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Abstract

Western developed countries encountered the problem of "welfare dependency" in the construction process of social assistance system. From our urban subsistence allowances system, this thesis demonstrates that the "welfare dependency" problem in the context of western country does not exist in China's urban subsistence allowances system, but "welfare dependency" problem with Chinese characteristics. This thesis is trying to make an institutional analysis about the causes of it, which mainly contains the balance subsidy system, the "superposition of welfare" in the subsistence allowances system, subsidies given according to family and relatively higher benefit replacement rate, and then proposing to implement a negative income tax system, establishing an assistance system with clear division of responsibilities, changing the solution to household-based calculation methods and reducing the benefit replacement rate.

Keywords: Urban minimum living guarantee; Welfare dependency; Balance subsidy; Superposition of welfare; Benefit replacement rate

City social assistance system in China large-scale subsistence allowance system, beginning in the nineteen nineties, the relief system is the idea of a different poverty lines in each city, the government below the poverty line for families with precipitate income families to prove the low household, the minimal assurance families will receive monthly government compensation income subsidies, in addition, these families have access to the government food stamps (now cash substitution) holiday allowance, medical assistance, education assistance and a series of rescue. Since 1996 the formal launch of the project, the project's family is increasing year by year, spending has been increasing expansion. By 2006, the city relief project expenditure of $20,000,000,000, by 2011, the number of minimal assurance personnel to reach 22768000. For such a big fiscal expenditure, such a large poor population, domestic scholars begin to doubt whether China has also produced "welfare dependency" problem.

1 Western "welfare dependency" problem

1.1 Definition of "welfare dependency" concept

"Welfare dependency" is provided by the society or the government to the low income or no income members of society welfare subsidy system, resulting in loss of labor enthusiasm of the beneficiaries of these rules, they would rather keep a low level of life, rather than actively looking for work or job training, etc. In the western context, the concept of "welfare dependency" should contain at least three meanings: first, welfare recipients is to have the ability to work. Because if a social member lose labor ability completely, so he behoove has enjoyed government or society to provide the safeguard. But if he has or has the ability to work, and do not want to change their situation by looking for work, life would rather through the national welfare provision, then it can be said that the welfare dependence; second, welfare recipients are in fact not actively looking for work. Because as long as it is has been looking for a job in an attempt to cannot say they are dependence; third, welfare recipients did not even have the willingness to work. This is the psychological basis of welfare dependent, they don't have to change the impulse, did not participate in the employment training enthusiasm, and has become a system of parasites.

1.2 "Welfare dependency" historical development process

"Welfare dependency" problem is emerging with the development of the western welfare state. Welfare is a member of the society welfare, welfare is the first in the history of religious organizations as an act of charity to provide poor...
members, along with the development of Western political theory, the state and the government gradually assume the provision of welfare responsibility for poor citizens, the main objective is to ensure that the social members with the most basic means of subsistence, which can to maintain the dignity of the person, it is the inevitable requirement of modern citizens natural rights development. The beginning of modern times, the western countries have gradually establish a social security system, such as the English Poor Law in 1601 nineteenth Century, Germany at the end of the social insurance law, the United States social security act of 1935, is in the form of legislation to ensure the citizen's social welfare. In twentieth Century, Keynes of the prevalence of the construction of welfare state into the "golden age". Britain, Germany, France, the United States and other western countries have entered the stage of the welfare state. The welfare state is provided from the "cradle to grave" welfare of its citizens, the people's living standard has been greatly improved, but also is beneficial to social justice, provides a legal basis for the government. But at the same time, welfare state suffered a setback, high welfare is to have a high level of fiscal expenditure as support, which make these countries overwhelmed, "European social security spending once accounted for about 40% of GDP, the Nordic countries and even accounted for more than 50%." [1] On the other hand, high welfare beneficiaries by lack of enthusiasm, the formation of welfare dependency culture atmosphere, taxpayer money was used to support a large number of idle, so that the economic system of the whole country's loss of vitality, hinder the further development of the national economy. So, from the nineteen seventies since, western countries began treatment "welfare disease", massive cuts to social security expenditure, government efforts to get rid of the "nanny" role. In short, the western welfare dependence is because the government provides a high level of social welfare, social members meet the guarantee to the welfare standard of living and inertia, no intention and dynamic work.

