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Research on Improving the Problem of Idle Unemployed Insurance Gold

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Abstract Unemployment insurance is compulsory state through legislation, have focused on establishing the unemployment insurance fund by society due to interruption of employment and workers temporarily lose a source of income to provide basic living guarantee a certain period of re-employment and related services with a social insurance system. Thus, we can see that the intention is to maintain unemployment insurance set up basic living unemployed unemployment and promote employment during the two aspects. However, the current tight employment has appeared on the one hand, the status quo on the other hand a lot of asymmetric unemployment insurance fund accumulated. High accumulation levels and the establishment contrary to the original intention of the unemployment insurance system, unemployment insurance fund balances can not be caught in a dilemma of fair use. How to improve the unemployment insurance idle question worth pondering and research.

Keywords Unemployed, Insurance, Gold

1. Introduction

Unemployment insurance is compulsory state through legislation, have focused on establishing the unemployment insurance fund by society due to interruption of employment and workers temporarily lose a source of income to provide basic living guarantee a certain period of re-employment and related services with a social insurance system. Thus, we can see that the intention is to maintain unemployment insurance set up basic living unemployed unemployment and promote employment during the two aspects. However, the current tight employment has appeared on the one hand, the status quo on the other hand a lot of asymmetric unemployment insurance fund accumulated. High accumulation levels and the establishment contrary to the original intention of the unemployment insurance system, unemployment insurance fund balances cannot be caught in a dilemma of fair use.

Unemployment insurance is different from the pension fund does not require long-term accumulation, but the data show that, at the end of 2007 the national unemployment insurance fund balance accumulated RMB 97.9 billion, to the end of 2009, the cumulative balance of the unemployment insurance fund has reached 152.4 billion yuan, and unemployment insurance fund to more than the average annual increase rate of 25%. Each province has a surplus country, big savings of up to seven provinces east of billions, three provinces over ten billion. The Guangdong more than 100 billion surplus in the unemployment insurance fund, only accounted for RMB 8.5 billion, Guangzhou, and its annual spending only city in RMB 300-500 million. That is not even close, Guangzhou City, the existing unemployment insurance benefits can be reused for 15 years.

By the end of 2012, our unemployment insurance fund accumulated surplus reached 292.9 billion yuan, an increase of 30.7%. 2012 Unemployment Insurance Fund revenues for 113.89 billion yuan, 45.06 billion yuan fund support for, respectively, an increase of 23.4% and 4.1%, when the balance of 68.83 billion yuan. Data as the following table 1.

Table 1. The situation of unemployment insurance fund balances

Year	**Fund revenues and expenditures** (hundred million yuan)			
	Income	**Expenditure**	**The income balance**	**The accumulated surplus**
2002	213.4	182.6	30.8	253.8
2003	249.5	199.8	49.7	303.5
2004	290.8	211.3	79.5	385.8
2005	340.3	206.9	133.4	519.0
2006	402.4	198.0	204.4	724.8
2007	471.7	217.7	254	979.1
2008	585.1	253.5	331.6	1310.1
2009	580.4	366.8	213.6	1523.6
2010	649.8	423.3	266.5	1749.8
2011	923.1	432.8	490.3	2240.2
2012	1138.9	450.6	688.3	2929.0

Source: "China Labor Statistical Yearbook 2012"

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Table 2. The list of unemployment insurance coverage during 2001--2012

Year	The number of insured at the end of a year (Ten thousand)	Income of the gold (hundred million yuan)	The number of workers (Ten thousand)	Unemployment insurance coverage (%)
2002	10182	213.4	25159	40.4
2003	10373	249.5	26230	39.5
2004	10584	290.8	27293	38.8
2005	10648	340.3	28389	37.5
2006	11187	402.4	29630	37.8
2007	10645	471.7	30953	37.6
2008	12400	585.1	32105	38.6
2009	12700	580.4	33322	38.2
2010	13376	649.8	34687	38.6
2011	14317	923.1	35914	39.9
2012	15224	1138.9	37102	41.0

Source: "China Statistical Yearbook of Labor and Social Security 2009", "China Labor Statistical Yearbook 2010","China Labor Statistical Yearbook 2012","China Labor Statistical Yearbook 2013", "2012 Human Resources and Social Security Development Statistics Bulletin"

2. The Problem of Idle Unemployed Insurance Gold

After this paradox, we can see that the unemployment insurance system exists behind a lot of flaws.

