

Research on Employment Support Policies and Income Increase Effects for Low-Income Groups in Jiangsu Province

Chang Su^{1,a}, Zirui Yang^{1,b}, Wei Xu^{1,c,*}

¹School of Business, Wuxi Taihu University, Wuxi, China

^a1131480140@qq.com, ^b2561966075@qq.com, ^c001138@wxu.edu.cn

*Corresponding author

Abstract: This study evaluates the effectiveness of employment support policies for low-income groups in Jiangsu Province. As one of China's most developed provinces, Jiangsu has achieved sustained economic growth; however, pronounced income disparities persist across urban–rural divides, regions, and demographic groups. Low-income individuals remain constrained by insufficient skills, weak job matching, and unstable employment. Although policies such as vocational training, public-service positions, entrepreneurship subsidies, and targeted services have been introduced, their impact has been weakened by imprecise targeting, weak supervision, poor alignment with market demand, and inadequate interdepartmental coordination. Data analysis indicates that rural residents, particularly in northern Jiangsu, face slower income growth (5.8% versus 7.5% in Zhejiang, Q2 2025), weaker industrial support (wage income accounting for 65.2% of disposable income versus 71.5% in Zhejiang), and a limited safety net (e.g., rural subsistence allowance averaging 620 RMB per month), thereby widening the urban–rural gap. To address these challenges, the study highlights the necessity of enhancing policy precision, strengthening implementation and oversight, dynamically aligning training with labor market needs, and fostering multi-stakeholder collaboration. The findings offer both theoretical insights and practical guidance for improving employment and income security systems in Jiangsu and comparable regions.

Keywords: Employment Training, Labor Market Alignment, Policy Evaluation, Income Security

1. Introduction

Achieving common prosperity is a fundamental goal of socialism, where the employment and income growth of low-income groups play a critical role. This issue is directly linked to the coordinated development of regional economies and societies, as well as the tangible improvement of people's livelihoods. Jiangsu Province, as a representative of China's economically strong provinces and developed eastern regions, has experienced continuous growth in its economic output in recent years. However, significant income disparities remain between urban and rural areas, across regions, and among different demographic groups. Many low-income individuals face numerous challenges in the job market, including insufficient skills, poor job matching, and low employment stability—factors that pose major barriers to income growth and an improved quality of life. To this end, Jiangsu Province has implemented a series of employment support policies, including vocational skills training programs targeted at low-income groups, the development of public welfare jobs, the provision of entrepreneurship subsidies, and targeted employment service matching. These policies aim to enhance the employment capabilities of low-income groups, expand employment channels, and thereby achieve steady income growth through policy interventions.

However, an examination of the actual effects of policy implementation reveals several issues that need to be addressed. For instance, some training programs are misaligned with market demand, making it difficult for low-income groups to secure suitable jobs even after acquiring new skills. In some regions, public welfare positions lack diversity, are of low quality, and suffer from insufficient sustainability. Additionally, there remains a "last mile" problem in the implementation of entrepreneurship support policies at the grassroots level, preventing some eligible low-income groups from fully benefiting from these initiatives. Furthermore, imbalanced policy enforcement and resource allocation across regions have resulted in significant disparities in income growth outcomes. These issues not only undermine the sense of fulfillment and well-being among low-income groups but also pose challenges to Jiangsu

Province's pursuit of high-quality development and its objective of achieving common prosperity. Based on this, this study focuses on low-income groups in Jiangsu Province as its research subject, conducting an in-depth investigation into employment support policies and their effects on income growth. By examining the composition and evolution of the policy system, it identifies bottlenecks and deficiencies in the implementation process. Utilizing field survey data, the study evaluates the actual impact of these policies on the income growth of low-income groups, explores the underlying mechanisms influencing policy effectiveness, and proposes specific recommendations for optimizing policy design, enhancing targeting accuracy, and strengthening outcomes in income improvement. The findings aim to provide a theoretical foundation and practical reference for improving the employment and income security system for low-income groups in Jiangsu Province, while also offering insights for addressing similar issues in other regions of China.

2. Literature Review

Research generally acknowledges that regional development imbalances are the structural root cause of low-income issues. Empirical studies based on panel data from 2001 to 2013 show that the income disparity between rural residents in southern and northern Jiangsu accounts for approximately 80% of the total provincial income gap, with differences in wage income being the main contributing factor ^[1]. Secondly, employment policies should be coordinated with multidimensional poverty interventions. A 2017 study by the Jiangsu Academy of Social Sciences found that low-income groups are often trapped in a vicious cycle involving health poverty (with an incidence rate of 52.3%), educational poverty, and low-skilled employment. The study suggests addressing this issue through a combination of "safety-net public welfare jobs" and "skills capital conversion" ^[2]. Thirdly, the accessibility of grassroots services significantly influences policy effectiveness. In northern Jiangsu, the coverage of "local employment service stations" is less than 40%, leading to a mismatch rate exceeding 35% between skills training and market demand.

