

An Analysis of the Impact of China's Population Structure Changes on Social Welfare System

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Abstract: Population structure refers to the distribution of population in a country or region based on indicators such as gender, age, occupation, and education level. With the development of Chinese society and changes in the economy, the population structure has also undergone changes, which have had a profound impact on the welfare system of Chinese society. This paper aims to explore the specific impact of China's demographic changes on China's social welfare system, and put forward corresponding countermeasures and suggestions. By analyzing the challenges to China's social welfare system posed by the aging population, gender imbalance, and changes in occupational structure, this paper reveals the profound impact of demographic changes on the social welfare system, and emphasizes the importance of adjusting and improving the social welfare system.

Keywords: Population Structure; Social Welfare System; Population Aging Gender Imbalance; Changes in Occupational Structure

1. Introduction

Population structure refers to the composition and proportional relationship of a country or region's population in terms of age, gender, occupation, education level, and other aspects. The changes in population structure not only affect economic development and social stability, but also have a profound impact on the social welfare system. With the advancement of modern medical technology, the improvement of living standards, and the transformation of fertility concepts in China, the population structure is undergoing significant changes, which poses new challenges and requirements for China's social welfare system. Therefore, this article will conduct an in-depth analysis of the impact of

China's demographic changes on its social welfare system, in order to provide useful references for policy makers.

2. Main Characteristics of Demographic Changes

2.1 The Aging Population is Intensifying

Population aging refers to the phenomenon where the proportion of elderly people is gradually increasing. According to a report released by the United Nations, if the proportion of people aged 65 and above exceeds 7%, it indicates that they have entered an aging society; If the proportion of people aged 65 and above exceeds 14%, it indicates that they have entered a severely aging society; If the proportion of people aged 65 and above exceeds 20%, it indicates that they have entered a super aging society. ^[1]With the advancement of medical technology and the improvement of living standards, people's life expectancy has been extended, and the number of elderly population continues to increase. Meanwhile, due to the decline in fertility rates, the number of young labor force has relatively decreased, further exacerbating the trend of population aging. According to data from the National Bureau of Statistics, as of the end of 2023, the proportion of the population aged 65 and above in China is 15.4%, exceeding the international standard of 14%, and has entered a severely aging society. ^[1]And because the elderly population requires more social welfare services such as pensions and healthcare, this change has also put tremendous pressure on the social welfare system.

2.2 Gender Imbalance

Gender imbalance is another important characteristic of demographic changes. Due to various historical, cultural, and other reasons, the gender imbalance in China's current population is quite severe. The China Statistical Yearbook (2020) points out that

there is a serious gender imbalance among young men and women who have just entered the marriageable age range of 20-24 years old, with a gender ratio of 114.61, which is significantly higher than the gender ratio of 106.65 in the age group of 25-29 years old. At the same time, the age group with the most imbalanced gender ratio is the post-2000s, with a gender ratio close to 120. This imbalance not only affects the harmony and stability of society, but also poses challenges to the social welfare system.

2.3 Changes in Occupational Structure

With the advancement of technology and economic development in China, its occupational structure is also undergoing significant changes. Some traditional industries are gradually declining, while with the rapid development of digital economy, intelligent manufacturing, platform services and other fields, a group of emerging professions such as short video operators, virtual human trainers, smart home managers, etc. have emerged. The booming development of emerging industries will lead to changes in people's employment and skill demands, so the social welfare system needs to adapt to these changes and provide more opportunities for vocational training and retraining to help people adapt to the needs of emerging industries.

3. The Impact of Demographic Changes on the Social Welfare System

3.1 The Challenge of Population Aging to The Social Welfare System

3.1.1 Increased pressure on pension expenditure

With the increasing trend of aging population structure in China, the number of elderly people continues to rise, which directly leads to a significant expansion of pension expenditure. To ensure that the elderly can maintain their basic living needs and quality, the government has to increase the supply of pensions, which has led to a corresponding increase in fiscal expenditure. At the same time, due to factors such as the decline in social fertility rates and population migration, the number of young labor force is showing a decreasing trend, which means that the number of pension contributors is gradually decreasing.

