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The two-child policy in China: a blessing or a curse for the employment of female university graduates?

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Introduction

The negative impact of the mothering role on women's participation in the labour market has been well examined in the western context, where women with childcare responsibilities often assume part-time employment or take a career break (e.g. Fagan and Rubery, 1996). Policy attention, albeit with varying level of success, has been directed to address gender inequality in employment, particularly in nation states of the European Union (see Grimshaw and Rubery, 2015; Rubery, 2013). By contrast, while a significant level of gender equality in employment in China has been achieved during the state-planned economy period, measured by the extent of women's participation in full-time employment and the relatively small gender pay gap (Gustafsson and Li, 2000; Nie *et al.*, 2002), gender discrimination has increased substantially as a result of the deepening marketisation of the economy since the 1980s in China (Cooke, 2012). In particular, labour market discrimination against women of childbearing age, especially against female university graduates, is a salient feature.

To date, female university graduates' employment in China and the longer-term impact of recent social policies on their economic and social well-being have received limited research attention outside China. Yet this is not a small cohort of the labour force with a relatively high level of human capital. Owing to the dramatic expansion of higher education (HE) since the early 2000s, some 7.7 million students graduated from HE institutions in 2016 compared with 2.12 million in 2003. In 2014, women made up approximately 52.1 per cent of undergraduate students, 51.6 per cent of postgraduate and 36.9 per cent of PhD students (The State Council of China, 2015). This has led to the oversupply of

graduates who are deemed over-qualified but under-skilled by many employers who seek practical skills and work experience. A direct labour market consequence for these graduates is a prolonged period of unemployment, under-employment and a falling wage premium (Li *et al.*, 2016). According to Huang and Bosler (2014), the wage premium paid to HE graduates fell by 19 per cent since the late 2000s.

Women make up 45 per cent of HE graduates and, since the ending of the state job allocation system in the 1990s, have encountered increasing sex discrimination in employment largely due to their mothering role (Cooke, 2012). While labour regulation is in place to protect female workers against unlawful discrimination, non-compliance is the norm, even within the state sector and government organisations (Cooke, 2001). For example, in the banking sector where more than half the workforce are female graduates, branch managers often specify the number of female employees who are allowed to become pregnant each year in order to ensure staffing levels. What drives this endemic discrimination? What strategy do (some of the) female university students adopt, for example, entering motherhood early/prematurely, to enhance their employment prospects? And how may this strategy affect others concerned?

In late 2015, the Chinese government ended the one-child policy that was imposed on the nation since the early 1980s to allow each married couple to have two children (with effect from 2016) in order to address emerging social issues related to the ageing population. What impact is this new policy having on women, particularly female university graduates? It is important to note that university students are relatively young in China, even at the Masters and PhD degree level, with the majority still in their twenties upon graduation, and only a very small proportion become mothers during their study period. The relaxation of birth-control policy and the discriminatory response of employers are therefore likely to exert further pressure on young female university students. What is, then, the broader social cost of the two-child policy?

At the same time, one labour market consequence of the oversupply of inexperienced university graduates is the growth of informal employment,¹ a form of employment that already makes up over 60 per cent of employment for the national workforce. The proportion of university graduates taking up informal employment has been rising in recent years. A survey of 2,009 graduates found that 22 per cent chose self-employment (自主创业) as their preferred mode of employment, a substantial increase from just 6 per cent in 2008. This trend might reflect the decline of jobs in the labour market as a result of the Global Financial Crisis (cited in Liao and Wu, 2013). It indicates that informal employment has become an important channel to reduce graduate unemployment and is increasingly accepted (Wang *et al.*, 2016).

The new wave of employer discrimination in the light of the new birth-control (two-child) policy is likely to push more female university graduates into informal employment, with potentially negative implications for their life-time employment outcomes, including for example, job security, wage and pension income and social benefits entitlement. Given that childcare support has been relatively poor in the private sector and work–life balance initiatives to support workers with care responsibilities mostly absent, the role of the extended family is likely to become even more important than before.² Will this added requirement for family support rekindle some of the traditional Chinese cultural values and what social policy implications may this have for encouraging the return to a greater emphasis of family values that have been weakened in the marketisation of the economy?