The research focuses on four key issues: First, the debate over the income distribution effects of minimum wage policies. Using county-level panel data from Jiangsu, Ye Linxiang found that raising the minimum wage reduces employment opportunities for low-skilled labor in agricultural households, thereby widening the urban-rural income gap ^[3]. Second, the sustainability challenges of industry-based poverty alleviation. A 2023 report by the Provincial Department of Agriculture and Rural Affairs indicated that in northern Jiangsu, the value-added share of the processing sector remains below 50%, while the technological conversion rate is under 60%, constraining the extension of the industrial chain ^[4]. Third, institutional blind spots for platform-based gig workers. Current policies do not classify food delivery riders and similar occupations under the "five categories of employment-vulnerable groups," resulting in a lack of occupational injury protection.

Fourth, the absence of regional coordination mechanisms. Regional income disparities in rural areas of the Yangtze River Delta are widening. It is projected that by 2025, the rural income in Jiangsu will reach only 70.9% of that in Zhejiang, amounting to 18,431 yuan, with the absolute income gap expanding to 7,555 yuan. This situation underscores the urgent need for cross-provincial industrial transfer compensation mechanisms ^[5].

Recent studies have been characterized by three prominent shifts: First, in terms of analytical tools, research has transitioned from relying on cross-sectional data to adopting dynamic tracking models—exemplified by the pilot "Three-Year Employment and Income Growth Database" launched in Yancheng in 2025. Second, regarding policy design, the focus has shifted from standalone subsidies to a three-dimensional linkage encompassing "housing assistance – skills training – industrial development." Third, as for implementation, the model has evolved from being government-dominated to one emphasizing tripartite collaboration among government, enterprises, and financial institutions. A case in point is the "Employment + Finance" embedded service station jointly established in Yunlong District, Xuzhou, with the Bank of China, which has automated the verification and disbursement of subsidy applications.

3. Analysis of the Current Situation of Poverty Relapse Risk Among Low-Income Groups in Jiangsu Province

In Jiangsu Province, the income of urban and rural residents exhibits a clear gradient differentiation within the Yangtze River Delta region, as shown in Table 1. In the second quarter of 2025, the per capita disposable income in the province reached 30,706 yuan, with urban residents earning 36,487 yuan and

rural residents earning 18,431 yuan, respectively. The urban-rural income ratio widened to 1.98:1 (with rural income used as the base), significantly higher than that of Zhejiang (1.67:1, urban: 43,293 yuan / rural: 25,986 yuan) and Shanghai (1.78:1, urban: 48,939 yuan / rural: 27,431 yuan). From a longitudinal perspective, the year-on-year growth rate of rural residents' income in Jiangsu was 5.8% (rising from 17,415 yuan in Q2 2024 to 18,431 yuan in Q2 2025), slightly higher than the 4.8% growth among urban residents (increasing from 34,821 yuan to 36,487 yuan). Nevertheless, the absolute income gap widened from 17,406 yuan to 18,056 yuan, indicating a continued reinforcement of the urban-rural dual structure. Regarding the low-income population, according to the 2024 targeted social assistance policy, 973,000 individuals (accounting for 1.14% of the resident population) were covered, whose incomes generally fell below the local subsistence allowance standard of 872 yuan per month. This group is predominantly concentrated in agricultural regions of Northern Jiangsu, such as Xuzhou and Suqian.

Table 1: Per Capita Disposable Income of Residents in Jiangsu Province: Related Data (2024–2025).

Indicators	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Per Capita Disposable Income of Residents (Cumulative, RMB)	30,706	19,046	55,415	42,307	29,194	18,086
Per Capita Disposable Income of Urban Residents (Cumulative, RMB)	36,487	21,896	66,173	50,801	34,821	20,872
Per Capita Disposable Income of Rural Residents (Cumulative, RMB)	18,431	13,067	32,414	24,529	17,415	12,325

Source: National Bureau of Statistics of China

Table 2: Per Capita Disposable Income of Residents in Zhejiang Province: Related Data (2024–2025).