The decrease in the number of contributors has further exacerbated the problem of imbalanced pension income and expenditure, doubling the pressure on pension expenditure. Therefore, how to effectively address the pressure of pension expenditure caused by population aging has become an important issue that the current government urgently needs to solve.

3.1.2 Increased demand for healthcare

Due to the decline in physiological functions and weakened immunity, the elderly population is more susceptible to various chronic and acute diseases compared to other age groups. Therefore, the demand for healthcare services is particularly urgent and high. With the increasing trend of aging population in China, the number of elderly people continues to rise, leading to a sharp increase in demand for healthcare services.

However, it is worth noting that the allocation and use of medical resources are constrained by factors such as urban and rural areas, and regions, exhibiting obvious limitations. This includes multiple aspects such as the number of medical facilities, the level of medical technology, and the quantity and quality of medical staff. Therefore, against the backdrop of increasing demand for healthcare services, the healthcare system is facing increasingly severe supply-demand contradictions.

3.1.3 The demand for social elderly care services is increasing

With the increasing aging of China's population, the demand of the elderly population for high-quality elderly care services shows a trend of continuous growth. To effectively address this challenge, the government needs to further increase the construction of elderly care service facilities and expand the professional service personnel team to ensure that they can meet the growing elderly population's elderly care needs. However, it is worth noting that when exploring the operation of elderly care services, it is necessary to first realize that the development of elderly care services inevitably comes with the generation of costs, and therefore, a certain level of cost awareness is required. ^[2]The construction of elderly care service facilities and the training of professional service personnel are not tasks that can be completed in the short term. They require sufficient time accumulation and a large amount of capital investment. Therefore,

the government needs to have a forward-looking vision and make detailed plans and preparations in advance to cope with possible supply-demand contradictions in elderly care services in the future.

3.2 The Impact of Gender Imbalance on the Social Welfare System

3.2.1 The pressure on the social security system has increased

Gender imbalance may bring additional pressure to the social security system. In specific regions where the gender ratio is severely imbalanced, the male population may encounter difficulties in finding a spouse, which not only affects their personal marital status but may also trigger a series of social problems. Due to the difficulty in establishing a family, this group of men may be more susceptible to the dual situation of economic poverty and emotional loneliness. In this context, their demand for social security services may significantly increase, including but not limited to economic assistance, mental health support, and elderly care services. Therefore, gender imbalance will to some extent increase the financial burden of the social security system and pose a potential threat to the overall well-being of society.

3.2.2 The impact of changes in family structure on the social welfare system

Gender imbalance can also lead to changes in family structure. In areas with severe gender imbalance, some families may find it difficult to construct a complete family structure in the traditional sense, that is, a family unit that includes both parents and children. This incompleteness may lead to a weakened function of mutual support and care among family members, affecting the emotional and economic stability within the family.

Specifically, the imbalanced gender ratio results in some family members, especially single men or women, lacking sufficient family support when facing life challenges. They may need to rely on more social welfare services in various fields such as education, employment, health, and elderly care to maintain their basic livelihood. This not only increases the pressure on the social welfare system, but may also affect the social integration and quality of life of these individuals.

3.3 The Impact of Changes in Occupational Structure on the Social Welfare System

3.3.1 The problem of unemployment is intensifying

The change in occupational structure will exacerbate the problem of unemployment. With technological progress and economic transformation, some traditional industries are gradually declining, while emerging industries continue to emerge. This change has led to a significant shift in the job market and skill demand. Some workers may face the risk of unemployment due to skill mismatch, advanced age, or lack of necessary training, making it difficult for them to adapt to the new employment environment. The increase in unemployment not only means the loss of personal and family income sources, but may also trigger a series of social problems, such as mental health issues and worsening poverty.

This will undoubtedly increase the burden on the social welfare system. The increase in social welfare expenditures such as unemployment insurance and relief funds will put pressure on public finances. In addition, long-term unemployment may also lead to wastage of human resources and a decline in social cohesion. Therefore, the government and all sectors of society need to closely monitor the challenges brought about by changes in occupational structure and take effective measures to promote the flexibility and inclusiveness of the labor market.