This chapter aims to address the above issues to fill some of the knowledge gaps. It argues that, given current gender norms and persistent employer discrimination, the recent amendment of the birth-control policy in China may paradoxically weaken women's bargaining power and position in the labour market with long-lasting effects, not just for women but for their family as a whole. It draws on interview data with professionals in the public sector and banking sector to explore how employers and female graduates are interpreting this change of policy and what it has meant for the employment opportunities of female graduates. It calls for the need to monitor the labour market effects of this policy for women in order to highlight new forms of gender discrimination that may arise, and mechanisms and interventions that can be put in place to ensure that different social policies do not compromise each other, and that the enactment of one policy does not undermine the interest of a large segment of the population that it aims to protect. It has been cogently argued in the European context that it is important to contextualise policy changes within the broader social policies and approaches to care, as well as to examine employers' strategic responses to policy changes to assess the wider impact of any policy changes, and this chapter adopts a similar approach in examining the impact of the two-child policy on university women graduates' employment prospects.

Government policy and impact on university graduate employment

Two policy initiatives introduced by the Chinese government since 2014 have strong implications for women graduates' employment prospects. One is the 'Public Entrepreneurship and Innovation' and the other is the full implementation of the two-child policy. The following section outlines these two initiatives.

Unemployment pressure and government initiative

Some 10 million HE graduates competed in the job market in 2016. They consist of 7.7 million university graduates in 2016, 0.3 million overseas graduate returnees and 2 million unemployed graduates from previous years (Wang *et al.*, 2016). Flexible employment (e.g. agency employment and temporary employment) and self-employment (or 'entrepreneurship' as the more sophisticated label) are becoming alternatives for an increasing number of university graduates (Wang *et al.*, 2016). As graduate employment is a performance indicator for universities, students are often 'encouraged' by the university to find an employer and sign an employment contract or become an entrepreneur (self-employed) before they graduate. The latter deprives these young graduates of employment security and other social security protection, despite a small amount of start-up subsidies as a favourable policy provided by the government.

In September 2014, the Chinese Premier Li Keqiang first mentioned 'Public Entrepreneurship and Innovation' (大众创业、万众创新 'public entrepreneurship mass innovation') at the World Economic Forum. In March 2015, 'Public Entrepreneurship and Innovation' was officially written into the Government Work Report, as a national strategy in response to the aggravating unemployment problem (The State Council of China, 2015). The State Council and local governments have subsequently introduced a series of policy measures to promote HE graduate employment and entrepreneurship. However, graduate entrepreneurship as a high-profile national strategy for employment and economic growth has attracted much skepticism as to how realistic it is to expect the youngest, poorest and most inexperienced, with limited entrepreneurship training, to become successful business people in a short period of time. The encouragement of flexible employment and particularly self-employment signals the end of the state commitment to formal employment for university graduates and may push those most disadvantaged in the labour market into insecure work (see Wang *et al.*, 2016).

Two-child policy and its uptake

As noted earlier, the one-child policy was enforced in the early 1980s to control the rapid population growth in China. The two-child policy was partially adopted in 2013 for married couples who are the only child of their family as an incremental policy to increase the population to address socio-economic problems associated with the care and cost of an ageing population.

From 2016 onwards, the two-child policy was implemented for all married couples.

