

# *A Study of the Impact of High Quality Employment on Common Prosperity*

Wang Yiran<sup>1,a,\*</sup>, Song Qiping<sup>2,b</sup>

<sup>1</sup>*Institute of Marxism, Tongji University, Shanghai Lixin University of Accounting and Finance, Shanghai, China*

<sup>2</sup>*Institute of Finance Taxation and Public Administration, Shanghai Lixin University of Accounting and Finance, Shanghai, China*

<sup>a</sup>13311570227@163.com, <sup>b</sup>sqp0718@outlook.com

\*Corresponding author

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**Abstract:** Chinese path to modernization is the modernization of Common prosperity for all people. Common prosperity is the essential requirement of Socialism with Chinese characteristics, and it is also a long-term historical process. For a long time to come, promoting Common prosperity is an important direction and goal in the field of people's livelihood in China. Employment is the most basic livelihood. We need to strengthen employment priority policies, improve employment promotion mechanisms, and promote high-quality and full employment. This paper studies the path of Common prosperity from the perspective of high quality and full employment, analyzes the main difficulties it faces, and explores the path to promote Common prosperity.

## 1. Introduction

High-quality employment is one of the important factors to promote the common prosperity for all people. High-quality full employment can fully tap labor potential and create abundant material wealth; It can activate the potential of workers and realize the all-round development of individuals; It can increase the income of workers and narrow the gap between rich and poor. A happy life is the result of struggle, and common prosperity is created through hard work and wisdom. It is a fundamental requirement of Chinese-style modernisation to promote the Pareto optimisation of social welfare in quality employment, so that the general public can share more in the fruits of reform and development and achieve common prosperity through hard work. At present, there are shortcomings in quality employment in relation to the goal of common prosperity, high-quality employment has strong impact on shared prosperity.<sup>[1]</sup>

## 2. The mechanism of quality employment in promoting shared prosperity

High-quality employment is one of the important factors contributing to the common prosperity of all people. High-quality employment can fully exploit the potential of labour and create abundant material wealth; it can activate the potential of workers and enable them to achieve all-round

development; and it can increase workers' incomes and narrow the gap between the rich and the poor.

### **2.1. High-quality employment strengthens the material basis for shared prosperity**

High-quality employment refers to employment with sufficient job opportunities, a fair working environment, good employability, an appropriate employment structure and harmonious industrial relations. Moreover, quality employment can optimally address the urban-rural imbalance in employment structure, the industrial structure imbalance, the income structure imbalance, the labour quality imbalance and other problems. Specifically, quality employment is a manifestation of workers' full participation in productive work following the refinement of the division of labour in society. Productive activity is the first prerequisite for the realisation of common prosperity and the gradual realisation that "production is directed to the enrichment of all" (Marx, Engels, 2009), so at this stage it is necessary to consolidate the material basis of common prosperity with quality employment.<sup>[2]</sup>

### **2.2. High-quality employment strengthens the power base of common prosperity**

The mainstay of the common endeavour is human beings, who are the driving force behind the realisation of common prosperity. This means that the power base of common prosperity needs to be strengthened through the fulfilment of human needs and the comprehensive development of human beings. From an individual's point of view, high-quality employment refers to employment that satisfies one's needs and realises one's personal values, employment with more stable jobs, better income and benefits, and employment with rights and interests safeguarded and room for development. This fully reflects the fact that high-quality employment puts into practice the inherent requirements of the people-centred development ideology and implements the concrete practice of the ideology of comprehensive human development. Specifically, high-quality employment stimulates the productive potential of employed people by better meeting their needs for survival and development, and brings their creative potential into full play by meeting their needs for the realisation of their own values. High-quality employment has satisfied people's ever-increasing need for a better life, which is the driving force for shared prosperity.<sup>[3]</sup>