2 Chinese style "welfare dependency"

2.1 "Method of analytic determination of welfare dependency"

Our country is not similar to the European and American countries "welfare dependency" problem? To answer it, first we should make clear the concept of welfare dependence. As noted above, "welfare dependency" is a kind of psychological dependence of social member produced, be not willing to work in the lazy. As noted above, the concept of "welfare dependency" should contain at least three meanings. Western countries in the last century because there are large numbers of people enjoy the national welfare, unwilling to go out to work is the result of the problem of welfare dependency. Some people simply on the basis of welfare (in our country is mainly subsistence allowance system) population kept in a certain period of time invariant to conclude that China has problems of welfare dependence, but this must be wrong. Because a country there will always be a part of the poor, but in a long period poverty population proportion of the total population is certain. Based on the three criteria above, welfare dependency, we concluded that there is no welfare dependency, on the need for empirical research, collecting data by using the method of quantitative and qualitative analysis, we can have the ability to work to enjoy minimal assurance and person statistics, calculating the proportion of persons. Can also through the questionnaire did not intend to participate in the work of the residents enjoy the proportion, then through qualitative interviews, summed up the causes of their loss of enthusiasm for work. From these data we can make an objective judgment. Some scholars on 2007 to 2010 minimal assurance personnel analysis found that four years of economic activities, China's low population (population in the industry and have the ability to work of the unemployed population and) the proportion was more than 60%, shows that there are many have the ability to work and employment population to enjoy minimal assurance. In a recent study on welfare dependency, the minimum is a series of problems are investigated, in which the "if there is the ability to work, willing to actively looking for work?" The problem, as more than nine of respondents are willing to, only 2.3% said they would not and 3.3% said no. But for "ever report their income?" And "what circumstances will take the initiative to surrender?" The answers to these questions is contrary to nature, 34.2% of people had concealed and unreported income changes oneself, 16.2% said they have not offered to surrender! In fact, these studies do not think our country produced a "welfare dependency" problem, at least not produce similar to Europe and the United States "welfare dependency" problem. Indeed, the level of economic development in western countries, the welfare is the high level, the reason that welfare dependency problem, because the benefits of high levels can provide a better life for the beneficiary, at least in the material is rich, which leads to benefit people immersed in this life, No. But in our country, because of the economic development started late, the level of social security in countries with low, is still in the construction of social security system and perfecting stage, system provided welfare is in a low level, such as China's urban residents...
minimum living security system, the city of national level in 500 yuan the following, it is difficult to imagine make people depend entirely on the level of.

2.2 The essence of "welfare dependency" in China

So, many residents have positive employment intention, in enjoy minimal assurance at the same time, they through informal employment to supplement the needs of life. Although some people have been eating low, causing the surface of welfare dependence, but this is mainly because the low system itself is not perfect, the design is not reasonable. They did not participate in the work, because there is no escape from work and hindering the whole development of the social economy, natural is not a problem in western countries encountered welfare dependency, but China has encountered is the Chinese style "welfare dependency" problem. Moreover, China is now the level of welfare but not too high too low, people's basic life are difficult to be satisfied, at this stage, we should not be too much vigilance "welfare disease", instead the government should make great efforts to improve the welfare system, ensure that all citizens basic living standards, promote social justice. Just as professor Zheng Gongcheng said: "would rather have one or several lazy, also can't let most people because of the lack of social security into existence of fear." [2]

3 An analysis of the causes of city residents "welfare dependency" problem

Our country city minimal assurance "welfare dependency" problem correlates with many factors, such as macroeconomic environment, regulatory environment, and the subjective factors are also important. But undeniable is, Chinese style "welfare dependency" problem is mainly caused by China's specific minimal assurance system. In many variables, the system is the most crucial factor. So first of all deal with city minimal assurance system is a comprehensive and accurate understanding of. China issued minimum living security system of minimal living guarantee system "city residents Protection Ordinance" from 1999 the State Council, execute "Yingbaojinbao" principle, the requirements to meet the conditions of the family, the county government should be incorporated into the low range, low insurance have two kinds: the first kind is no life source, no labor ability personnel may enjoy the full system; second is the family who have a certain income, according to the average family income is lower than the lowest living level city residents enjoy minimal assurance. The characteristics of China's city minimal assurance system is the social security level is low, low margin type, low system "welfare superposition", take the family as the unit subsidies, the actual benefit replacement rate is higher. These characteristics are to some extent is not conducive to encouraging residents to seek job opportunities, promote "formation of welfare dependency".