2.1. Existing Unemployment Insurance System Security Coverage, the Narrow Scope of Protection

Any able-bodied unemployed and willing to employment, unemployment insurance should be protected object. But we all know, our current unemployment insurance is just the unemployed "registered urban unemployment" under the name, rather than the actual scope of the unemployed in the society as a whole (whether macro national census data, or micro-survey data. The resulting urban unemployment rate is far higher than the official statistics, the registered urban unemployment rate). Not only a large number of migrant workers are excluded from the scope of unemployment insurance, even inside towns such as self-employed, flexible employment such groups, often because of lack of stable employment and labor relations and the current difficult to formal employment jobs and stable labor relations as the axis of the unemployment insurance system build accepted, becoming the country's largest labor market, the unemployment risk groups. Such a system designed to make the already large number of non-regular employment of unemployed workers during its life unsustainable, this is not only detrimental to their re-employment, but also for social stability and order caused a great threat.

Table 2 show, 2001--2009, the national unemployment insurance number increasing as of 2009, the country was 12,700 at the end of the number of insured people, coverage was 59.3%; but this period slow growth in the number of insured, the average annual growth rate of 2.6%, and therefore reflect a gentle rise in the unemployment insurance coverage. Unemployment insurance coverage in 2001 was 54.7% in 2009, 59.3% unemployment insurance coverage, with an average annual growth of 1.0%.

On average, 2001--2009 National unemployment insurance coverage was 55.4%. In 2009, for example, the national unemployment insurance for 127 million people, accounting for the urban population of 214 million people in the labor force 59.3%; number of insured migrant workers for 1643 people, accounting for only 7% of 230 million migrant workers. This means that there is still a large proportion of China's urban workforce get unemployment insurance protection and assistance in the face of the risk of unemployment. The same period, the United States, Britain, Germany unemployment insurance coverage reached 74% of the total workforce, 86% and 72%. In comparison, China's overall low level of unemployment insurance coverage.

2.2. Unemployment Insurance Fund and Unreasonable Limitations on Specific Expenditures, the Use of Structure

From the expenditure structure of unemployment insurance funds, most of the funds used to pay unemployment insurance. Although in recent years, the proportion of spending on unemployment insurance than in previous years to promote the re-employment has increased, but due to the late 1990s when the introduction of the unemployment insurance system, the state was based on a large-scale special background laid off workers, which is located in the protection of basic functions life, the promotion of employment made more stringent restrictions, only two vocational training and employment subsidies, capital expenditures for promoting employment and therefore very limited. Meanwhile, due to the lack of specific implementation measures to promote the re-employment subsidies, standards, procedures, a set of uniform, the current

practice in the country to promote the re-employment of most of the funding for the construction funds in the labor market. Evaluation criteria traditional unemployment insurance work are often unemployed enjoy watching how much how much unemployment insurance, unemployment insurance, rather than the number of unemployed to promote employment. Obviously, this is so cramped, single, unemployment insurance expenditure structure, severely limiting unemployment insurance to reduce unemployment in the broader, higher level of employment play a role in promoting the emergence insurance "difficult to spend the money" situation inevitable.

As can be seen from Table 3, China's per capita expenditures for unemployment insurance from 2002 to 2012 has been in a growth trend. 2002 to 2008, a lower level of protection for unemployment insurance, from 2010 to 2012, unemployment insurance benefits rose slightly in 2012 amounted to 2208.9 yuan per capita spending, unemployment insurance can temporarily protect the basic livelihood of the unemployed to a certain extent .

Table 3. The situation of national unemployment insurance during 2002-2012

Year	Capita expenditure on unemployment insurance per year (yuan)
2002	277.9
2003	481.6
2004	504.7
2005	570.8
2006	606.4
2007	760.9
2008	970.5
2009	1558.9
2010	2024.4
2011	2197.0
2012	2208.9

Source: Derived from the data in Table 1

2.3. Low Levels of Unemployment Insurance Protection

Based on "Unemployment Insurance Regulations" provides that payment of the standard unemployment insurance is "lower than the local minimum wage higher than the urban minimum living standard." Unemployment insurance benefits ignore the unemployed former wages and payment of premiums, shall be paid according to the same standards. The difference between the different levels of actual payment of wages total contribution base business decisions and individual wage formed between the high and low in total fat part of the treatment were averaged. This not only undermines the positive contributions of workers, but also led to many workers appear to drag payment, arrears and evasion and other acts, some companies have taken false and concealed the practice of total wage evasion. This payment standards for fairness and efficiency are causing great damage.