The full implementation of the two-child policy has serious economic, institutional, social and organisational implications for the government, employers and families that require social policy attention. Several key issues are highlighted below (see Money163.com, 2016; Wang, 2016):

- 1) Who will guarantee women's employment rights vis-à-vis the widespread gender discrimination in the labour market without penalty to the offending employers?
- 2) Who will provide childcare services? Many grandparents have been looking after the first grandchild. As they grow older, they may not be able to look after the second grandchild or to look after two grandchildren together.
- 3) Who will finance the upbringing of the second child? The cost of living is increasing sharply in China mainly due to the rising cost of housing and raising a child (e.g. education and healthcare for a child, loss of income for the mother, and childcare cost). Couples want to provide the best milk products, best toys, best schooling and extra curriculum activities such as music, arts and sports for their child. Parents also compare and compete against each other (Cooke and Xiao, 2014).
- 4) Where will the child receive education (from nursery to high school)? There is a severe shortage of good-quality nurseries and schools. Parents are willing to pay high prices for their child to attend the best nursery/school they can afford, thus raising the bar of entry to schools and rocketing the housing prices of residential areas with popular schools. For those outside the nursery/school catchment area, significant resources will be needed to secure a place for the first child. For the second child this will be more challenging.
- 5) And, consequently, what social policy should be introduced to facilitate the implementation of the two-child policy (e.g. tax reduction for families with a second child, family allowance for nursery and maternity subsidy for employers) by reducing the burden of care?

Existing studies of the implementation since 2013 of the two-child policy for married couples who are the only child of their family revealed that a much lower proportion than anticipated of those qualified to have a second child have opted to do so. Three main reasons deter them from having a second child: financial pressure, childcare pressure and career pressure for women (Peng, 2016). According to the Third National Survey of Chinese Women's Social Position conducted in 2010, that is, before the full implementation of the two-child policy (cited in Song, 2016), women surveyed believed that having a

second child would significantly reduce their employment in the urban area. Similarly, a survey published by Ganji.com revealed that 76 per cent of career women surveyed opted not to have a second child for financial reasons; 71 per cent anticipated difficulty in balancing their family and career; and 56 per cent admitted that having a second child might affect their career negatively (cited in Villarias, 2016). At the same time, some women face pressures from their family to have a second child to carry on the family line.

Impact of the two-child policy on employers

Under normal circumstances, the overhead cost for staffing is 40 per cent for an employing organisation, in addition to what is believed to be a rather heavy business tax (e.g. Peng, 2016). The cost associated with childbearing and child-rearing is the main deterrent for employers to hire young women who have yet to fulfil their motherhood role (HRBar, 2016; see Table 12.1 for a summary of indicative cost). When a female employee is pregnant, the employer must continue to pay her salary and benefits, in addition to the cost of hiring

Table 12.1 A summary of indicative maternity costs for female employees in China

Three periods	Length	Cost involved	Potential problems
<i>Pregnancy</i>	10 months	Long-term sick pay (see below) Overall cost of temporary replacement staff	Disruption of work flow Difficulty in finding temporary replacement staff
<i>Maternity</i>	4 months onward	Maternity wage (including wage differential where applicable) Overall cost of temporary replacement staff	Resignation of the new mother when maternity leave is over Slow arrival of the maternity subsidies applied by the employer, causing delays in compensation
<i>Breast feeding</i>	8 months	Sick leave of the new mother, regular leave of absence associated with childcare (e.g. child being sick or temporary absence of childcare arrangements)	Slack performance of the mother due to legal protection of employment rights during the ‘Three Periods’

Source: Adapted from HRBar, 2016.

another person to fill the place during the pregnant woman's absence from work (pregnancy checks, maternity leave, breastfeeding leave, leave of absence when the child is sick and so on). In addition, mothers of young children may be much less flexible in terms of working time due to childcare responsibilities (e.g. Li, 2015). This is particularly problematic in China where overtime may be required at short notice, often unpaid or under-paid. In addition, as China is encountering an economic slowdown, many companies are transitioning and upgrading their business. Downsizing to increase efficiency has become an inevitable part of the change, which presents a problem for employers as, by law (albeit not well enforced), they cannot reduce pay or dismiss female employees who are not working during their 'Three Periods' (pregnancy, maternity and breastfeeding), as defined in Table 12.1.