3.1 Margin subsidies inhibition of work motivation

The so-called balance type subsidy refers to income will extend standard and minimal assurance personnel, work income than no income low level is low, income more than work less income level low. This is the minimal assurance personnel can't easily work. Because the education level of residents is very low, and no special skills, they as a marginal group hard in the community to get a job with a good income. Under the market economy, employment units to provide the salary is very few, once participated in the work, residents will reduce or even cancel. So unless the work income can be substantially more than the low income, or minimal assurance personnel not gas active employment. Through an example we can more clearly understand the mood low staff. Such as Hunan Province, Changsha City, a family of three, parents have no jobs, according to the calculation of Changsha City in Hunan Province in 2012 December minimum standards for 400 yuan, the family can get 1200 yuan of allowances, if parents are now one and only one to find work, but because he didn't have a special skill, can only do some cleaning or community work, salary is less than 1000 yuan. Assuming that his salary is 800 yuan, so the balance calculation, he can get the minimum subsidy is 400 yuan. Assuming that his wage income is 1000 yuan, so the low income is 200 yuan. So, working and not working, work less and work more is to get 1200 yuan income, but the work of the case, remove the cost of energy and economic costs, such as transportation, eating outside cost etc.. So as a rational economic man, minimal assurance personnel will choose to do is also very obvious. Wages must be at least 1500 yuan, will inspire the enthusiasm of their employment. Low margin subsidies is based on fair consideration of practice, but the enthusiasm has virtually suppressed the minimal assurance personnel find work formally, they turn to invisible employment that formed on the surface of the welfare dependency.

3.2 The family unit subsidies foster psychological dependence

City minimum living security system is carried out in accordance with the family is the minimum payment, amount to be guaranteed income to determine the difference between the region between lower than standard. The basic formula: family monthly minimum amount = (the minimum standards for family income per capita) × security number. Such calculations ignore a problem, namely those necessities
average price necessary for family and members of many small family is not the same. The principle of the above formula is, a number of family, the family needed daily necessities are more, so give them subsidies are also more, and this increase is a simple multiple relations. For example, a family of 6, a family of 3, for a family of 6, the subsidy should be 2 times of the family of 3, because according to the formula, the cost of living is 2 times of the latter. However, in real life, the family as a unit of life style will reduce the cost of living, because many of the necessities of life can be family sharing, it is also very easy to understand, for example, some furniture, Kitchenware etc.. So in fact many people family living costs and less family living costs are not simple multiple relationship. "According to the organization for economic cooperation and development experience, a number of family members is N times of N family living costs and not single family living costs, but the square root of N times." $^{[1]}$ Used in the above example, the cost of living is really just the latter times. As a result, low system payment rules actually favor multiple family, so many families living in the actual average standard high, prompting many family members away from work, the formation of welfare dependency.

3.3 "Welfare superposition" negative incentive

Our country is in the subsistence allowance system as the main body, with special assistance and emergency assistance to supplement the social assistance system.$^{[4]}$ But in practice, special assistance and minimum qualifications are bundled together, forming a "welfare superposition effect". China's "welfare superposition" refers to the minimum qualifications to become a prerequisite for the enjoyment of other special assistance. According to the city minimum living security system, low living standards of people in need of social help the most, so will the premise of low qualification as to get other benefits. Other benefits include medical, education, as the preferential policies such as housing special assistance, in addition to the coupons, coupons and other subsidies. This rule leads to some minimal assurance personnel are reluctant to surrender, once the income will be in danger of losing all welfare. Because of these additional effects, minimal assurance "gold content" increased, many people have to get these additional income for subsistence allowances for. So the system of subsistence allowances for "welfare superposition" and actually working enthusiasm to minimal assurance personnel had a negative incentive.

3.4 High welfare replacement rate promote welfare dependency

3.4.1 The significance of welfare replacement rate

The so-called welfare replacement rate is minimal assurance personnel obtained from the system of subsistence allowances and income ratio to work if he obtained employment income. Benefit replacement rate significance is that it can calculate a welfare help degree to the beneficiary, the beneficiary can draw dependence on the welfare. In general, welfare replacement rate is high, is dependent upon the degree of welfare beneficiaries is higher, when the benefit replacement rate reached 100%, as a rational economic person, the beneficiary will completely depend on welfare, completely lost the motivation to work. Therefore, research on the problem of welfare dependency, calculate welfare replacement rate is very useful.