2.4. Unemployment Insurance is Unreasonable Seizures

Since 1999 the State Council promulgated the "Regulations on Unemployment Insurance," since it is no longer a unified national payment rate adjusted level. Even in the case of the current balance of a large number of unemployment insurance, the state has not correspondingly reduce the amount of unemployment insurance contributions, adjust the pay scale. Judging from the situation where, in most places is a continuation of the provisions enacted 10 years ago, did not make the appropriate contribution rate adjusted according to changes in the economy. This makes the fund accumulated showing increasing in recent years, not only increased the burden on business and labor, but also makes the existence of the risk of this huge fund depreciation.

Meanwhile, undifferentiated contribution rate neglect differences in employment levels between enterprises, good benefits the employer to pay higher wages due, and thus to assume a higher unemployment insurance premiums. Such unit employees facing unemployment risk is relatively small, thus forming a "multi spending less unemployment", the main positive impact of payment. From the industry perspective, workforce hire more labor-intensive low-profit enterprises to absorb the more, the more premiums paid, the heavier the burden on enterprises; and technology-intensive and capital-intensive high-tech enterprises and some emerging service industries, hire fewer, high profits, the risk of unemployment is more concentrated, but the premiums actually paid less.

3. Reference Foreign Experience

3.1. The Situation of Unemployment in United States, Germany, Japan

Table 4. The comparison of unemployment during USA, GER and JPN

Year	1970	1980	1990	2005	2006	2007	2008	2009	2010	2011	2012	2013
USA	4.9	7.0	5.6	5.1	4.6	4.6	5.8	9.5	9.5	8.9	8.1	7.4
GER	0.7	3.8	7.2	11.1	10.8	9.0	7.8	7.7	7.7	7.1	6.7	6.9
JPN	1.2	2.0	2.1	4.4	4.1	3.9	4.1	5.1	5.1	4.5	4.3	4.0

Source: http://data.eastmoney.com/cjsj/foreign_0_4.html

Unemployment insurance system in the development process of the United States, Germany, Japan, the three countries have met the employment pressure problems. As shown in Table 4: With the fluctuations in the economy, the US unemployment rate fluctuations. The early 1990s, the US unemployment rate is relatively high, always at about 7%. Subsequently, the unemployment rate along with the development of new economic decline. 2000 unemployment rate was the lowest level since 1969, and only 4% in 2001 to 2008 remain between 4% to 6%, the unemployment rate is within tolerable limits. Affected by the financial crisis. 2009 show the US unemployment rate rose to 9.3 percent in 2010, is as high as 9.6%. As a result, the US government will focus efforts on creating jobs and reducing the unemployment rate. German insurance expenditure has remained at a relatively high level, which is high by the high unemployment rate in Germany and the German unemployment insurance benefits are two reasons for the treatment of common cause. Since 1995, 2.4 percent of GDP in Germany to pay for the payment of unemployment insurance benefits.

3.2. Expropriation System of Unemployment Insurance or Floating Tax

Japan has taken timely payment rate adjustment method on unemployment insurance. Japan to establish unemployment insurance beginning in 1947 is facing massive unemployment problem, the provisions of the unemployment insurance rate is 2.2%; fifties and sixties of the 20th century, the rapid development of the Japanese economy, the unemployment rate decreased year by year, the fund increased scale, thus reducing government the premium rate; in 1965 dropped to 1.4%, a year after the government still modify the degree of unemployment insurance contribution rate according to the current unemployment situation and finances. US unemployment insurance implementation of the "experience tax" system. Payment of the difference between the concept of industry which is similar to the implementation of work-related injury insurance, in accordance with the employer to determine the case of the dismissal of employees of the enterprise to pay unemployment insurance tax rate. That is to say, companies laid off more people, companies to pay higher insurance rates to a maximum of up to 10.15% of the total wages.

