

A Study on The Factors Affecting Flexible Employment Personnel's Participation in Urban And Rural Residents' Pension Insurance

Yang Shudong*

School of Insurance, Shandong University of Finance and Economics, Jinan, China, 250014

*Corresponding to: Yang Shudong, Shandong University of Finance and Economics, Jinan, China, 250014, yangteki2001@163.com

Abstract

The purpose of this paper is to study the influencing factors of flexible employment personnel's participation in urban-rural residents' pension insurance. After reading a large number of literature and research results on flexible employment personnel and analyzing and interpreting the urban-rural residents' pension insurance policy of Zhuhai, we take the flexible employment personnel of Zhuhai City as the object of the study, combined with questionnaire survey method, and analyze the difficulties of the flexible employment personnel's participation in the insurance by analyzing the collected data, and find out that Zhuhai's flexibly employed people have cognitive bias towards urban and rural residents' pension insurance, the government's business personnel have a vague understanding of the insurance, and some of the flexibly employed people think that the subsidy is low, etc. The government of Zhuhai City has provided the suggestions of expanding the scope of the publicity of the urban and rural residents' pension insurance, increasing publicity efforts, and providing regular training for the counterpart service personnel in order to increase the rate of the flexibly employed people's participation in the insurance, and improve the inherent bad impression of the insurance by the flexibly employed people. personnel's inherent bad impression of insurance, and further improve China's insurance system.

Keywords: Pension insurance, Flexibly employed persons, Government insurance subsidy

Competing Interests:

The author declares that there is no conflict of interest.

1. Introduction

China's high-quality economic development and the deepening of social transformation have promoted the diversification of employment patterns, and the flexible employment model has accelerated due to its adaptation to the dynamic demands of the labor market. The transfer of surplus rural labor to cities in the process of urbanization, coupled with the empowerment of the digital economy, has given rise to a large group of flexible employment in areas such as express delivery and takeaway, which can be classified into self-employed workers, knowledge-skill-based freelancers, and short-term workers under special conditions, with part-time and flexible work as their core characteristics, as well as high occupational mobility, unstable incomes, and loosening of employment relationships. In 2023, there will be 290 million flexibly employed people in China, accounting for 37% of the country's 780 million employed people, with significant growth in areas such as takeaways and express delivery. Taking Meituan as an example, the total number of platform riders in 2023 will be 6.24 million, with more than 1.2 million new registrations. This group, while alleviating employment pressure, is generally on the edge of urban and rural residents' pension insurance coverage due to cognitive limitations and lack of system suitability, and there is an obvious shortcoming in the effectiveness of pension insurance protection. It is of great academic value and practical significance to explore the influence mechanism of flexible employment on the participation of urban and rural residents in old-age insurance, in order to improve the coverage rate of the system and the social security system. This paper focuses on the flexible employment group in Zhuhai and systematically analyzes the influencing factors of their participation in the insurance system, aiming to provide theoretical support for the formulation of local policies, optimize the design of the pension insurance system, and safeguard the rights and interests of this group in old age.

2. Literature Review

Existing studies have explored the issue of urban and rural residents' pension insurance for flexibly employed people from multiple dimensions, and formed more systematic theoretical results. In the field of research on the fairness of the contribution mechanism, Wan Lei et al. (2014) pointed out through comparative analysis that the income volatility of flexibly employed people is significantly higher than that of active employees, and the current pension insurance contribution system is structurally unfair to this group; this conclusion was further verified by the follow-up study of Xue Jing et al. (2021), whose study showed that the urban-rural residents' pension insurance contribution rules are systematically discriminatory against the flexibly employed group, which directly leads to higher participation costs which directly leads to the escalation of participation costs, thus prompting this group to prefer employee pension insurance or commercial insurance as an alternative. In the discussion of factors