3.3.2 Increased demand for vocational training and retraining

To resolve the structural contradictions in employment in our country, we must base ourselves on the reality of the development of the labor market in the new era. In addition to adhering to the employment priority strategy and promoting the transfer of labor to service industries, new industries, and new professions with great development potential, we should also promote the improvement of the lifelong vocational skills training system to regulate labor supply.^[3]

The government needs to increase opportunities for vocational training and retraining to assist the workforce in adapting to the skill requirements of emerging industries. This requires the government to invest a significant amount of funds and resources, including teaching facilities, faculty, and curriculum development. In addition, to ensure

the effectiveness and targeting of training, the government needs to conduct in-depth market research to accurately grasp the development trends and skill demands of emerging industries. Therefore, the government needs to make careful planning and preparation in advance, formulate long-term and short-term training plans, and allocate resources reasonably to ensure the smooth progress of vocational training and retraining projects, effectively help the workforce achieve skill transformation, and reduce the risk of unemployment caused by changes in occupational structure.

4. Strategies for Addressing the Impact of Demographic Changes on The Social Welfare System

4.1 Improve the Pension System

As the core subject of governance in an aging society, institutions or policy tools are one of the fundamental measures for the country to actively respond to aging, and it is generally believed that China has significant advantages in institutional construction and implementation. ^[4]Therefore, in order to address the challenges posed by an aging population to the social welfare system, the government can improve the pension system through the following specific measures:

On the one hand, the government can increase pension income through the following ways: firstly, increasing the proportion of pension contributions to ensure that the pension system has sufficient funding sources; The second is to extend the retirement age, which can alleviate the pressure of pension payments to a certain extent, given the longer life expectancy and improved health conditions of the population.

On the other hand, the government can reduce the pressure on pension expenditure by optimizing the structure of pension expenditure, such as adjusting the standards and pace of pension payments reasonably; The second is to increase the investment return rate of pension funds and achieve the preservation and appreciation of pension funds through prudent investment strategies.

The comprehensive implementation of these measures will help to build a more robust and sustainable pension system, thereby effectively addressing the challenges of population aging.

4.2 Strengthening the Construction of the Healthcare System

In order to address the challenges posed by an aging population to the healthcare system, the government needs to strengthen the construction of the healthcare system. We can start from the following aspects:

One is to improve the medical security system, promote the reform of the medical insurance system, increase the coverage and level of medical insurance, ensure that the elderly can enjoy comprehensive and high-quality medical services, and reduce the burden of medical expenses on the elderly. The second is to optimize the allocation of medical resources, plan the layout of medical institutions reasonably based on the distribution of the elderly population and the demand for medical services, increase the number of specialized hospitals and rehabilitation nursing institutions for elderly diseases, and promote the extension of medical resources to grassroots and community levels. The third is to improve the elderly medical and health service system. Health first, prevention oriented, and the unity of treatment process and healing effect are the essential characteristics of a health centered medical and health service system. Grassroots health service institutions in urban and rural areas should focus on the elderly population in their jurisdiction, and take the prevention, health care, and rehabilitation of common diseases, chronic diseases, difficult diseases, and major infectious diseases as their main tasks. The fourth is to innovate the healthcare model, promote the transformation from traditional disease treatment to health management, establish health records for the elderly, and use technologies such as big data and artificial intelligence for real-time monitoring and early warning. ^[5]The fifth is to strengthen medical supervision and improve service quality, strengthen supervision of medical institutions, and ensure that medical institutions provide safe and effective medical services for the elderly. Promote the continuous improvement of medical service quality, and enhance the professional competence and service awareness of medical personnel through training, assessment, and other means.

4.3 Developing the Elderly Care Service

Industry

To meet the challenges posed by the aging population's demand for elderly care services, the government needs to vigorously develop the elderly care service industry. Firstly, the government should actively encourage social capital to enter the field of elderly care services and provide corresponding policy support. By relaxing market access, providing financial subsidies, tax reductions and other preferential measures, we aim to attract more social forces to participate in the construction of the elderly care service system and promote the rapid development of the elderly care service industry.