### **2.3. High-quality employment narrows the gap between the rich and the poor**

Narrowing the gap between the rich and the poor is the way to realise common prosperity, and high-quality employment is an important way to narrow the gap between the rich and the poor and realise common prosperity. The gap between the rich and the poor is not only manifested in the material level, but also in the spiritual level. From the perspective of the gap between the rich and the poor at the material level, high-quality employment achieves fuller employment and higher-quality employment by means of quality enhancement and expansion, and raises the income level of the employed; it promotes fair employment opportunities and increases the income of the disadvantaged groups by eliminating the unreasonable restrictions and employment discrimination that affect equal employment. It can be seen that high-quality employment reduces the wealth gap at the material level by increasing the incomes of low- and middle-income groups. From the perspective of the wealth gap at the spiritual level, high-quality employment can "realise the value of life, break down the solidification of classes, and achieve social status enhancement", so that the employed can enhance their sense of gain, happiness and security, thereby narrowing the wealth gap at the spiritual level.<sup>[4]</sup>

### **3. The dilemma of high-quality employment in the process of promoting common prosperity**

#### **3.1. The "difficult employment" of workers weakens the motivation to achieve common prosperity**

Under the condition of labour socialisation, employment is the main channel for the vast majority of people to participate in social labour, which is directly related to the individual income of workers and the creation of social wealth. The youth group is the new force of social innovation, and the employment problem of the youth group is related to the production process of the whole society and the stability of the labour market, so the high unemployment rate of the youth group will weaken the force of common prosperity. From the workers' perspective, the employment difficulties of the highly educated are manifested as "internal volume", and the employment difficulties of the low educated are manifested as "machine replacement". For those with high education, with the expansion of college enrollment and the return of a large number of overseas students, the number of employed people with high education has increased year by year, but the number of jobs in demand has not changed much, which increases the pressure of employment competition. The emergence of ChatGPT is largely a threat of "machine replacement".<sup>[5]</sup>

#### **3.2. The "recruitment difficulties" of the market weaken the driving force for the achievement of common prosperity**

With the continuous improvement of China's socialist market economy system, the main body of the market is constantly developing and expanding. Under the conditions of the socialist market economy, only when market players function well can the whole society create abundant material wealth and lay the foundation for achieving common prosperity. With the progress of science and technology, the demand of market players for high-end talents and new talents is increasing. According to the data, the talent gap in the 10 key areas of China's manufacturing industry in 2025 is nearly 30 million, and the gap rate is as high as 48%. It can be seen that there is a huge gap in the demand for talent in advanced manufacturing. From the perspective of the number of workers, China's aging rate is accelerating and the fertility rate is declining, which means that the number of young and middle-aged workers to meet the needs of market players will be relatively reduced in the future. From the perspective of labour quality, the average years of education of the rural and urban labour force has increased significantly. The increase in the number of years of education of the labour force means that the demands of the labour force for wages and treatment have also increased, and they have higher demands for their own development. For the market, the reduction in the number of workers or the improvement in the quality of workers will increase the cost of labour, which is extremely unfavourable for some market players with thin profits, especially in the manufacturing industry.<sup>[6]</sup>

#### **3.3. The mismatch between supply and demand in the labour market weakens the impetus for common prosperity**

From the perspective of talent structure, there is a considerable degree of mismatch between talent supply and market demand in China. With the continuous transformation and upgrading of industries and the research and development of core technologies such as artificial intelligence, 5G and big data, the mechanised and automated production mode is gradually giving way to information technology and intelligence, and middle-skilled workers are gradually being replaced by "intelligent" ones.

From the perspective of age structure, the continuous updating and iteration of market players'

technology and the optimisation of industrial structure require the continuous creation of a large number of young and middle-aged workers to complete, and the age structure of workers may be difficult to meet the needs of market players for innovation and development.<sup>[7]</sup>

From the perspective of the changing speed of supply and demand, the demand of market players changes faster than the adaptability of workers, and the direction of the improvement of workers' work ability changes with the change of market players' needs with a relative lag.

From the perspective of labour flow, the flow of labour to areas with good economic development is the basic characteristic of labour flow.