The author's interviews with several employers (both public and private sector) and female employees in public sector professional organisations in 2015 and 2016 revealed three types of behaviour from female employees during pregnancy and maternity leave that make employers wary. It should be noted at the outset that this may not be a widespread phenomenon across the country (gaming may be less possible in the private sector with performance-related pay or for low-earner families who need the wage); nor is the intention here to justify employer discrimination against pregnant women. Rather, these incidents are intended to demonstrate the two sides of the story/behaviour and how these behaviours may impact on the other party in negative ways. The first type is gaming behaviour which is the most costly and inconvenient for employers. Some women will take sick leave (paid or unpaid) once pregnancy is confirmed until childbirth in order to ensure a smooth pregnancy and take full advantage of any pay entitlements – one female employee in a public sector organisation was disclosing how she took advantage of the system for most of her pregnancy and even when she went to work for the limited days, she arrived late and left early. Then the new mother will take maternity leave and may extend the leave with sick leave or other leave of absence until the company presses her to return to work. Some mothers will then quit their job when the employer is no longer willing to keep the position open for her. In this situation, employers may lose out if the employee did not submit her application for maternity subsidy from the social security outlet. The research found that some employers resort to stopping the new mother's wage payment until the maternity subsidy arrives to avoid this loss and then will pass the payment directly to the employee on maternity leave. A second behavioural scenario that was uncovered from the interviews is that the pregnant woman will continue to work but work more slowly, forcing the employer to hire someone else to share part of her workload. A third type of behaviour reported by managers is that pregnant women

may attend work but may be slack in their performance and disrupt others by chatting for prolonged periods about their pregnancy experience and so on. As a branch manager of a state-owned bank where the majority of employees are women remarked:

Few pregnant staff work as normal to complete their task without asking for special treatment or having long periods of leave of absence. The younger generation of women are very delicate and cannot endure hardship like the earlier generations. Parents and grandparents also treat the baby a lot more preciously these days than we used to when we had several children in one family and when everybody had to work hard to make a bare living.

An employer from a private service company shared similar sentiments, pointing out the inadequate role of the state in financing the childbirth policy:

From the government's point of view, encouraging childbirth and increasing the quality of the population is beneficial to the country's long-term development. However, employers should not bear the bulk of the cost of childbirth. Such a burden will deter employers from hiring and promoting women with childrearing responsibility. The government as the policy maker should take more social responsibility, reduce taxation for businesses which have a large female workforce, increase maternity social security benefits to the individual and the employer, and give special consideration to companies that need to carry out business restructuring and lay off their employees, including women during their Three Periods. If we hire a young female post-graduate who is typically 24 or 25 years of age, train her up and then in 2–3 years' time, she will have a child and then a second one. For those whose family financial situation is good, they may choose to quit the job and become a full-time housewife for a few years. This will be costly for the business. So we prefer to hire men.

Even in the public sector where labour costs may be less of a concern, staff shortages due to maternity may be difficult to manage for the organisation. For example, interviews with school headmasters show that the two-child policy is already having an impact on the staffing levels and the workload of the existing workforce, particularly at workplaces which are primarily staffed by women, such as banks and schools. In one of the schools, where the majority of teachers are women, three out of seven school teachers teaching the same year/grade were pregnant a few months after the enactment of the policy. Two of them have taken long-term leave to ensure a smooth pregnancy and a healthy newborn. As one of the headmasters remarked, 'the post-80s and 90s generations are physically and emotionally tender', as most of them are the only child of the family, known as the 'Little Emperor' (see also Marshall, 1997). This level

of staff absence has a major impact and male teachers are facing heavier workloads as a result because staffing levels in public schools are determined by the government and short-term replacement is difficult. This suggests the need for gender mainstreaming policies to protect against gender equality policies being derailed from other domains, as was argued in the European context (Rubery and Koukiadaki, 2016).