influencing participation behavior, Yang Chengwen (2014) found that policy trust and literacy constitute the core variables influencing the participation decision of flexibly employed people based on field research data from Guangzhou city center; Li Li and Ma Qiong's (2021) empirical study with the sample of the First Division of Xinjiang Construction Corps showed that multidimensional factors such as the number of children, individual characteristics and institutional arrangements of the unit had a significant effect on participation behavior. Research on policy implementation dilemmas shows that Jiang Qiyong and Liu Xiaodan's (2022) survey shows that under the current institutional framework, most flexibly employed people believe that the contribution standard is beyond their affordability, and that the economic pressure to participate in the insurance system has become a major obstacle; Sun Xiaoling's (2019) and Zhao Yujie's (2020) research focuses on the issue of the high contribution base and ratio, which is believed to not only aggravate the psychological resistance to participation in the insurance system, but directly lead to the bias in the participation rate of the flexible employment group. leads to structural contradictions such as low participation rate and aging age structure of flexible employment groups, among which Sun Xiaolin (2019) proposes the optimization path of reducing the contribution ratio and constructing a data support system. Zhao Yihong and Gao Shuang (2019), on the other hand, point out from the perspective of system flexibility that the existing system lacks the adjustment space to adapt to the characteristics of flexible employment, and suggest that the protection of rights and interests should be strengthened by removing systemic barriers. In terms of regional differences and policy optimization, a series of studies by Wang Xuejuan (2021) reveals that flexible employed people in less developed regions have the dual problems of weak awareness of participation and insufficient stability of contributions, and the superimposed effects of a high premium base and an aging age structure of participation further lower the overall level of participation; a study by Zhang Tingwan (2021) focuses on the policy transmission mechanism and proposes that publicity coverage should be strengthened and precise subsidies should be implemented for the low-income flexible employment groups. low-income flexible employment groups and implement precise subsidies in order to enhance the enthusiasm for participation. Zhou Jie's (2023) study on platform workers points out that the realization of their social insurance rights faces the dual dilemmas of inherent limitations of the system and the impact of new business models, and advocates the construction of a multifaceted protection system that involves the government, platforms, individuals and social organizations in a coordinated manner. As for foreign studies, Ginneken (1999) proposed that there is no significant correlation between the level of pension insurance payment and the amount of contribution, and advocated customizing the terms of pension insurance contracts according to the actual situation of flexibly employed people. However, this model is feasible in small countries, but in countries with large population bases, there are problems of high system costs and implementation difficulties, which may

result in inefficient allocation of public resources. Robert et al. (2009) show that the cost level of non-government old-age insurance is positively correlated with the coverage of social insurance. Pellisser et al. (2007) find that the level of social insurance coverage is positively correlated with the level of contributions in Asian countries. Pellisser et al. (2007) based on an empirical study in Asia found that social insurance coverage is significantly associated with the public's trust in the government, the government's ideological guidance and the publicity of social security information, while Field et al. (2010) pointed out from the perspective of individual characteristics that personality differences in literacy level, family status and other personality differences affect the willingness to participate in insurance for the flexibly employed, and that the stability of participation in the insurance system is closely related to the stability of the continuity of the level of income. FangLee Cooke's (2016) study on the current situation of flexible employment in China argues that the expansion of the group's scale and the expansion of its occupational scope have put forward adaptive requirements for pension insurance policies, and advocates that the government formulate a more flexible framework for the pension insurance system.

3. Questionnaire Design and Situation Analysis

3.1 Design of the research program

In view of the lack of special statistical data on the participation of flexibly employed people in urban and rural residents' pension insurance, this paper intends to take the three groups of drop drivers, takeaway riders and couriers as representative samples, and carry out empirical research through questionnaires. The questionnaire design contains two dimensions: one is the survey of individual characteristics and family characteristics, which covers the gender, age, income and other individual attributes of the survey respondents, and at the same time, collects family dimension data such as the number of children raised in the family and the number of elderly people supported by the family; and the second is the survey of the awareness of participation and willingness to participate, which focuses on the degree of awareness of the policy of urban and rural residents' old-age insurance and the attitudes of the flexibly employed, including the understanding of the policy and the intention to choose the level of participation. The second survey focuses on flexible employees' awareness and attitudes toward the urban-rural residents' pension insurance policy, including policy understanding and intention to participate in the insurance program.

3.2 Analysis of the basic situation of participation

After analyzing the collected data, it is found that only 27% of the flexibly employed persons have participated in urban-rural residents' pension insurance, which shows that the popularity of urban rural residents' pension insurance is still not high.

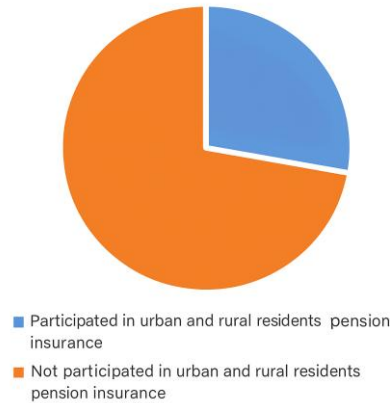


Figure 1 Participation of flexibly employed persons in insurance

An analysis of the age distribution of the survey respondents reveals that 31% of the insured are aged 40-50 and 17% are aged 50 or above, accounting for a total of 48%, while only 26% of the insured are under 30; 39% of the uninsured are aged 20-30 and 26% are aged 10-20, accounting for a total of 65%, while only 13% of the uninsured are aged 40 or above, and only 13% of the uninsured are under 40. The uninsured who are older than 40 account for only 13%. It can be seen that the general age of the uninsured is low, and most of the young people think that there is not much need to worry about old age in advance when they are young, thus choosing not to participate in the urban and rural residents' pension insurance for the time being.