3.4.2 Calculate the welfare substitution rate

However, to calculate the welfare substitution rate of academia and there is no uniform understanding, such as molecular welfare replacement rate is simply the minimum living standard is to add value to the above mentioned "welfare superposition"? Or whether plus other irregular subsidies such as government gifts, shopping coupons? In the denominator also have differences, with average wages or the minimum wage? These uses have their reasons, this is the minimum living standard guarantee / minimum wage standard algorithm. With the standard of minimum living guarantee because of our residents most is not working, so residents is all income of most of them, and the effect of subsidies is not big, because the balance subsidy system actually triggered the recessive employment. As for the additional welfare because of environmental change, to join the calculation, as long as we remember this a little bit.

The calculating formula, the 2012 national 16 city welfare replacement rate were calculated (table)
so he put forward the theory of negative income work enthusiasm, is actually encouraging lazy, subsidy system is not conducive to stimulate the purpose of solving the problem.

4.1.1 Introduction of a negative income tax theory

The theory of negative income tax is the American economist Jamilton Freedman in the last century, Freedman opposed the Keynes doctrine to implement low-income margin subsidies system, he thinks the difference subsidy system is not conducive to stimulate the work enthusiasm, is actually encouraging lazy, so he put forward the theory of negative income tax as margin subsidies alternative system. It is the inherent principle: as high income with the increase of the income to pay more tax, basic living in low-income guaranteed cases, with the decrease in revenue, he should pay less tax. In short, the negative income tax is not only to guarantee the basic needs of low income or no income, and to promote their work enthusiasm.

4.1.2 Comparison of negative income tax and subsidy system.

The theory of negative income tax is not complicated, can use the following two equations to represent: ① Negative income tax=

Minimum living guarantee amount - Personal income Negative income tax ② Disposable personal income=Personal income+ Negative income tax. But the margin subsidies equation to be: The difference between the amount of subsidies=the minimum living security Personal income.

From the above equation can be seen, in the negative income tax system, the negative income tax rate assumption, then the wage income less, he received a negative income tax is more, when the wage is 0, he received a negative income tax is the lowest life guarantee amount, but his final disposable income is the lowest life insurance amount; on the contrary when his wage income more, can he obtained would dominate the income increase, but the increase is not unlimited this, when the higher wages that the negative income tax is 0, he actually has been unable to enjoy the minimum living guarantee amount. While the balance subsidy is more difference in wage income, less subsidies, and disposable income will equal to the amount of minimum living guarantee, until the wage income of more than low coverage, so minimal assurance personnel only when substantial wage income is higher than the low coverage will go to work. We can be an example to compare the two. According to the current system of subsistence allowances, the Changsha minimal assurance standard is 400 yuan, so when the

<table>
<thead>
<tr>
<th>City</th>
<th>The standard of minimum living guarantee</th>
<th>The minimum wage standard</th>
<th>Benefit replacement rate (%)</th>
<th>City</th>
<th>The standard of minimum living guarantee</th>
<th>The minimum wage standard</th>
<th>Benefit replacement rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shanghai</td>
<td>520</td>
<td>1260</td>
<td>41.2%</td>
<td>Wuhan</td>
<td>518</td>
<td>1100</td>
<td>47.1%</td>
</tr>
<tr>
<td>Beijing</td>
<td>570</td>
<td>1450</td>
<td>39.3%</td>
<td>Changchun</td>
<td>375</td>
<td>1000</td>
<td>37.5%</td>
</tr>
<tr>
<td>Guangzhou</td>
<td>530</td>
<td>1300</td>
<td>40.8%</td>
<td>J'nan</td>
<td>450</td>
<td>1240</td>
<td>36.3%</td>
</tr>
<tr>
<td>Shenzhen</td>
<td>510</td>
<td>1500</td>
<td>34.0%</td>
<td>Taiyuan</td>
<td>360</td>
<td>1125</td>
<td>32.0%</td>
</tr>
<tr>
<td>Chongqing</td>
<td>330</td>
<td>1050</td>
<td>31.4%</td>
<td>Chengdu</td>
<td>330</td>
<td>1050</td>
<td>31.4%</td>
</tr>
<tr>
<td>Tianjin</td>
<td>520</td>
<td>1310</td>
<td>39.7%</td>
<td>Xiamen</td>
<td>415</td>
<td>1100</td>
<td>37.7%</td>
</tr>
<tr>
<td>Nanjing</td>
<td>540</td>
<td>1370</td>
<td>39.4%</td>
<td>Nanning</td>
<td>360</td>
<td>1000</td>
<td>36.0%</td>
</tr>
<tr>
<td>Changsha</td>
<td>400</td>
<td>1020</td>
<td>39.2%</td>
<td>Urumqi</td>
<td>311</td>
<td>770</td>
<td>40.4%</td>
</tr>
</tbody>
</table>