Impact of the two-child policy on female graduates: employer discrimination

Given the various issues highlighted above, it is perhaps not surprising that employment discrimination is one of the many challenges encountered by female university graduates (Liu, 2016), a situation that has been steadily worsening since the 1980s with the ending of graduate job allocation by the state (see Cooke, 2001; 2009; Woodham *et al.*, 2009). In early 2015, the National Development and Strategic Research Institute of Renmin University of China released a research report which revealed that for every one job interview invitation a female jobseeker received, male jobseekers would receive 1.42 interview invitations. After changing the gender to male on the application form, opportunities for female applicants to receive an interview invitation would increase 42 per cent (cited in Zhang, 2016).

According to a study conducted in 2015 by the All-China Women's Federation (ACWF) on female graduates in several universities in three provinces and municipalities including Beijing, 86.6 per cent of the women students surveyed felt that they have been discriminated against in their jobseeking process (cited in Hou, 2016). In particular, 80.2 per cent of the women studied reported the following discriminatory practices from employing organisations: 'making gender specific requirements in the job advertisement', 'refusing to accept female applicants or look at their CVs', 'denying women applicants written test or interview opportunities', 'denying women applicants second interview opportunities', 'raising the qualification requirements for female applicants' and so forth (Hou, 2016, p.9). The study further revealed that the women interviewed were discriminated against on at least 17 occasions on average (Hou, 2016).

Some employers were reported to have blatantly asked women candidates if they had plans for having a family soon or if they were considering having a second child. So much so that 'when are you planning to start a family?' has become a 'must-ask' question during job interviews with female job candidates (*Beijing Youth Newspaper*, 2015). If the answer was positive, then these

candidates would be dropped in the recruitment selection process (Liu, 2016). It was reported that in graduate job fairs, there is a strange phenomenon in which PhD graduates are not as competitive as undergraduates, overseas graduate returnees are not as competitive as domestically grown graduates and singletons are not as competitive as those married with a child (e.g. Money163.com, 2016). With the full implementation of the two-child policy, some employers have escalated, unlawfully but without punishment, their recruitment criteria from 'married with child' to 'married with two children' (e.g. Li, 2015; Sohu.com, 2016).

The full implementation of the two-child policy has evidently further undermined female graduates' employment opportunities (*Beijing Youth Newspaper*, 2015). According to a survey report released by www.51job.com, a major online job advertisement company, on the impact of the two-child policy on women's employment, 75 per cent of the companies surveyed had increased concerns over the recruitment of female employees as a result of the two-child policy (cited in Huaxia Jingwei Net, 2016). Another survey conducted by the ACWF in 2015 also indicated that the implementation of the two-child policy for married couples who are the only child of their family has exacerbated employment discrimination against women. In addition, professional women who already have one child may be passed over for promotion when they have the second child (cited in Huaxia Jingwei Net, 2016).

Despite the existence of legislation that stipulates the employment rights of women (e.g. the Constitution; Labour Law, Safeguarding Women's Rights Law; and Employment Promotion Law), enforcement of these laws remains problematic and channels to seek remedy are ambiguous – a general problem in the implementation of labour laws in China (e.g. Cooke, 2012; Cooney *et al.*, 2014; Liu, 2016). Therefore, in reality, women's employment rights are not guaranteed for many female jobseekers.

Employer discrimination against female university graduates, an entrenched practice that has been exacerbated with the adoption of the two-child policy, has serious employment and career implications for this growing cohort of the new labour force. If the socially determined family roles of women, particularly those with care responsibilities, in western societies have to a large extent shaped women's identities as contingent and intermittent workers with undervalued occupational skill classification and therefore financial reward for many (Rubery and Grimshaw, 2015), then the marginalisation of female university graduates in the Chinese labour market is arguably a far more serious form of 'economic and social exclusion' (Rubery and Grimshaw, 2015: 328). The choice of employment mode for the childrearing graduate women in China is even more restricted to no employment, self-employment, temporary employment

or agency employment – but not necessarily part-time employment on a regular basis as part-time work is uncommon for skilled jobs.

