

China suspends publishing youth unemployment data

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Unemployment, ever increasing difficulties in job search and economic downturn in China have occupied the minds of hundreds of millions of young people and the broader working population. The announcement this summer that official youth unemployment data will no longer be published only added fuel to the already very sharp social tensions built up over the past few decades.

At a press conference on August 15, spokesperson of the National Bureau of Statistics, Fu Linghui, announced that the publication of the urban unemployment rate for youths (between the age of 16 and 24) will be paused, without specifying a resumption date. Justifying this decision, Fu explained that the authority would need time to adjust and improve its metrics because increasing numbers of young people in this age range are enrolled in schools and are not out there on the job market.

Hardly anyone believes that this suspension came out of technical considerations. The Beijing regime is terrified that the rapidly growing youth unemployment figure will foster social opposition and undermine its rule.

The rate of youth unemployment has remained at a high level for more than a year. As early as July 15, 2022, the figure had soared to a record 19.9 percent. There might have been illusions that the criminal lifting of Zero COVID policy last December—which led to the deaths of more than a million people—would halt the rise in the jobless rate. Those have been quickly shattered. As of July this year, the last data point released by the government stood at 21.3 percent.

By this May, data from the National Bureau of Statistics showed that among 96 million young people in China, 33 million of them had entered the labour market, and more than 6 million were unemployed. But

even this is a gross underestimation.

Contrary to bogus justification provided by Fu Linghui, this figure never included any students in school or young people from the countryside. Under the current metric, the large number of people who did not actively register for unemployment would not be counted. And for gig economy workers like delivery drivers—whose incomes are far below what is needed for subsistence—they are not part of this statistic either.

Among college students, their job prospects are bleak. At the same press conference, Fu commented that “most new graduates have secured a job offer.” This is another fabrication. College students complain on social media that they are compelled to sign documents upon graduation declaring that they have found a job.

Facing an ever tightening job market, college graduates flocked to graduate schools, attempting to delay their entry into the workforce and hoping that a higher degree might boost their job prospects. In 2021, 3.77 million students participated in the entrance exams for graduate schools. This number went up to 4.57 million in 2022 and 4.74 million, or more than a third of college graduates, in 2023.

A career path that all of a sudden has become very popular recently is the civil service, which is viewed by many as a far more secure and stable job option amid recent waves of layoffs. This year, 2.6 million people registered for the recruitment exam, an increase of a million when compared to five years ago. A significant number of young people spend sometimes years to study for the exam full time, hoping to secure a position that can have hundreds, even thousands, of applicants.

One college graduate commented on social media, “[I’m] 23 years old and graduated with a degree in engineering more than a year ago. I was not able to get

into grad school. I was not able to pass the civil servant exam. I could not find a teaching position at public school. I could not find a job. My life seems to be suspended the moment I graduated... On the job market, I feel like a rotten cabbage that no one wants. I'm cheap and never look good."

The youth unemployment rate does not include millions of young people in the countryside, who have an even bleaker chance of finding a job. Incomes from farming are minimal and they are compelled to become "peasant workers" who migrate to work in the cities. According to the National Bureau of Statistics, there are more than 295 million internal migrant workers in China, most of whom cannot benefit from basic social services in the cities. And if they cannot find a job, the young migrant workers are not included in the urban unemployment statistics.

Wang, an unemployed young worker from the countryside, described his experience in an interview. He attempted to find work in Guangzhou after finishing school, but the salary was lower than promised and was never paid to him. He had to go back home to make a living.

Income from farming his family's half-an-acre of land was just 2,600 RMB a year (\$US364). If he rented the land out, he would only get 900 RMB a year. These amounts are barely above starvation levels. If he wants anything more, he has to find a job. Most available jobs require him to work for more than ten hours a day for a monthly salary of around 2,000 RMB.

The Chinese government has no solution to the climbing unemployment rate and is simply trying to cover it up by not publishing the figures. This cynical manoeuvre cannot conceal the serious economic crisis of Chinese capitalism. Over the past few years, tens of millions of people went bankrupt and more than 700 million people are in debt.

The unemployment crisis is just one consequence of the economic stagnation more broadly throughout China since 2019, which is radicalizing layers of workers and young people at the same time and is creating a huge political crisis for the Chinese Communist Party (CCP) regime.

The CCP justified the restoration of capitalism and the dismantling of the social gains of the 1949 Chinese Revolution on the basis of the economic growth produced by China's integration into global capitalism

as a cheap labour platform. The resultant social ills, the regime claimed, were just the price or "birth pangs" necessary for the overall improvement in the material conditions of large sections of the population. This illusion is now being shattered.

This year, China has already witnessed a sharp increase in working class protests and strike actions across all industries and around the country, mostly over wage arrears, low pay and denied compensation. Significantly, the government no longer publishes any statistics related to social unrest. *China Labour Bulletin's* strike map gives a small indication of what is taking place: 1,494 cases of industrial action have been documented so far in 2023, almost double the figure for 2022 and one-and-a-half times more than in 2021.



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