Unit: RMB

Table 1 the city welfare replacement rate in 2012

Note: the benefit replacement rate = minimum living standard / minimum wage standard

Data sources: the standard of minimum living guarantee data from Chinese social assistance network; the minimum wage from three Mao human resources network

From the table it can be seen that the city welfare replacement rate from 30% to 50%, the highest is Wuhan, reached 47.1%. The lowest is Chongqing and Chengdu, is 31.4%. Overall the city national welfare replacement rate no greater volatility, mostly in about 40%. "European similar research thinks, benefit replacement rate exceeds 80%, the enthusiasm of the unemployed to find work will be greatly reduced." if only these data we can draw our conclusions benefit replacement rate is low, but we must pay attention, (1) the benefit replacement rate does not include the additional benefit of the proportion of low; besides we should see, (2) our minimal assurance family unit is payment of the minimum beneficiaries, including all the members of the family, but the wage income, can not guarantee that all the family members to work, when wages were average in the family, in fact effect will be greatly reduced. So, considering the special situation of China's minimum living security system, the welfare of the 40% replacement rate actually has a relatively high. Alternative surface lower welfare rate also caused welfare dependency, which is "the problems of China's social welfare dependence".

4 Improve the system of subsistence allowances, solve the problem of "welfare dependency"

Based on the minimum system of welfare dependency analysis, I think we can through the improvement design of minimum system, puts forward some suggestions, in order to achieve the purpose of solving the problem.

4.1 Negative income tax system to replace the balance subsidy system

4.1.1 Introduction of a negative income tax theory

The negative income tax theory is the American economist Jamilton Freedman in the last century, Freedman opposed the Keynes doctrine to implement low-income margin subsidies system, he thinks the difference subsidy system is not conducive to stimulate the work enthusiasm, is actually encouraging lazy, so he put forward the theory of negative income
average income level of Changsha a family of less than 400 yuan, can according to the difference between the enjoy minimal assurance, equal to 400 yuan, the difference is 0, higher than 400 yuan subsidies cancel. If the tax rate is 50% (in order to calculate), through the table of our negative income tax and subsidies are compared:

<table>
<thead>
<tr>
<th>Personal income</th>
<th>Negative income tax / margin subsidies</th>
<th>Disposable personal income</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>400/400</td>
<td>400/400</td>
</tr>
<tr>
<td>100</td>
<td>350/300</td>
<td>450/400</td>
</tr>
<tr>
<td>200</td>
<td>300/200</td>
<td>500/400</td>
</tr>
<tr>
<td>300</td>
<td>250/100</td>
<td>550/400</td>
</tr>
<tr>
<td>400</td>
<td>200/0</td>
<td>600/400</td>
</tr>
<tr>
<td>500</td>
<td>150/0</td>
<td>650/500</td>
</tr>
<tr>
<td>600</td>
<td>100/0</td>
<td>700/600</td>
</tr>
<tr>
<td>700</td>
<td>50/0</td>
<td>750/700</td>
</tr>
<tr>
<td>800</td>
<td>0/0</td>
<td>800/800</td>
</tr>
</tbody>
</table>

Negative income tax: 50% Unit: RMB

As can be seen from the table, in the personal income of less than or equal to 400 yuan, the negative income tax system of personal disposable income has been increasing, while the balance subsidy of disposable personal income has been changed (400), and two kinds of system of personal disposable income gap is growing; when the wage income exceeds minimum standards (400), this gap is gradually narrowing, but until the wage to 800 equal before, a negative income tax disposable income should be greater than the difference subsidies. So, even if the work income is lower than the minimum security standards, the negative income tax system will increase the working enthusiasm of minimal assurance personnel, so as to help solve the problem of welfare dependence. Although some scholars believe that the negative income tax system with the current relief system, it is difficult to determine the minimum rate of convergence difficulties and difficult in practice the thinning problem. However, we should also see the positive aspects of the negative income tax system, it solve the problem of welfare dependence is the difference subsidies are a good alternative option, we can continue to improve in practice and theory.