Individual strategy and impact

Individual strategy

Under the one-child policy, employers tended to favour university graduates who are already mothers instead of those who are single or newly married to avoid maternity costs and what employers referred to as other ‘hassles’ associated with working mothers with young children. Facing employment barriers, a small but growing number of female university graduates respond to the situation by getting married and having their child during their postgraduate studies – in China, Master degree courses are usually structured for a 2.5- or 3-year period (e.g. Sohu.com, 2016). They can then enter the job market with more competitive advantage than their counterparts who are yet to go become mothers. For many university student mothers, becoming a mother during their university education is a kind of helpless choice. However, the full implementation of the two-child policy has eroded the benefit of such a strategy, as it would be far more difficult to have two children during the postgraduate study period.

Discouraged by employer discrimination, some female postgraduate students identify with the strategy of having a child first and then seeking employment, given that it is more difficult for female postgraduates (older and closer to childbearing stage) than for female undergraduates to find employment. However, this strategy has its drawback. Those who become a mother during their postgraduate studies may have to take a year off from their studies. These ‘post-graduate student mothers’ face dual pressures of completing their study while going through their pregnancy and childbirth (Zhang, 2015). Early parental responsibility means that they may encounter financial difficulties and have little time to enjoy life or hone their skills and knowledge before starting a family. Pregnancy tends to distract students from their studies which means that they may not get the best result, which in turn undermines their employment prospects. Maternity may also reduce their chance to work as a research assistant for their supervisors, which is a good opportunity to gain experience and resources beneficial to their studies and future career. In short, motherhood during their postgraduate study period means that female university students are, in their mid-twenties, facing the financial, physical and emotional

burden of having to raise children, develop a career and pay a mortgage at the same time (Li, 2015).

Impact on other university postgraduate students

The ‘child first, employment second’ strategy adopted by some female postgraduate students was initially accepted by their peers as a personal choice. However, the author’s interviews with several postgraduate students and academics on their experience about living or working with these new mothers showed that such a strategy may have its downside not only for the mothering students but also their peers and supervisors. Those sharing a dormitory – a common accommodation arrangement in Chinese universities – with the pregnant student find that their freedom of activities in the dormitory is heavily restricted – for example, by the need to keep noise down (which means no music, no visitors, no loud discussion and practically no life) and no late-night studying (as lights should be turned off) in order to create a conducive environment for the foetus to grow and the pregnant peer to rest. As noted earlier, Chinese families, coming themselves from one-child families, are very precious about their babies and do all they can to provide the best conditions for the child right from the start of the pregnancy (see also Chua, 2011; Cooke and Xiao, 2014). Requests for ‘special treatment’ from a pregnant student may include favourable task allocation for group assignments, exemption from housework in the dormitory, accompanying hospital visits, assistance in shopping and other errands. Emotional support is often needed. All these demands make life difficult for the young peers and reduce their tolerance level after a while.

For those new mother students living away from university, their friends may be asked to assist with all sorts of tasks such as research assistance, submitting forms, notices and thesis, and so on, often at short notice. Being absent from the campus also means that the mother student may not be pulling her weight in group activities or assignments and be resented for having an easy ride.

Impact on the family

The twin problem of graduate unemployment and the two-child policy also impacts the graduates’ family in a variety of ways, including, for example, finding employment, funding for housing and childcare support. In particular, grandparents’ financial and childcare support has been a crucial subsidy that enables the mother to take up full-time work and for the young married couple to sustain a living standard which goes beyond their means. However, such selfless cross-generation subsidy may have a negative effect on the grandparents, as

many of them may spend most of their savings on financing their children and grandchildren, leaving themselves vulnerable to poor health (owing to childcare responsibilities) and reduced living standards. Who will provide elderly care and healthcare to them when they need it?

Policy considerations

Li (2015) argues that it is unfair to push the bulk of the childbirth cost to employers and blame them for being irresponsible when they discriminate against mothers-to-be. Given the extensive employer discrimination against mothers, to avoid staffing 'hassles' and the added burden on additional business costs, more intervention is needed from the government to prevent further deterioration of women's employment and career prospects and to safeguard women's rights and interests (Peng, 2016). This is a challenging task under the marketised economic environment. Nevertheless, what can be done to provide better childcare support and promote gainful employment for women? Peng (2016) argues that, as the most important public service provider and resource allocator, the government has a responsibility – and the ability – to resource public services to facilitate families to have children. A number of government interventions, ranging from positive incentives or facilitation to punitive mechanisms, may be considered, some of which have been adopted in western countries and have been recommended to the International Labour Organization to close the gender pay gap (e.g. Grimshaw and Rubery, 2015).

