

Internal migration

# Shifting barriers

*The government reforms a socially divisive system, warily*



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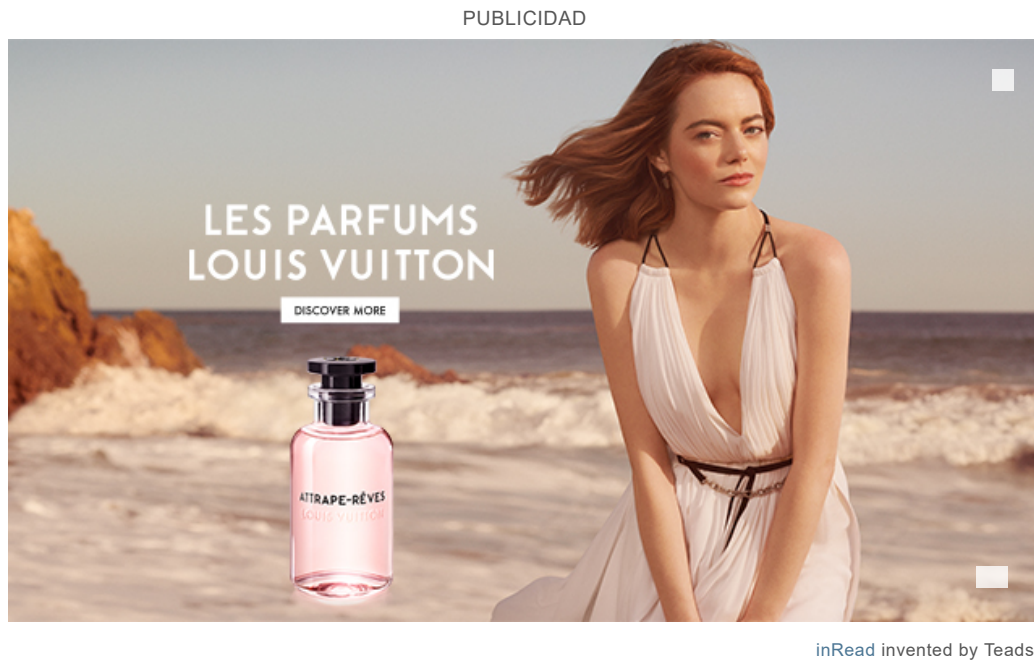
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THE pillars of social control are flaking at the edges. First came the relaxation in October of draconian family-planning restrictions. Now it is the turn of the household-registration, or *hukou*, system, which determines whether a person may enjoy subsidised public services in urban areas—rural *hukou* holders are excluded. On December 12th the government announced what state media trumpeted as the biggest shake-up in decades of the *hukou* policy, which has aggravated a huge social

divide in China's cities and curbed the free flow of labour. The pernicious impact of the system, however, will long persist.

As with the adjustment to the decades-old family-planning policy (now all couples will be allowed to have two children), the latest changes to the *hukou* system follow years of half-hearted tinkering. They will allow migrant workers to apply for special residency permits which provide some of the benefits of an urban *hukou* (a booklet proving household registration is pictured above). If an urban *hukou* is like an internal passport, the residency permit is like a green card.



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Under the arrangements, migrants will be able to apply for a permit if they have lived in a city for six months, and can show either an employment contract or a tenancy agreement. The document will allow access to state health care where the migrants live, and permit their children to go to local state schools up to the age of

15. It will also make other bureaucratic things easier, like buying a car. Such reforms have already been tried in some cities. They will now be rolled out nationwide.

For those who meet the requirements, the changes will bring two main benefits. They should allow some of the 70m children who have been left behind to attend school in their native villages to join their migrant parents. And it will allow migrants to use urban services without losing the main benefit of their rural *hukou*: the right to farm a plot of land. According to a survey in 2010 by the Chinese Academy of Social Sciences, 90% of migrants did not want to change their registration status because they feared losing this right.

### **Collar-colour counts**

As with the two-child policy, though, there is less here than meets the eye. Most migrants are casual labourers. They rarely have any labour or tenancy contracts. The success of the reforms will also partly depend on funding. The government recently decided to tie schools' budgets to the number of their pupils. In theory this will cover extra demand. But the system is untested.

There are other catches. In cities of between 500,000 and 1m people, applicants for urban *hukou* will need to have contributed to the government's social-insurance scheme for three years. In cities of 1m-5m, the minimum is five years. And the reforms do not really apply in the biggest cities. They set their own requirements.

There are similar problems with the 13m people who have no *hukou* at all, which means they cannot obtain the identity card needed for everything from travelling by train or plane to obtaining a passport. About 60% of such people are "black" children, as they are often called in China, born in contravention of the one-child policy. On December 9th President Xi Jinping said those without *hukou* could obtain one. But it is unclear what kind of *hukou* they will get and whether a fine will still have to be paid for violating the family-planning rules.

The government says it hopes 100m rural migrants (there are now about 250m of them living in urban areas) will have urban *hukou* by 2020. That seems unlikely. Many live in the biggest cities where, to judge by the reforms proposed by the city government of Beijing, changing status will get harder: the capital's requirements give precedence to people who have paid 100,000 yuan (\$15,500) in tax a year, far more than manual labourers earn.

public services will be swamped. The new reforms to the *hukou* system appear mainly designed to push migrants away from big coastal cities towards smaller ones inland. Zuo Xiuli, a house-cleaner who has worked in Beijing for ten years and earns 2,500 yuan a month, is not sure he will bother to apply. “Of course I hope to get a Beijing *hukou*,” he says. “But it’s impossible for me.”

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