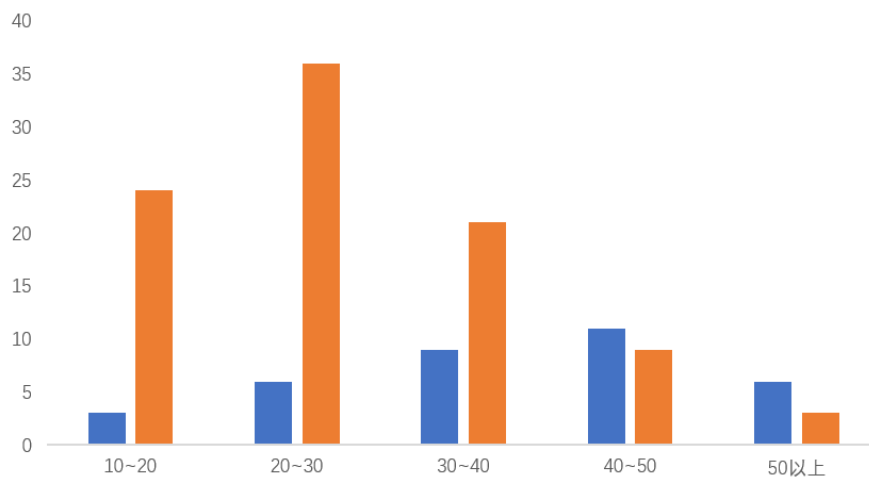


Figure 2 Age distribution of flexible employment personnel

It is also found that nearly 90% of the uninsured think that there is no problem with their

health status, while nearly 23% of the insured think that there is a problem with their health status. By analyzing the data, it can be assumed that some of the flexibly employed people choose whether or not to participate in the urban and rural residents' pension insurance after considering their own health conditions, and because young people's bodies are less likely to suffer from health problems, the overall age of those who participate in the insurance is older, so it is particularly important to publicize the traditional insurance concepts of young people.

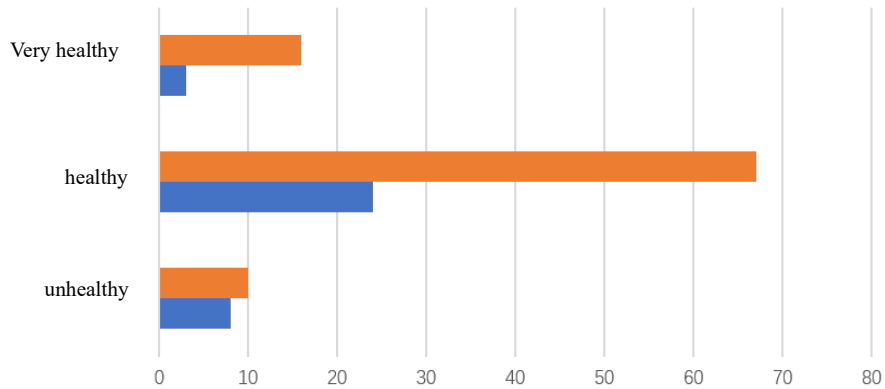


Figure 3 Self-assessment of health status of flexibly employed people

After analyzing the literacy level of the respondents, it is found that the literacy level of the insured is generally higher than that of the uninsured. 60% of the insured have college, bachelor degree or higher education, only 3% of the insured have elementary school education, and only 3% have junior high school education, while the uninsured with college education or lower account for 79% of the total uninsured, and only 20% of the uninsured have college education or higher. 20%. It can be seen that the level of education has a certain degree of influence on the participation of flexibly employed people in urban and rural residents' pension insurance, and the higher the level of education, the higher the participation rate.