Firstly, tax reduction may be provided for families with children (Peng, 2016). In addition, better social security provision may be provided for maternity leave to reduce employers' financial burden, for example, by linking maternity leave subsidy directly to corporate tax reduction or introducing provisions whereby only those law-abiding employers will receive subsidies.

Secondly, the government should put in place better family policy for parental leave, childcare leave and carers' leave (Song, 2016). A paternity leave policy may be adopted to encourage more men to participate in the childrearing process and share in the housework. Parental leave entitlement may also be introduced after guaranteeing adequate maternity leave as a more flexible leave arrangement. Paternal and parental leave entitlements will promote a better relationship for the couple, as housework and care responsibilities are more likely to be shared, and promote greater gender equality by reducing the negative impact of maternity leave on a woman's career (Peng, 2016).

Thirdly, the government should strengthen access to early childhood education facilities and facilitate affordable private childcare through, for example,

extending free school education to pre-schoolers, investing more in pre-school childhood education and improving the quality of state-funded school education to reduce parents' financial burden in sourcing good-quality (private) education for their children. In addition, the government could introduce favourable incentives (e.g. subsidies) to encourage employers and private investors to participate in childcare service provision and other education-related services (Peng, 2016).

Fourthly, affirmative action measures may be introduced, particularly in the public sector. These may include, for example, promoting good-quality flexible employment and reserving job positions to married women with children. It is important to note that these measures have their own problems and may trigger another set of disadvantaged labour market outcomes for women as has been found in the European context (e.g. Grimshaw and Rubery, 2015; Rubery, 2015). It has been observed that employers in China have been innovative in creating alternative forms of employment to overcome government regulation of particular types of non-standard forms of employment, for example using outsourcing to replace agency workers (e.g. Cooke and Brown, 2015).

Fifthly, state institutions should play a greater advocacy role to promote gender equality and the sharing of household responsibilities between wife and husband. For example, state-owned enterprises and public sector organisations can play a larger role in promoting gender equality practices at workplaces, such as promoting work–life balance initiatives and providing affordable and good-quality childcare services. As Rubery (2013) noted in the context of policy retrenchment in Europe, the public sector is not only an important source of quality employment and childcare services, but also a crucial public space to promote political ideology of gender equality and the social value of care work – not just childcare but also elderly care as the Chinese population ages. Equally, the All-China Federation of Trade Unions (ACFTU) and the ACWF, two key NGOs under the leadership of the Chinese Communist Party, can be mobilised to carry out more effective campaigns for improved childcare provision at both the policy and the operational level. Both ACFTU and ACWF are known for their welfare role.

Sixthly, state institutions should improve the anti-employment discrimination legislation and enforce compliance more effectively to safeguard women's equal employment rights. This is perhaps the toughest issue to tackle given the relatively poor record of labour law enforcement in China as noted earlier (Cooke and Brown, 2015; Cooney *et al.*, 2014).

Finally, and more broadly, the full implementation of the two-Child policy reignites social debates of the declining tradition of family values and calls for

the reconstruction of family policy and the family ethics system (Peng, 2016). In the last few decades, the structure of Chinese families has become nuclear and many familial cultural traditions have been eroded as a result of greater job mobility, the commercialisation of domestic responsibilities and changing social values. Filial piety as a virtue has been diluted by individualism of the younger generation who were brought up in a self-centred environment as the only child. The impact of the two-child policy and the ageing population mean that traditional family values need to be revitalised in order to fill the gap created by the inadequacy of the social welfare system. The tradition of mutual assistance and responsibility sharing within the family will resume in becoming the main source of security and welfare support as a pragmatic familial survival and advancement strategy in response to economic and social changes.