## **4. High-quality employment to help realise the path to common prosperity**

### **4.1. Labour supply: improving the quantity and quality of workers to meet the needs of market participants**

The worker is the creator of the whole material production process and is the basic element for realising employment activities. At present, the development of labour employment activities is more dependent on market subjects, so the training of workers should pay great attention to the changes in the needs of market subjects.

We need to increase the number of people in employment in order to promote sustainable development and achieve shared prosperity.,and make full use of fiscal and tax policies, industrial policies and financial instruments to improve the environment for economic development and increase the number of market players, increase the number of job demand positions and steadily reduce the unemployment rate of various groups. In the long run, the negative impact of the decline in labour supply should be mitigated through a combination of fertility policies and related economic and social policies, the population factor should be incorporated into the allocation of public service resources, and changes in the size, structure and distribution of the population should be fully taken into account to ensure that workers can enjoy high-quality basic public services. The supply of labour must be increased not only quantitatively but also qualitatively to provide the driving force for the achievement of shared prosperity.<sup>[8]</sup>

We need to improve the overall quality of the workforce and better meet the needs of market players in the process of all-round human development. First of all, we need to change the education model of "overemphasising knowledge and underemphasising skills". The education mode that combines theory and practice is more conducive to cultivating employees' abilities, so higher education and vocational education should "grasp with both hands, both hands should be hard". Higher education should make full use of its advantages in scientific research, improve the research ability of basic disciplines and guarantee applied research. It is also necessary to establish a dynamic adjustment mechanism of disciplines and specialties and a guidance mechanism for the development of characteristics, and pay attention to the training of basic and high-level research-oriented talents in response to changes in market demand. The enrolment scale of vocational education should be expanded to provide highly qualified personnel and professional technical personnel for the labour market. We need to improve the training quality of vocational students, deepen the integration of production and education, school-enterprise cooperation, and make better match to labour market supply and demand; pay attention to vocational re-education while ensuring the employment quality of incremental workers; continue improving the employment quality of stock workers, paying special attention to the employment of difficult groups; we will promote the development of a lifelong education system so that workers can better adapt to market changes and meet the requirements of new business forms and models through lifelong learning.<sup>[9]</sup>

## 4.2. Market Demand: helping market players to be better and stronger, and providing quality jobs for workers.

The provision of jobs is crucial to the realisation of employment activities, so to ensure employment is to ensure market entities, and to stabilise market entities is to stabilise employment. We will increase support for market participants, help them solve their difficulties and ensure a large number of jobs. At this level, I think the most important thing is to increase support, encouragement and guidance for the non-public.

China's private economy continues to develop and grow, contributing more than 50% of tax revenue, more than 60% of GDP, more than 70% of technological innovation achievements, more than 80% of urban labour employment, more than 90% of the number of enterprises, and is an important foundation for economic stability, an important source of national tax revenue, an important subject of technological innovation, and an important support for financial development. China's economic development can create the Chinese miracle, the private economy is indispensable. At present, we have reached a historic stage of solid efforts to promote common prosperity. Our private entrepreneurs should strengthen the sense of family and country, consciously practice the people-centred development idea, and enhance the sense of responsibility and mission to promote common prosperity. Private enterprises should actively build harmonious labour relations within the enterprise, promote the building of a community of interest of all workers, so that the achievements of enterprise development can benefit the workers more fairly.