Indicators	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Per Capita Disposable Income of Residents (Cumulative, RMB)	37,813	22,477	67,013	52,206	35,982	21,352
Per Capita Disposable Income of Urban Residents (Cumulative, RMB)	43,293	25,990	78,251	60,516	41,365	24,796
Per Capita Disposable Income of Rural Residents (Cumulative, RMB)	25,986	15,043	42,786	34,539	24,589	14,203

Source: National Bureau of Statistics of China

Table 3: Per Capita Disposable Income of Residents in Shanghai: Related Data (2024–2025).

Indicators	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Per Capita Disposable Income of Residents (Cumulative, RMB)	46,805	25,766	88,366	66,341	44,735	24,640
Per Capita Disposable Income of Urban Residents (Cumulative, RMB)	48,939	26,929	93,095	69,567	46,823	25,781
Per Capita Disposable Income of Rural Residents (Cumulative, RMB)	27,431	15,421	45,644	37,266	25,918	14,557

Source: National Bureau of Statistics of China

Compared with other provinces in the Yangtze River Delta, rural residents in Jiangsu face three structural constraints to sustainable income growth, as detailed in Table 2: First, the absolute income gap is widening. In Q2 2025, the per capita disposable income of rural residents in Jiangsu (18,431 yuan) was only 70.9% of that in Zhejiang (25,986 yuan), with the absolute disparity increasing from 7,174 yuan to 7,555 yuan year-on-year.

Second, the growth momentum is relatively weak. The annual growth rate of rural income in Zhejiang reached 7.5%, significantly higher than Jiangsu's 5.8%, indicating a stronger driving effect from the private economy. Third, the policy safety net is inadequate. Shanghai has raised its rural minimum living allowance to 1,880 yuan per month through urban-rural integrated assistance programs, whereas Jiangsu's rural average remains at 620 yuan. Furthermore, Zhejiang has expanded eligibility for targeted assistance to households with incomes up to 2.5 times the minimum living standard, exceeding Jiangsu's current ceiling of 2.0 times. A deeper issue lies in weak industrial support (Table 3). Wage income accounted for 65.2% of rural disposable income in Jiangsu (2024), trailing behind Zhejiang's 71.5%.

With over 30% of the workforce in Northern Jiangsu still engaged in agriculture, low-income populations are highly vulnerable to fluctuations in agricultural product prices. This regional disparity highlights a critical challenge within the Yangtze River Delta integration: Shanghai has leveraged urban agriculture to narrow its urban-rural income ratio to 1.78:1, while Northern Jiangsu, Southwestern Zhejiang, and Northern Anhui form a contiguous underdeveloped region requiring urgent cross-provincial industrial transfer and skills compensation mechanisms to break down development barriers.

4. Existing Problems

4.1 Insufficient Policy Precision

Currently, employment support policies for low-income groups in Jiangsu Province lack precision in their targeting, failing to adequately consider the diverse characteristics of different low-income populations. For example, there is a lack of segmentation and targeted support for groups such as those impoverished due to disability, illness, or long-term unemployment. Most policies are designed based on uniform standards, without an in-depth analysis of variations in employment capabilities and willingness among different groups. Individuals with physical disabilities, for instance, are generally more suited to jobs with low physical demands and stable working environments. However, existing policies do not emphasize such targeted guidance for job matching. As a result, some low-income individuals find it difficult to access effective employment support from generalized policies and face challenges in securing job opportunities that match their specific needs.

4.2 Weak Implementation and Supervision

During the implementation process, the understanding and execution of employment support policies by local-level staff vary considerably. In some regions, the procedures for implementing policies such as loan interest subsidies and tax reductions are excessively complex. Low-income groups, lacking the relevant knowledge, resources, and time, often struggle to navigate these processes and fully access the intended benefits. At the same time, regulatory oversight is insufficient. For example, in public welfare job placements, issues such as unjustifiable job setups and non-compliant personnel placements are widespread. In some areas, even non-low-income individuals have occupied positions intended for low-income groups. Furthermore, supervision over the use of employment subsidy funds is insufficient, leading to problems such as delayed disbursement and misallocation or diversion of funds. These shortcomings severely undermine the effectiveness and credibility of the policies, preventing funds that should support low-income employment from being used as intended.

