government and then allocated to competent applicants. Authorized applicants can also source houses for themselves and receive rent subsidies from the government (Xinhua, 2006.07.12). Applicants are only local urban householder.

The Public Housing Fund (PHF)

The PHF is the most wide-reaching housing security system in China. Under the system, each urban employee has an account with the local PHF management center and deposits a portion of his monthly salary into the account. The same amount is contributed by his employer and the money can be used to apply for mortgage loans from the PHF center (Xinhua, 2006.07.12).

The main policy provisions of Opinions on Solving Housing Difficulty for Urban Low-Income Families.

First, the coverage of low-rent housing security should be expanded. By the end of the Eleventh Five-Year Plan, the policy would have covered the low-income families. By the end of 2007, all the cities with districts should guarantee the housing of the low-income families who apply for low-rent housing subsidies and meet the related requirements. By the end of 2008, all the counties should make it as the cities do. Meantime, by the end of 2008, the eastern area and other advanced developed areas should incorporate the low-income families into the low-rent housing system.

Second, the provisions on the low-rent housing system should be perfected. The selection criteria for beneficiary and standards of the security should be rationally identified. The specific standards should be formulated by the city and county government based on a certain % of the local average income and housing level. The rental subsidy should be supplemented by the supply of rental housing to form a complete low-rent housing mode. The stock of low-rent housing should be created by multiple channels, such as newly built, purchased, or rebuilt by the government or donated by the society. In those areas in which small rental-apartments are in shortage and housing rents are high, the government should build more housing for rent. The newly built low-rent housing could be scattered in the affordable housing district and common commercial housing district, or be built as a cluster.

Third, the capital for low-rent housing security should be ensured. The local finance should incorporate it into the annual budget. The net income of the Public Housing Fund should totally be used to low-rent housing construction. No less than 10% of the net income of the land transfer should be expensed to guarantee low-rent housing. The central government will earmark special fund to support the middle and western areas.

Fourth, the affordable housing system needs to be improved and regulated. The beneficiaries of the affordable housing are low-income families. The building area per apartment should be limited to around 60 square meters. The affordable housing can only be on sale 5 years after the purchase. A part of the sale price will be compensated to the government as the land revenue based on a certain % of the price gap between the economically affordable housing and the common commodity housing at the sale time. In those areas with unbalanced housing structure and surging housing price, the development scale of economically affordable housing should be expanded. In addition, the fund-raising cooperative housing development should be carried out on the regulations of the affordable housing.

Fifth, the living conditions of the shantytown, old resident districts, and migrated workers' temporary housing should be gradually improved. The city government should make redevelopment plan for the shantytown based on the local conditions. In the old residential districts, the housing should be repaired and maintained, the associated facilities should be constructed, the environment should be improved and the energy-saving renovation should be launched. To improve the living conditions of the migrated worker, we should practice on the principles of unified planning, employers' accountability and governments' policy guidance.

(Qi Ji Vice Minister of Construction 2007 August 30 "Speech on the Press Conference of the State Council Information Office" http://www.cin.gov.cn/ldjh/jsld/200709/t20070907_122699.htm)

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