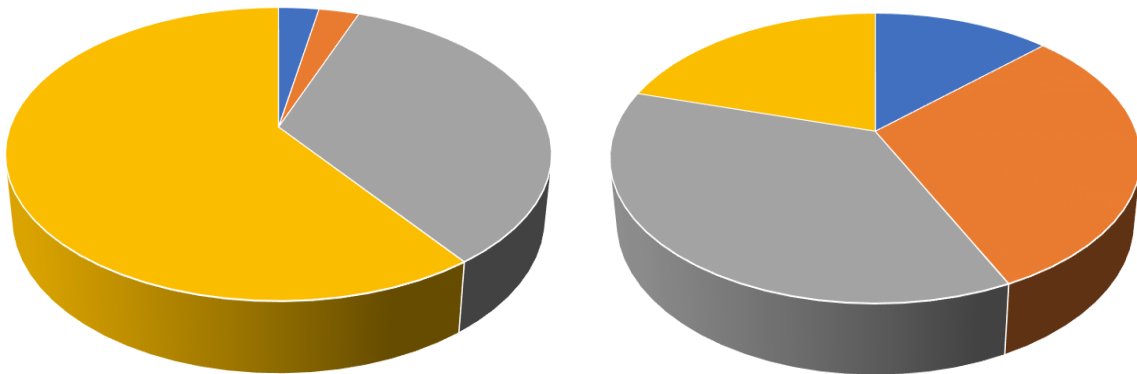


Figure 4 Distribution of educational attainment among insured and uninsured persons

By observing the collected data, it is easy to find that the income of the insured is higher than that of the uninsured on average, and those with income greater than 8,000 among the insured account for 51.4% of the total number of insured people, while those with income less than 8,000 among the uninsured account for 83.9% of the number of uninsured people. It can be seen that income is a major influencing factor on the participation of flexibly employed people in urban and rural residents' pension insurance.

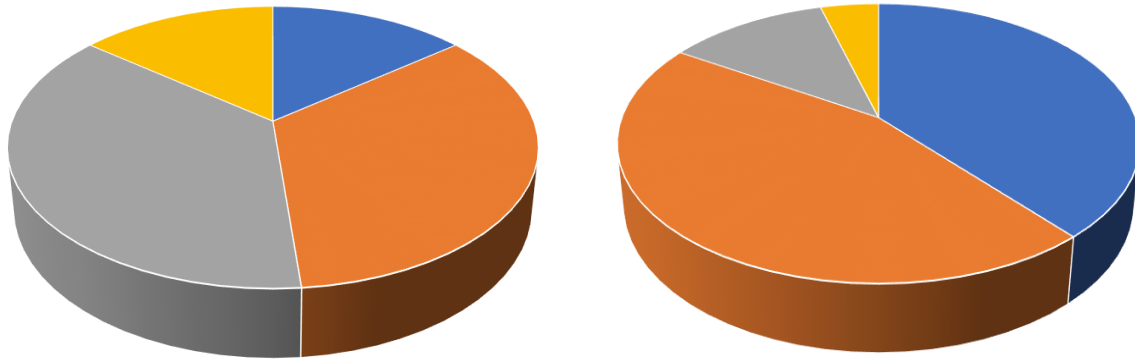


Figure 5 Ratio of income levels between insured and uninsured persons

Considering that a large part of the reasons for residents to participate in urban and rural residents' pension insurance is due to the fact that there are old people in their families who need to be supported and children who need to be taken care of, this paper collects the family information of each respondent on a household basis, and learns from the data that the pie charts of the number of old people in the families of the insured and the uninsured who are supporting old people are especially similar, with the proportion of the number of old people in the families of the insured who are supporting old people in the number of 3-4 in their families at 85.7%, and the proportion of those who are not participating in insurance. There is no significant difference in the proportion of 3-4 elderly persons in the households of the insured and the proportion of 3-4 elderly persons in the households of the uninsured is 82.8%, so it can be assumed that the number of elderly persons in the households of the insured does not affect the

participation of flexibly employed persons in the urban and rural residents' pension insurance.

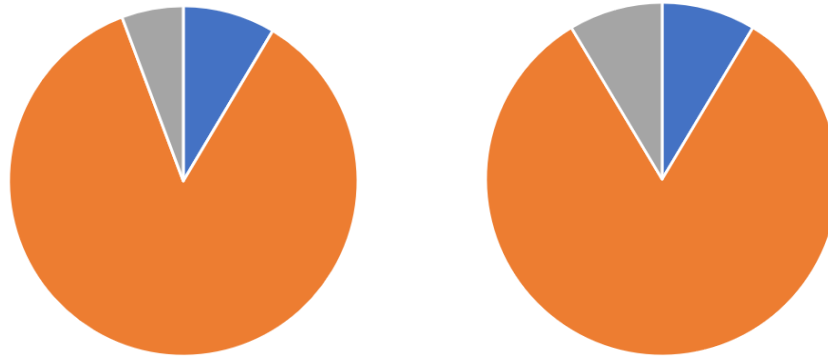


Figure 6 Number of elderly people requiring support in households with insured members and households without insured members