Therefore, on the one hand, we need to improve the accuracy of identifying the difficulties of market participants, so that market participants with "products with markets, projects with prospects and technologies with competitiveness" can reduce the risk of business difficulties caused by sudden external shocks. However, we should avoid a flood of bailouts, which would undermine the screening of obsolete capacity through market competition. On the other hand, we will increase the use of rescue funds, reduce taxes and fees, and provide financial support to significantly reduce the burden on market participants. At present, more support should be given to market players hit hard by the COVID-19 epidemic to help them quickly resume production and operations and create more jobs. We will encourage independent innovation by market players, provide them with policy support and ensure a sustainable and stable supply of jobs. We will encourage market players to innovate and provide sustainable vitality for stable employment. We will further deepen the reform of "management service liberalisation", activate the vitality of market players, and let market players dare to innovate and develop. We will build a technological innovation system with enterprises as the main body, the market as the guide, and deep integration of industry, universities and research institutes. We will improve the incentive mechanism for scientific and technological innovation, and establish a multi-level system for evaluating and rewarding innovation achievements, an intellectual property protection system, and a property rights incentive system that effectively links R&D and innovation activities. By doing better, we will strengthen market players, provide more quality jobs for workers, and consolidate the material foundation for shared prosperity. We will support and standardise the development of new forms of employment, absorb some of the surplus labour and expand the channels for achieving shared prosperity through employment. The problem of "machine replacement" leads to a relative surplus of simple labour, and based on the logic of survival, this group will change jobs and engage in new jobs in other industries to meet their survival needs. In 2021, the added value of the "three new" economy, such as new industries, new business forms and new business models, will account for 17.25%, which shows that the "three new" economy has huge development potential and can provide new jobs. Therefore, promoting the development of new industries, new forms of business and new business models, and putting more people to work is conducive to realising common prosperity.<sup>[10]</sup>

### **4.3. Structural equilibrium: speed up the construction of a unified labour market, improve the system for protecting workers' rights and interests, and formulate a targeted talent policy**

The mismatch between supply and demand in the labour market is due to the imperfect unified labour market. Therefore, the key to building a modern labour market system is market-oriented factor reform. We should focus on building a market system with unified markets, equal exchange and smooth flow. At the same time, we should improve the system for protecting workers' rights and interests, especially the rights and interests of workers in flexible employment and new forms of employment.

1) We need to speed up the construction of a unified labour market, improve the degree of matching between "employment" and "recruitment", and achieve high-quality full employment. On the one hand, we should establish a sound macro-control system of the labour market, coordinate the allocation of labour factors among regions, urban and rural areas and departments, and improve the efficiency of employment matching. On the other hand, we should build a database on the supply and demand of labor resources, effectively link the demand of the "recruitment" side and the "employment" side, use the database to accurately grasp the changes of supply and demand in the unified labor market, and timely guide the people waiting for employment to adjust their expectations and improve the employment level.

2) We need to improve the system for protecting the rights and interests of workers. Firstly, we need to improve labour laws and regulations, formulate, revise and improve laws in a timely manner, and make up for the shortcomings of labour laws and regulations, so that labour laws and regulations can meet the needs of practice. Secondly, we need to strengthen the construction of trade unions in accordance with the law, give full play to the power of trade unions so that workers can consult with employers on an equal footing, and promote the coordinated development of labour relations under the new situation. Finally, we need to strengthen the protection of the rights and interests of workers in new forms of employment. The new form of employment is a new thing. It is necessary to establish a dynamic mechanism for investigating new forms of employment, introduce appropriate policies and legal systems, and effectively protect the legitimate rights and interests of workers in new forms of employment. The related department need to improve the current social security system according to the characteristics of new employment forms, allow new employment form workers to participate in local insurance, and encourage uninsured practitioners to participate in insurance according to regulations, so as to ensure that all insurance should be covered.

## **5. Conclusions**

High-quality employment is an essential part of promoting Chinese-style modernisation, an important part of improving people's well-being, an inevitable means of promoting common prosperity, and an important practical issue in adapting Marxism to China. In the new stage of development, achieving quality employment for a workforce composed of human capital at multiple levels has become the foundation for consolidating the goal of shared prosperity. In this regard, it is necessary to actively explore an employment promotion system that takes the demand side of labour as its starting point, to make use of the combined effects of macroeconomic and industrial support policies such as fiscal and monetary policies, as well as a comprehensive system of human capital accumulation, to achieve high-quality employment by stimulating the vitality of enterprises and completing the transformation and upgrading of their skilled manpower, and to formulate a more attractive human resource policy, so as to consolidate the foundations of the goal of common prosperity.

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