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9<sup>th</sup> Meeting of the UN Expert Committee of Public Administration

**Challenges for Public Administration Leadership in  
the Context of FEC**

A Chinese Case

# Opportunities for Public Administration Leadership in the Context of FEC

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- ▶ Challenges:

- The Global Financial Crisis

- ▶ Responses:

- A series of decisive measures and their effectiveness

- ▶ Observations :

- Public Administration Leadership



## I. Challenges

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### China and the world in Year 2008

**Foreign investment in US\$: 2.56 trillion**

Foreign trade: US\$: 56 trillion

Investment in foreign countries in US\$: 40.7 billion

Foreign students: 223,000


Students study overseas: 179,800

Foreign visitors to China: 24.33 million

Chinese going to foreign countries/regions: 45.84 million (75% of them private)

China's Internet population: 300 million (broadband: 270 million)

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# I. Challenges

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## The Global Financial Crisis

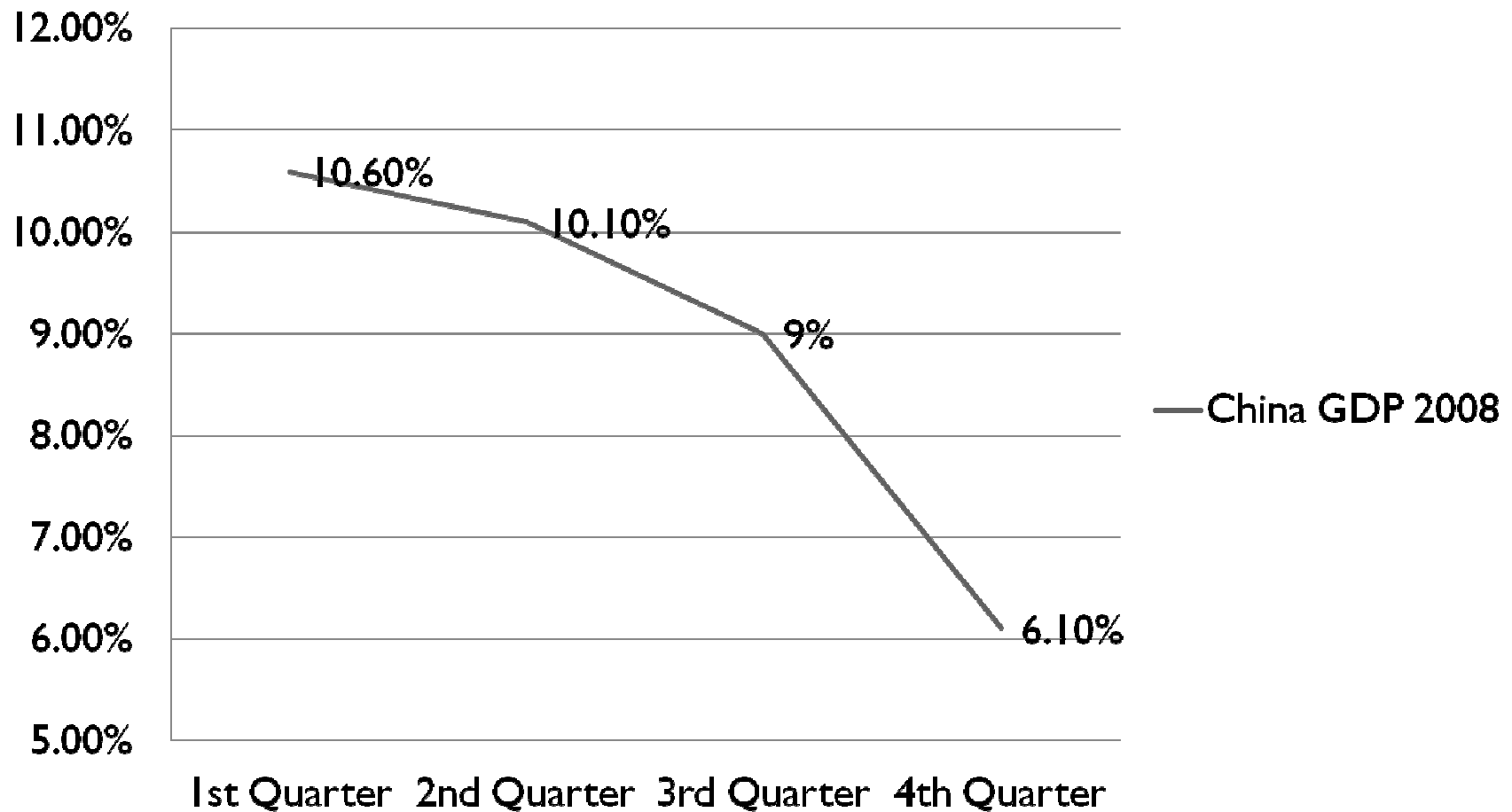
- ▶ Suspend and closed down factories
- ▶ Declining exports and import
- ▶ Slow down in growth | 0.6% to 6.8%
- ▶ FDI: number of approved FDI projects dropped by 39 %
- ▶ The employment situation became grave, facing the most severe difficulty and challenge since 2000
- ▶ The registered urban unemployed people : **9.3 million**
- ▶ At the beginning of 2009, **10 million** rural migrant workers lost their jobs