Through the collected data, it can be seen that 94.3% of the insured have children, while 52.7% of the uninsured do not have children, which can be seen that the presence of children has a certain degree of influence on the participation of flexibly employed persons in the urban and rural residents' old-age pension insurance; at the same time, an analysis of the families with children reveals that the proportion of insured persons with more than two children in the family accounts for 48.5%, and the proportion of those with more than two children in the family accounts for a staggering 79.5%, which can be seen that the more children the lower the participation rate will be. At the same time, the analysis of families with children shows that 48.5% of the insured have two or more children, while the percentage of families with two or more children is a staggering 79.5%, which shows that the more children there are, the lower the participation rate.

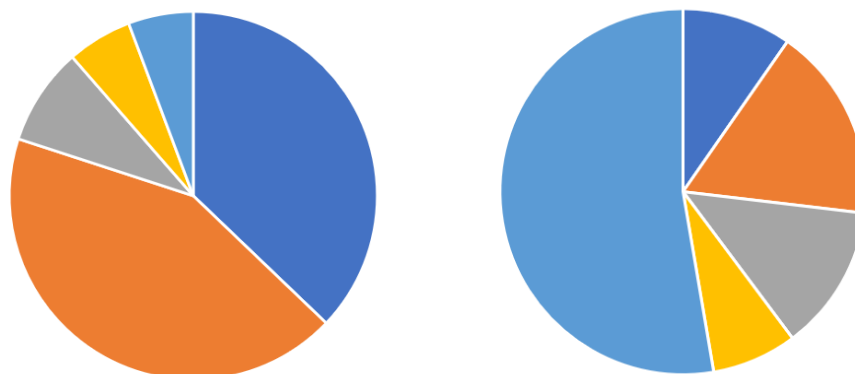


Figure 7 Number of children in households with insured and uninsured persons

4. Conclusions and policy implications

Based on the comparative analysis of the data of urban and rural residents' pension

insurance participation of flexibly employed people in Zhuhai, their participation rate is 27.34%. The empirical study shows that gender and the number of elderly people supported by the family are not significant factors affecting the participation rate, while the participation rate shows a positive trend with the increase of age, the deterioration of health condition and the increase of the number of children supported by the family. It is worth noting that the uninsured group is highly sensitive to government subsidy policies, and adjustments in the pension payment mechanism and subsidy details can significantly affect their participation decisions. Based on the above findings, this paper puts forward the following optimization suggestions: First, build a multi-level publicity system to solve the cognitive dilemma. According to the survey, 60% of the uninsured have the traditional cognitive inertia of "raising children for old age", and the insured groups do not have a clear understanding of the core provisions of the policy. This phenomenon stems from the fragmentation of the publicity mechanism - the low-educated flexible employment group's access to policy information is highly dependent on social networks. Accordingly, it is necessary to establish a three-dimensional publicity matrix: on the one hand, build a full-coverage communication network based on outdoor publicity carriers, traditional media and new media platforms to improve the policy reach; on the other hand, establish an interactive policy interpretation mechanism, and realize the precise information supply through the online question-and-answer platform in order to dissolve the public's cognitive barriers and the resistance to participate in the insurance. Second, strengthen the professional capacity building of grassroots staff. Data show that the impact of the service behavior of the staff on the decision to participate in the insurance system is neutral, which highlights the room for improving the effectiveness of the service. As the front-end carrier of policy implementation, the professionalism of the staff plays a direct role in the quality of the participation experience, and the quality of the service experience can expand the base of participants through the radiation effect of the social network. Therefore, it is necessary to build a systematic training system, focusing on improving the policy interpretation ability and service affinity of the staff, in order to optimize the initial experience of participation and strengthen the positive incentive effect. Finally, the adaptability and transparency of the subsidy policy should be optimized. The income of flexibly employed persons is characterized by instability and significant fluctuations in salary levels, which may lead to interruptions in participation.

Although the current subsidy standard is on an increasing trend, it still needs to be improved in two aspects: first, expanding the dimension of subsidy coverage, including marginalized groups in the scope of protection, and expanding the coverage of the policy dividend; second, constructing a transparent mechanism of subsidy standard, enhancing the credibility of the policy through institutionalized disclosure of information, and abandoning the mode of obtaining trust under the asymmetry of information.

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