4.3 Mismatch between Training and Market Needs

The vocational skills training provided to low-income groups in Jiangsu Province has not closely aligned with the actual and changing demands of the labor market. Training curricula are often designed based on traditional industries and conventional understanding, without a forward-looking approach to emerging sectors and high-demand skills. For instance, with the rapid growth of the digital economy, there has been a significant increase in demand for new roles such as e-commerce operations and data analysis. Yet, training programs provide limited coverage of these fields, resulting in trainees acquiring skills that lack competitiveness in the job market. As a result, it becomes difficult for them to secure high-paying and quality jobs. Moreover, training delivery remains largely theoretical and classroom-based, with few opportunities for hands-on practice. This disconnection from real-world working environments makes it challenging for trainees to quickly adapt to job requirements, thereby undermining the effectiveness of training in facilitating employment.

4.4 Lack of Collaborative Mechanisms

There is an absence of an effective collaborative mechanism among government departments in supporting employment for low-income groups. The Human Resources and Social Security Department is responsible for policy design and employment services, the Civil Affairs Department manages information on low-income populations, and the Education Department can provide training resources. However, communication between departments is inefficient, and data-sharing mechanisms are not yet established. For example, the Civil Affairs Department often fails to promptly transmit updated information on low-income individuals to the Human Resources and Social Security Department,

resulting in delayed employment assistance for some individuals.

Furthermore, collaboration between the government, enterprises, and social organizations remains insufficient. Enterprises lack sufficient incentives to participate in employment support initiatives, while social organizations' strengths in providing vocational guidance and psychological counseling are underutilized. As a result, these stakeholders have not formed effective collective efforts to promote employment among low-income groups.

5. Strategies for Improving Employment Support Policies for Low-Income Groups in Jiangsu Province

5.1 Enhancing Precision Targeting and Matching of Policies

Conduct in-depth research on the characteristics of various types of low-income groups, and utilize big data analysis techniques to establish an accurate identification system. Based on factors such as employment capabilities (e.g., physical endurance, professional skills) and employment preferences (e.g., desired industry, geographic location), tailored employment support plans should be developed.

For groups with limited educational backgrounds and skills, provide basic skills training and recommend entry-level positions. For those with some knowledge and motivation for self-improvement, support participation in training related to emerging industries and facilitate connections with relevant job opportunities.

Regularly update policy content and adjust specific measures—such as job subsidies and entrepreneurship support—based on market trends and feedback from the target groups. This will ensure policies remain aligned with the evolving employment needs of low-income populations.

5.2 Strengthening Implementation and Supervision

Organize targeted training programs for frontline personnel to enhance their understanding and execution of employment support policies. Simplify policy application procedures and establish integrated online-offline one-stop service centers to provide convenient access for low-income groups.

Establish a stringent policy implementation and supervision mechanism, including setting up dedicated inspection teams to conduct regular reviews and random checks of key aspects such as public welfare job placements and subsidy disbursement.

Utilize information technology to establish a monitoring platform for employment support policies, enabling real-time tracking of policy implementation and fund flows. Any violations detected shall result in enforcing accountability for those responsible, ensuring policies are faithfully implemented, and funds are used safely and efficiently, thereby safeguarding the rights and interests of low-income groups.

5.3 Enhancing Alignment between Training and Market Needs

Establish a mechanism to align training programs with labor market demands, including conducting regular surveys on workforce needs from enterprises within the province. Vocational training curricula should be adjusted in a timely manner in response to changing market conditions.

Increase investment in skills training for emerging and high-demand industries, such as artificial intelligence and elderly care, and invite experienced industry professionals to participate in instruction, bringing practical experience and industry knowledge into the training process.

Increase the emphasis on practical training by collaborating with companies to establish training bases, allowing trainees to develop their skills in real-world working environments and enhance their employability. Furthermore, encourage training institutions to enter into employment cooperation agreements with enterprises to ensure that trainees are directly placed into relevant job positions after completing their programs. This will improve the training-to-employment transition rate and promote high-quality employment among low-income groups.

5.4 Establishing a Multi-stakeholder Collaboration Network

Enhance communication and cooperation between departments by establishing a cross-departmental information-sharing platform to enable real-time exchange of low-income population data among the

Civil Affairs, Human Resources and Social Security, and Education departments. The Human Resources and Social Security Department should develop assistance plans promptly based on the latest updates from Civil Affairs, while the Education Department should adjust training programs according to labor market demands identified by Human Resources and Social Security.

Actively incentivize enterprises to participate in employment support initiatives by offering tax benefits, financial subsidies, and other incentives to those hiring individuals from low-income groups, thus enhancing corporate participation.

Encourage social organizations to leverage their professional expertise by providing services such as psychological counseling and career guidance to low-income job seekers. Through close collaboration among government agencies, enterprises, and social organizations, a comprehensive and multi-tiered employment support network can be created. This will collectively facilitate stable employment for low-income groups in Jiangsu Province.

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