Secondly, the government needs to strengthen the training and management of elderly care service personnel. By establishing professional training courses and improving the professional ethics and skills of practitioners, we ensure that elderly care service personnel can provide high-quality services. At the same time, establish a sound management system for elderly care service personnel, standardize service behavior, improve overall service quality, and meet the diverse and personalized elderly care service needs of the elderly.

Through the implementation of these measures, the government can effectively promote the prosperous development of the elderly care service industry, improve the quality and level of elderly care services, and better respond to the challenges brought by population aging.

4.4 Adjusting the Birth Policy to Alleviate Gender Imbalance

In order to alleviate the impact of gender imbalance on the social welfare system, the government does need to adjust its birth policy. The following methods can be referred to:

Firstly, the government can actively promote a scientific and reasonable concept of childbirth through publicity and educational activities, encouraging people to have healthy children. This includes popularizing knowledge about reproductive health, improving people's scientific understanding of fertility and gender, and gradually eliminating prejudice and discrimination against gender. Propaganda and education can also help people understand the harm of gender imbalance and enhance social awareness of gender equality.

Secondly, the government should implement a gender equal childbirth policy to directly

address the issue of gender imbalance. For example, fully implementing the "two child policy" and strengthening supervision of the reproductive process, strictly prohibiting non-medical fetal gender identification and selective termination of pregnancy. Through policy guidance, promote the gradual balance of gender ratio in the population.

4.5 Strengthen the Construction of Vocational Training and Retraining System

In order to adapt to the changes in occupational structure, the government needs to strengthen the construction of vocational training and retraining systems.

Firstly, the government should increase opportunities for vocational training and retraining to help workers adapt to the demands of emerging industries. This includes expanding the scale of training, enriching training content, innovating training methods, etc. The government can cooperate with enterprises, vocational colleges, and training institutions to jointly carry out diversified training programs and provide personalized training services for workers. For example, enterprises can use information technology to provide more convenient vocational training channels for migrant workers and develop online immersive teaching.^[6] At the same time, the government can encourage workers to actively participate in training by providing training subsidies, tax incentives, and other measures to reduce the cost of workers participating in training.

Secondly, the government needs to strengthen the quality management and evaluation of vocational training and retraining. The government should establish a comprehensive training system, including clarifying training objectives, developing training plans, selecting training materials, evaluating training effectiveness, and other aspects. At the same time, the government should strengthen the supervision and evaluation of training institutions to ensure that they have the corresponding training qualifications and capabilities, and provide high-quality training services. In addition, the government can also introduce third-party evaluation agencies to conduct comprehensive, objective, and fair evaluations of training programs, in order to improve the effectiveness and level of vocational training and retraining.

Through the implementation of these measures, the government can effectively strengthen the construction of vocational training and retraining systems, help workers adapt to changes in occupational structure, and improve the quality and competitiveness of employment.

5. Conclusion

China's demographic changes have had a profound impact on the social welfare system. With the intensification of population aging, gender imbalance, and changes in occupational structure, the social welfare system is facing enormous challenges. To address these challenges, the government needs to improve the pension system, strengthen the construction of the healthcare system, develop the elderly care service industry, adjust the birth policy to alleviate gender imbalance, and strengthen the construction of vocational training and retraining systems. Through the implementation of these measures, the pressure of demographic changes on the social welfare system can be effectively alleviated, and the sustainability and fairness of the social welfare system can be improved. At the same time, the government also needs to strengthen cooperation and communication with all sectors of society to jointly address the challenges and problems brought about by demographic changes.

In the future development, the government still needs to continue to pay attention to the impact of demographic changes on the social welfare system, and continuously adjust and improve relevant policy measures according to the actual situation. Only in this way can we ensure that the social welfare system can adapt to changes in population structure and provide better services and guarantees for members of society. At the same time, we also need to recognize that demographic changes are a long-term process that requires joint efforts from the government, various sectors of society, and individuals to address and solve related issues. Through the joint efforts and collaboration of the whole society, we can make positive contributions to building a more

fair, harmonious, and sustainable social welfare system.

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