3.3. Unemployment Insurance Savings Account System in Chile

In order to realize the role of unemployment insurance incentives to realize the rights and obligations, etc., Chile in 2002 and the pension system implemented a similar system of unemployment insurance savings accounts. Employer and employee contributions to the unemployment insurance accounts regularly; while part of employer contributions and government transfer payments corresponding to the composition of Solidarity Fund, in the lack of personal accounts of employees can extract funds to personal accounts as a supplement. Avoidance of moral hazard in the system to expand coverage, increase re-employment incentives and other aspects of the effect is significant.

3.4. Unemployment Insurance Benefits and Re-employment Linked

3.4.1. Remuneration Linked to Unemployment Insurance and Unemployment Time

According to unemployment duration, the shorter the period of unemployment, the higher the amount paid. Provisions such as Argentina, within four months of unemployment may be eligible for the equivalent of 100% of the original salary of unemployment insurance benefits, and unemployment of more than four months to reduce the monthly payment, until 60%; in Japan, the unemployed as long as the unemployment insurance payment of remaining within the above time to find more than half a year's work for sustainable, you can receive 30 to 120 days of unemployment insurance benefits as employment subsidies.

3.4.2. Increased Insurance Payment Conditions

Some countries in the original payment conditions outside specialized treatment increases the number of additional conditions in order to urge the re-employment of the unemployed as soon as possible. Such as Canada and other countries to increase the individual must submit "re-employment program" conditions in terms of insurance coverage, insurance agencies also help supervise their implementation.

3.4.3. Willing to Engage in Simple Tasks Will Receive Wage Subsidies

To promote employment, many European countries, unemployment insurance agencies willing to engage lower than for their ability to work the unemployed were given a certain degree of wage subsidies.

3.4.4. The unemployment Insurance for the Unemployed to Encourage Entrepreneurship

French regulations do not rely on other unemployed persons engaged in a living wage job, are entitled to special subsidies granted by the State in a given period. Spain to participate in the provisions of the unemployed as production cooperatives or to engage in any self-employment activities, you can be all that it should receive unemployment benefits as a lump sum entrepreneurship principal.

3.4.5. Unemployment Insurance Funds will be Used to Encourage Enterprises to Recruit Workers

Japan's approach is, in the collection of unemployment insurance premiums alone to promote employment costs, employment subsidies for the following items: The recession forced to reduce the scale of the companies to give a one-year wage subsidies for placement of internal surplus staff; for converting reorganization, the company offers a one-time special subsidies for stable employment;

employment areas is particularly difficult for the companies to give incentives offered subsidies; to create a large-scale enterprise subsidies jobs; to businesses and individuals to provide training subsidies for the unemployed directly.

3.5. Vocational Training

Western countries will focus on vocational training as unemployment insurance, many policies to encourage the unemployed to participate in vocational skills training governmental organizations in order to increase the likelihood of job success and shorten the duration of unemployment. As Britain trained and qualified to participate in the certificate of unemployed persons, respectively, according to qualification level increase in unemployment insurance benefits. United States provides vocational training of unemployed persons, may be appropriate to extend the payment of unemployment insurance (up to no more than 52 weeks).

4. The Methods to Improve the Problem of Idle Unemployed Insurance Gold

4.1. Set Emergency Unemployment Payments

Due to the current lack of unemployment insurance policy processing mechanism to deal with emergency situations, you cannot effectively deal with the problem of unemployment triggered a major crisis. Therefore, unemployment insurance emergency mechanism must be established to set emergency unemployment payments, for a special period to protect the population as cyclical unemployment during the financial crisis. When a national or regional events, resulting in increased pressure on employment, unemployed persons increased significantly when the emergency unemployment payments can be used to pay the unemployed to improve treatment for large-scale vocational training, subsidies for companies to reduce the massive layoffs for inter-regional transfer of employment of unemployed persons to provide transportation, moving subsidies.

4.2. Adjust the Payment Rate and Payment Standards

In general the unemployment insurance fund should uphold the principle of fixed income support, a slight surplus to determine the contribution rate. If a social insurance system is rigid, then they should use flexible payment levels to make reasonable adjustments to the system. Today, a lot of the unemployment insurance fund balance can adjust contribution rates and benefit levels to defuse the risk of depreciation of high accumulation fund. Thus, unemployment insurance system parameters should be adjusted accordingly as the pressure of the economic situation and the employment situation, as far as possible racking use.