# Slow down in growth

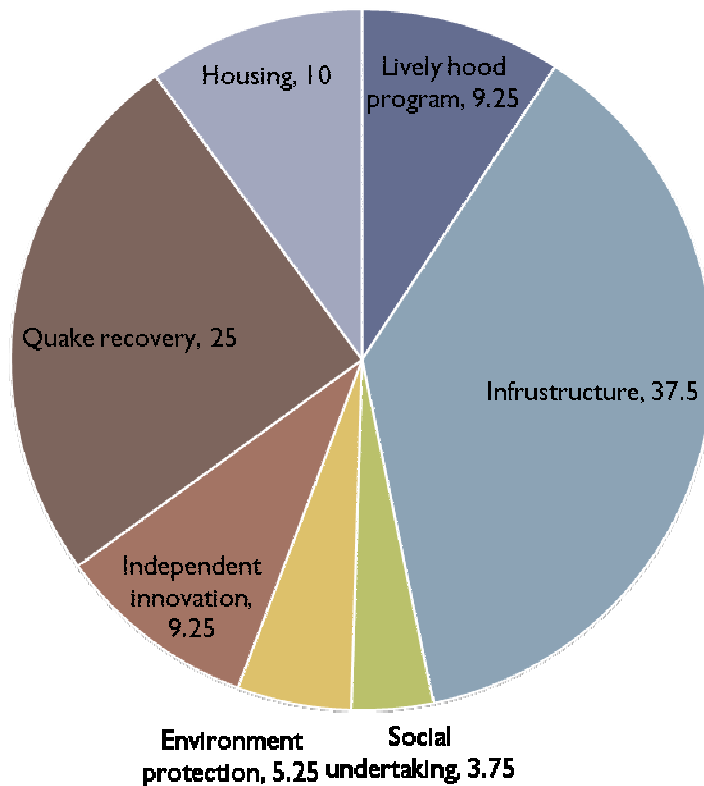
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## China GDP 2008



## II. Chinese Government Responses

Increase the government spending  
The 4 trillion RMB biennial investments



### Note:

1. Lively hood programs: water, natural gas, electricity, road etc.
2. Infrastructure: large scale infrastructure projects such as rail way, high way, water conservancy and restructure of electricity net in the urban area;
3. Social undertakings: health, education and culture;
4. Environment protection: projects on saving energy, reduction of emission, and ecological construction;
5. Independent innovation: facilitating independent innovation in key areas.
6. Quake recovery: recovery and restructure for the Wenchuan earth quake areas;
7. Housing: Indemnificatory housing such as low rent housing and shanty town building

## II. Chinese Government Responses

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Promote employment and preserve jobs

Free service	Job vacancy information
	Job placement
	Occupational guidance
	Policy consult
Special programs	Internship program: 3 years for 1 million students
	Spring Breeze Campaign
	Special vocational training program
Priority groups	University graduates: 6.1 million
	Rural migrant workers: 225.5 million
	Hard to place population