4.2 Change is calculated on the basis of the family population

China's current city minimal assurance system is a subsidy to the family as a unit, according to the formula: The family monthly income support= (The minimum standards — Family income per capita) ×Security number. Disadvantages of such subsidies mainly lies in contributing to multiple family welfare dependence, so long as the method can solve the problem. As mentioned above, foreign study has pointed out a number of family members is N times of N family living costs and not single family living costs, but the square root of N times. So we can according to the increase in population of family and gradually reduce the amount of subsidies. If single family living standard is 400 yuan, then according to the international standard, double family minimal assurance standards can be set to 400* √2 yuan.

Family of 3 can be set to the 400* √3 element, and so on. This can effectively solve the multiple family work enthusiasm is low problem.

Of course the specific ratio √N is suitable for our country is still debatable, but it is not difficult to solve, because this ratio is a technical question. I believe that after a lot of research and practice will be able to find a suitable for China's national conditions.

4.3 Establishing a clear division of the social assistance system

At present our country's social assistance system to minimal assurance system as the main body, with special assistance and emergency assistance to supplement, but in reality they division is not clear, is the implementation of the "welfare superposition" type of subsidy. To solve this problem, you can design abe arranged qualification system. For example, medical subsidies should be standard special, he points should be those that health is threatened, really need medical population; housing subsidies to just those without their own house and both housing needs of the crowd. This makes welfare separation of superimposed, eliminate a part of welfare dependency, and ensure that taxpayer money is. To reach this goal requires the government to increase the fiscal expenditure system support the establishment and personnel arrangement, but the long-term consideration, and break the institutional inertia, perfecting the social security system into consideration, it is worth the investment. Because of this a perfect system of social security is low (assistance), medical assistance, education assistance, the elderly welfare racing together bridle to bridle, object support each project clear, carry out their duties, allowances and other relief parallel development, get rid of a package of security, the establishment of a clear boundary of the social security system is the system development.
goals.

4.4 An increase in the minimum wage, welfare reducing rate of substitution

According to the calculation formula of benefit replacement rate, two variables influence the welfare replacement rate is the lowest living security standards and minimum wage standards, to reduce welfare replacement rate, either by reducing the standard of minimum living guarantee, either achieved by raising the minimum wage standard. Because China's low level is low, a large extent even difficult to guarantee the basic living standards, so can not be used to reduce the minimum standards to achieve the goal, we can only use the higher minimum wage standards to reduce welfare replacement rate. In this respect the government can work in the following three aspects: first, to develop appropriate minimum wage system. To strengthen the state's ability to intervene, to maintain the social fairness, can not let the labor market entirely according to market rules. Establishment of management organization, introduced the relevant policies and regulations, standardize the minimum wage system implementation. The damage to the rights and interests of employees can be compensated through legal channels, to punish to refuse to be held accountable, to implement the minimum wage of enterprises, so as to ensure that the minimum wage standards to play a role in practice. Second, hand formulated to encourage enterprises to employ minimal assurance personnel preferential policies, such as a certain number of eligible employees interface some tax; on the other hand, to strengthen the security staff employment and re employment training, they have proficiency in a particular line, enhance their employment competitiveness, provide employment information, the low increase in employment opportunity; third, the most important is to create the good economic change, because the wage level is fundamentally to economic development. The economy is booming, is the vitality of enterprises, labor employment easy. So, not empty tone development to economy, but really for the benefit of the people.

5. Conclusion

Our city minimal assurance system has some system design problems in practice, led to the surface of the "welfare dependency problem", but through the analysis found that China's welfare dependence is not the western countries in the context of the problem of welfare dependence. Minimal assurance personnel not because of the welfare and lose enthusiasm, cause the entire social economy development the lack of vitality, but living in the system itself is not reasonable, minimal assurance personnel through the recessive employment and informal employment obtaining subsidies. This is the Chinese style welfare dependency, the purpose of this paper is to define the Chinese style "welfare dependency" problem, try to find out the institutional causes, and look for a solution.

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