On the payment standard, should change the current unemployment insurance benefits and the minimum wage linked approach, but a certain percentage of the unemployed by the unemployed former wage determination, while the maximum and minimum standards for proper control. An appropriate increase in unemployment payment standards, improve the unemployment insurance benefits for wage replacement rate, increased security efforts; unemployment insurance benefits are calculated and paid, the payment can be taken descending regressive way to shorten up to receive deadline, will receive time and unemployment insurance the gold standard for payment and hooks, the longer, the lower the standard. Meanwhile, enjoy unemployment insurance period, if the unemployed back to work and can keep their unemployment insurance benefits yet to enjoy, with future together, also can let the remaining lump sum insurance payments.

4.3. Revised "Regulations on Unemployment Insurance," While the Introduction Adapt to the Current Employment Situation of Unemployment Insurance Laws

The history of the unemployment insurance system is the history of the development of the unemployment insurance legislation, the future reform and development of the unemployment insurance system is still a need to strengthen legislation. Unemployment Insurance Reform Reality behind the development and changes in the economic environment, leading to the reality around the introduction of extending the coverage policy due to lack of legal support and execution weakened. Therefore, in the "Labor Contract Law" and "Employment Promotion Act," introduced the favorable opportunity, unemployment insurance drafting relevant laws and regulations, and to further improve the unemployment insurance and the "Labor Law", "Bankruptcy Law" convergence work. Meanwhile, the revised "Regulations on Unemployment Insurance," according to the current employment situation, to make changes in the contribution rate adjustments to improve the pay treatment, promotion of employment, etc., to change the situation of unemployment insurance idle provide legal support. Eventually forming a Constitution as commander in chief, the central and local levels of unemployment insurance legislation as the main body, other relevant laws and regulations to support the improvement of the legal system of unemployment insurance, unemployment insurance system for China to play its proper function provides strong legal protection.

4.4. Give Full Play to the Function of Promoting Employment Unemployment Insurance

According to the characteristics of the unemployed should take a different guide and incentives. For example, for the unemployed to accept job training, may continue to grant subsidies for living expenses and transportation costs; flexible employment for the unemployed, the unemployment insurance benefits may be temporarily suspended to help them accumulate professional experience, to find a more

stable job; right choice unemployed people start their own businesses, continue to be paid in its initial phase, a period of unemployment; for through legitimate employment overseas employment agencies abroad unemployed, giving part of the training fee subsidies or other outside employment subsidies to help them achieve their outside employment; for failure to perform duties due to personal cause unemployment unemployed, may be appropriate to shorten the treatment period or reduce their standard of treatment; employment and income already reached a certain standard of the unemployed, the unemployment insurance benefits suspended.

In addition to my life outside of relief for the unemployed, to suspend the payment of unemployment insurance enterprises in difficulty, the introduction of wage subsidies for enterprises and training subsidies. Wage subsidies for insurance companies to pay up to a certain period, when the recession had cut its production operations, implementation of job sharing or job rotation without layoffs, given a certain period of time (up by shortening working hours, lower wages and other measures 6 months) job subsidies and wage subsidies. The latter used to encourage enterprises to carry out long-term premium payment obligations, when the company has an internal structural adjustment, not the workers into the social, organizational staff training, giving training subsidies. Meanwhile, you can hire long-term unemployed to corporate subsidies to encourage businesses to hire the employment of disadvantaged groups.

4.5. Let Unemployed Workers can Receive Unemployment Insurance

Expand the coverage of the system is the proper meaning of the existence of unemployment insurance, should be "employees" or "worker" concept to replace the existing "enterprise workers" concept, so that each worker can be universal participation in unemployment insurance, become unemployment insurance beneficiaries. In other words, the revised "Regulations on Unemployment Insurance," to be able to solve all the problems of insured workers, particularly to solve the problem of insured freelancers, flexible employment and migrant workers and other groups. Thereby maximizing the scope of unemployment insurance to participate. At the same time, to receive unemployment insurance benefits and flexible employment conditions for migrant workers and other groups be relaxed. For example, you can specify these groups once unemployed after six months of continuous insurance can receive to a certain percentage of unemployment insurance. Unemployment insurance only covers urban and rural enterprises to expand to all kinds of enterprises, focus on solving the problem of township enterprises and their employees insured. The original authorization specifies whether the town where individual economic organizations, private non-enterprise units and social groups and their insured workers included in the scope of adjustments for uniform regulations.

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