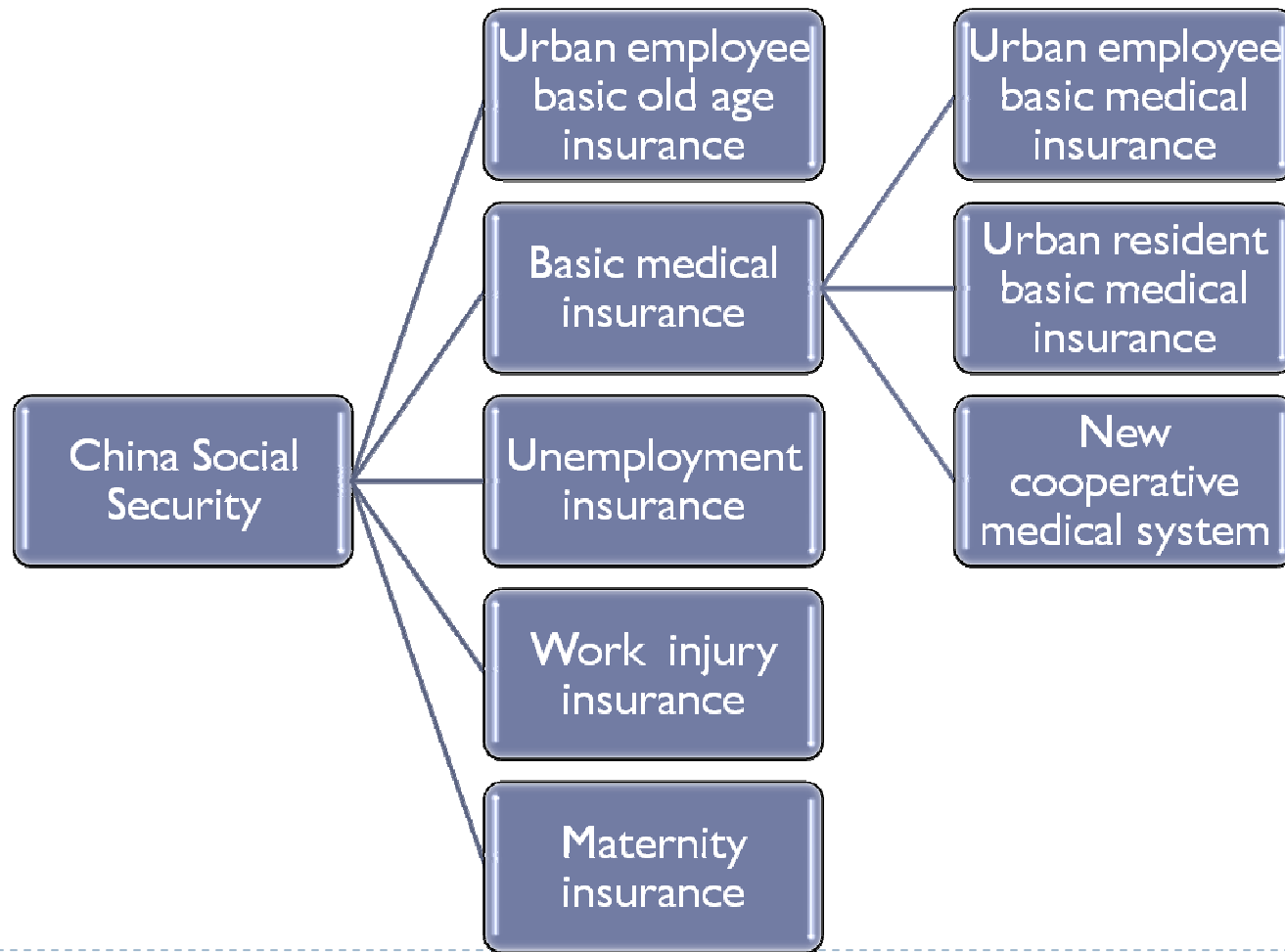
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## II. Chinese Government Responses

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### Improve the Social Security





## II. Chinese Government Responses

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### Improve Social Security

- ▶ Expand the coverage:
  1. Private sector employees
  2. Rural migrant workers
  3. Self employed
  4. People with flexible employment
  5. Rural residents (new rural social old-age insurance)
- ▶ Increase the benefit level
  1. Urban employee basic old age insurance
  2. Unemployment insurance
  3. Work injury insurance



## II. Chinese Government Responses

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### Effectiveness of the measures

- ▶ Workers trained: 21 million
- ▶ Roads built: 380,000 km
- ▶ Electric power lines upgraded: 266,000 km
- ▶ Dilapidated houses renovated: 800,000
- ▶ Permanent housing for nomadic people: 92,000 families
- ▶ Low income housing, rural drinking water safety projects benefited 60.69 million people,



## II. Chinese Government Responses

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### Effectiveness of the measure

#### Central financial support to quake zone

	RMB Yuan	US \$
2008	74 billion	10.82 billion ( 1=6.834)
2009	130.4 billion	19.09 billion ( 1=6.828 )
2010	97.4 billion	14.27 billion ( 1=6.825)