However, while re-emphasising the role of family as an important thread in the social fabric that underpins social harmony, the government should assess its family policy to identify what can be done to mobilise family support for the implementation of the two-child policy on the one hand, and to use the two-child policy as a facilitator to remodel family arrangements on the other (Peng, 2016). It is worth noting that while the Chinese traditional culture places strong emphasis on family values to make up for the inadequacy of the social welfare system, little has been done by the state in the family policy space to facilitate the functioning of the family self-support system. On the contrary, the weakness of the social welfare system is perhaps the outcome of a once-strong family self-support system. It is time that the government adjusts its family policy and takes remedial action to support the functioning of other social policies in a more holistic manner. Without an integrated set of social policies as a solid foundation, it will be difficult to expect families to operate in a self-sufficient manner, leaving those most at need in a vulnerable position and forcing families to adopt strategies that will render some of the social policies fruitless.

Conclusions

This chapter examined tensions in the university graduate labour market that have been intensified by different goals of the social and economic policies adopted by the Chinese government since the 1980s. Existing evidence suggests that the two-child policy exacerbates the labour market discrimination of female graduates and in part undermines the enthusiasm of married couples to have a second child. If the intention of the two-child policy is to overcome labour shortage and the social security pressures associated with an ageing population, then the increased labour costs and the consequent employment discrimination

related to having a second child are severely undermining its implementation and triggering another set of social problems that may be difficult to tackle in the short term.

In particular, the full implementation of the two-child policy since 2016 will have strong implications for the employment prospects of Chinese female university graduates. Employers have become more aggressive in their recruitment screening, in a context of rising graduate unemployment and under-employment as a result of the expansion of the HE sector in the early 2000s. The adoption of the two-child policy on the one hand, and the Public Entrepreneurship and Innovation policy on the other, is likely to push graduate women into self-employment or contingency work that is characterised by employment insecurity and work fragmentation, and is under-paid and under-valued. For both individuals and the country, it is not only a waste of human capital, but also a major setback to the reasonable level of gender equality that has been achieved during the state-planned economy period (Cooke, 2012).

The current labour market conditions for female Chinese graduates, in light of the two-child policy, exemplifies Rubery and colleagues' argument regarding the importance of integrating labour market policies and social policies, particularly in the social reproduction sphere, for the policies to work effectively (e.g. Rubery and Koukiadaki, 2016). The case of the two-child policy and the revelation of both employer and female employee responses to this policy change also demonstrates the utility of Rubery's analytical approach in two ways, if we are to fully understand why this policy will have such negative implications. The first is the importance of contextualising these responses in the wider context of economic and social policies of caring and employment flexibility to help uncover deeper causes of problems in women's employment and the gender pay gap. The second is the need to put employers under the spotlight (cf. Rubery and Urwin's (2011) argument of 'bringing the employer back in') to examine women's employment opportunities to show how the everyday organisational realities are shaped by changes in macro policies and how these shape employment opportunities for women at the level of the firm in both the private and the public sector. Research on women's employment in China will benefit significantly by adopting this holistic approach.

In short, the emerging gendered pattern of contingency employment in China may mirror the path that has been travelled by several developed countries (e.g. Rubery, 2015). There are therefore many lessons to be learned for China in terms of enhancing the quantity and, particularly, the quality of graduate women's employment through effective social policy intervention in an integrative manner. Equally, what has occurred in China may have implications for

other developing nations, which are at different stages of industrialisation and commercialisation but are at the same time grappling with obstructing social problems and possible solutions.

Notes

- 1 Informal employment includes, for example, agency employment, temporary employment, fixed-term employment, causal employment and self-employment.
- 2 The important role of family institutions in social reproduction and in facilitating the labour market participation of women with childcare responsibilities has been well recognised in the western context (c.f. Bosch *et al.*, 2009 on the interrelationships between employment regimes and welfare regimes, including family systems).

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