#### Major Recovery and Reconstruction Project ( by Jan. 2010 )

	No. of Project	Budget in RMB yuan	Budget in US \$
Projects planed	29,700	979.8 billion	143.5 billion
Projects started	28,200		
Projects completed	21,900	614.57 billion	90 billion
Completion rate	73.88%	65.48%	



# Earth quake zone

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## II. Chinese Government Responses

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### Effectiveness of the measures

- ▶ New jobs were created in urban areas: 11.02 million, 122% of the 9 million original annual target
- ▶ Laid-off and unemployed workers reemployed: 5.14 million, 103% of the 5 million target
- ▶ Vulnerable workers employed: 1.64 million, 164% of the 1 million target
- ▶ The pension schemes are in place in almost all provincial regions
- ▶ New rural pension insurance system in 320 counties out of 2861 county level regions (11.8%)

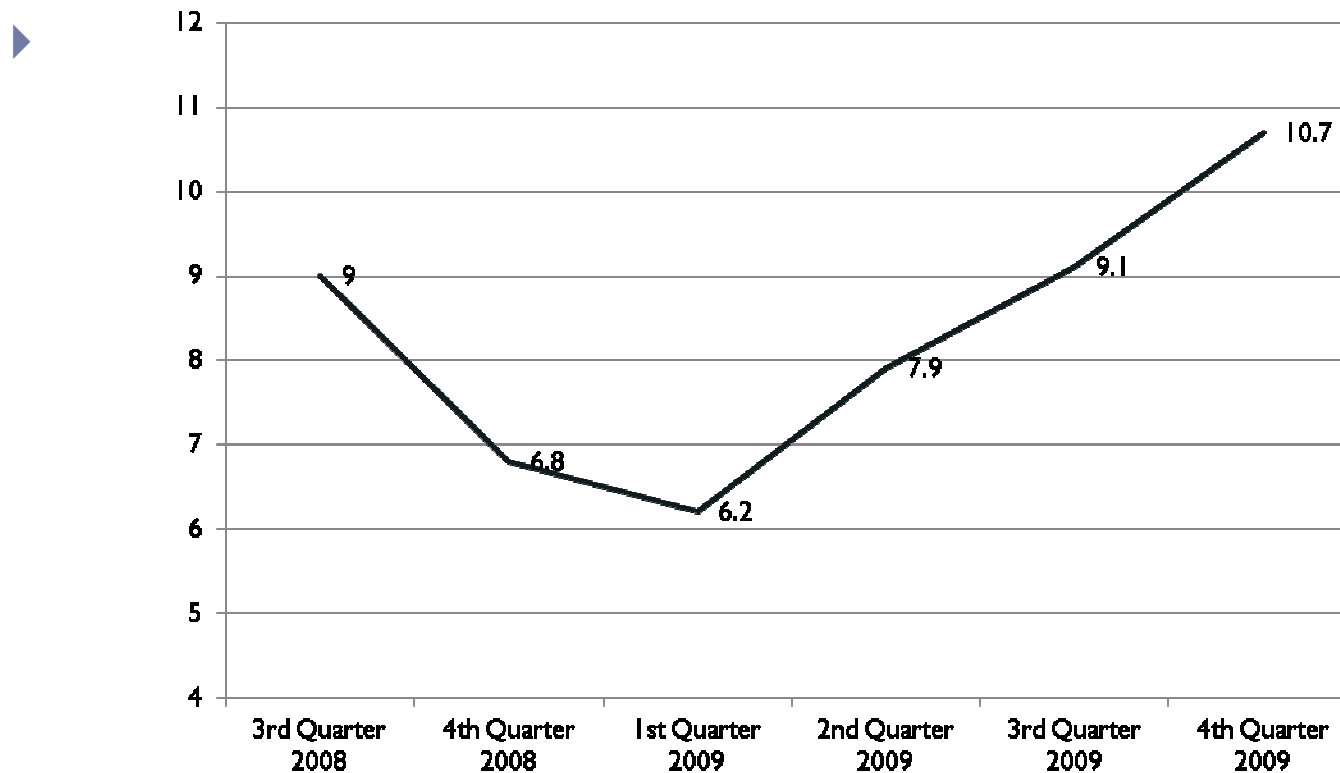


## II. Chinese Government Responses

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### The effectiveness of the measures

- ▶ GDP since GDP resumed growth: A V shaped rebound in GDP growth from the 3rd quarter of 2008 to the end of 2009. Annual average growth is 8.7% in 2009



## II. Chinese Government Responses

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- ▶ Effectiveness of the measures



Source: National Bureau of Statistics

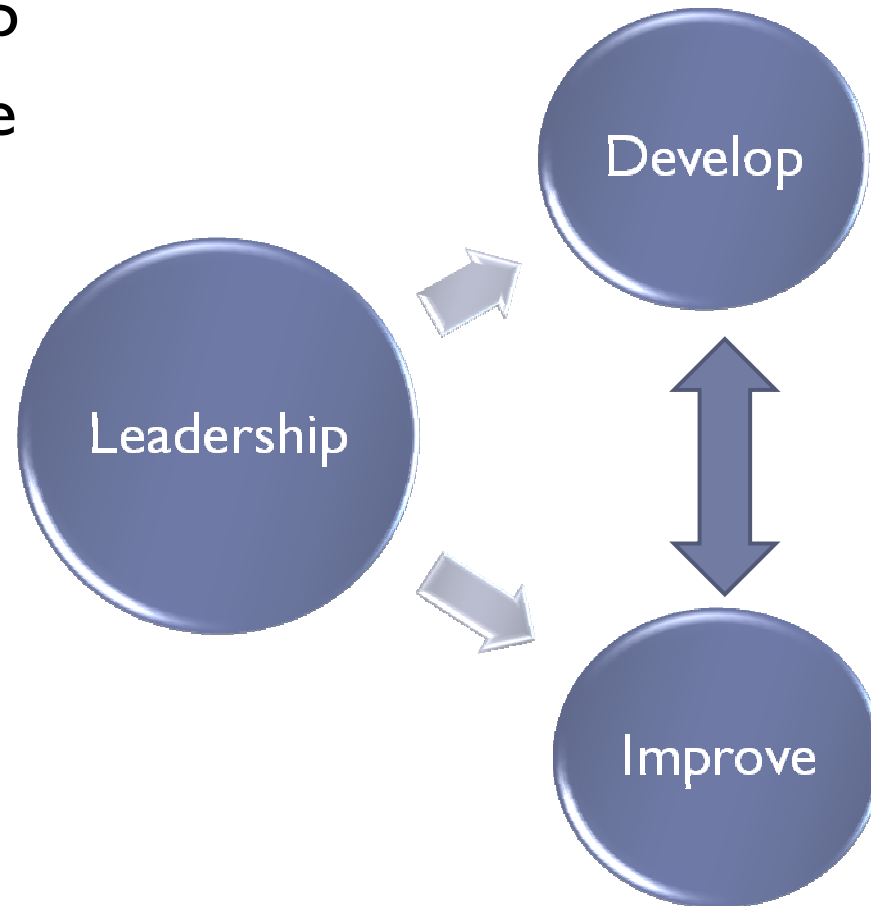


### III. Observations

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Public administration leadership is about the capacity to

- 1. Develop
- 2. Improve





# III. Observations

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## Public administration leadership

<b>Capacity to develop</b>	Develop the economy Basis for the well being of the nation and the people Basis for social progress Primary task for public administration
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<b>Capacity to Improve</b>	Reform and open up Learn from other and from self Keep national condition in perspective The 2008 administrative reform
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# Reform and open up

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## The 30<sup>th</sup> anniversary of the Opening-up

	GDP	AADIUR	AAIF	PPR
1978	364.5 billion	343	134	250 million
2007	24.95 trillion	13786	4140	14 million

an increase of 6.5 times

Note: AADIUR average annual disposable income of urban residents  
AAIF average annual income of farmers  
PPR poor population in rural area



# I. The Year 2008 in Retrospect

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## I. A major government restructuring



- ▶ Main goal: transform the government functions; provide equal access to public service to the general public; greater emphasis on social management and public service delivery ; better delineation functions between different agencies
- ▶ State Council composed of 28 ministerial departments
- ▶ Ministry of Human Resources and Social Security (MOHRSS) was established on the basis of merging the Ministry of Personnel and the Ministry of Labor and Social Security
- ▶ The ministry is responsible for social management and public services, including promoting employment, stabilizing labor relation and improving social security;
- ▶ The ministry is also responsible for public personnel administration for China's 6 million civil servants and 34 million public institution employees



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Thank You

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