



Construction Scheme and Talent Policies of Free Trade Zones in China

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Abstract: Free Trade Zones (FTZs) are the important product of deepening reform, expanding opening up and promoting high-quality economic development under the unified deployment of the CPC Central Committee and the State Council of the People's Republic of China. As the core competitiveness of FTZs, talents play an important role in the construction and development of FTZs, and the formulation of talent selection policies are vital in talent introduction. This article mainly discusses the construction scheme and talent policies of FTZs in China for reference of relevant departments.

Keywords: Free Trade Zone, leading and coordination, construction scheme, talent policies

1. Introduction

The Pilot Free Trade Zone (hereinafter referred to as the Free Trade Zone (FTZ)) is a pioneer in the reform and opening up of all countries in the world. The various and unique talent policies in FTZs attract a large number of international talents, who play a significant role in supporting and leading the rapid and sustainable development of FTZs in various countries. At present, the construction of free trade zones in China undertakes many strategic tasks, such as trade facilitation, financial innovation and industrial opening, but requiring talent policies as its important support. Therefore, it is necessary for China's free trade zones to firmly grasp the opportunities and challenges brought by the new era, take significant steps and build a talent policy support system as soon as possible.

2. Analysis of the overall construction scheme of FTZs in China

To construct FTZs is a major decision made by the CPC Central Committee and the State Council of People's Republic of China, which is a strategic plan to continuously improve the innovation of reform and opening up, and an important measure to deepen reform and accelerate high-quality economic development. Up to now, China has established 21 FTZs, each of which is of its own characteristics and mission, and is distributed in several provinces across the country, making great contributions to promoting the high-quality development of local economy and society.

To guarantee the high-quality construction of free trade zones in China, it is necessary to formulate the overall construction scheme of free trade zones to play an important leading and coordinating role. The relevant texts from the overall scheme of the business district was selected and analyzed by NVivo.

"Wordle" is to highlight "keywords" that appear frequently in the text. Wordle images can usually filter huge text information, so that browsers can grasp the main points of the text only by scanning the wordle images. The wordle analysis in this article refers to a detailed and concrete analysis of the overall construction plans and contents of the 21 FTZs.

According to the results of wordle analysis, the word "service" that reflects the original intention and mission of constructing FTZs appears most frequently in the overall construction plans of FTZs, indicating the services provided by FTZs for economic development and key companies and talents in the region.

The two most prominent words in the wordle image are "Trade" and "Development". The most important and fundamental functions of FTZs are to promote trade and investment facilitation, and to promote trade transformation and upgrading. To further satisfy the needs and achieve the objectives of FTZs, measures including the combination of administrative supervision and delegating power, investment and trade liberalization, optimization of the industrial structure of FTZs and normalization of the ultimate development goals should be taken. Following "Trade" and "Development", another two highlighted words are "Supervision" and "Management". There are numerous companies in FTZs with complex subjects. In addition, it has been a short time since China began to construct free trade zones, and there is a lack of management experience and methods. Thus, it is essential to implement legal management and strict supervision on FTZs, which is the premise and condition for the sustainable and healthy development and scientific and efficient operation of FTZs.

Followed are other essential elements in FTZ systems like "Company". This feature creates a complete FTZ system and enables the system to play its full role, as well as promote the high-quality and rapid development of local economy,

and achieve significant promotion in innovation capability. Then, the frequent use of the word “International” in the overall schemes of FTZs further indicates that China’s FTZs are facing the international market, strengthening all-round cooperation with other countries around the world, and exchanging technology, capital and other factors with them to achieve a win-win goal.

3. Talent policies of the construction of FTZs in China

3.1 Introducing the specific implementation rules for attracting talents

China’s FTZs can introduce complete talent policies specifically. In addition to talent policies of FTZs issued by the government, FTZs should also issue corresponding talent welfare policies according to different conditions of various regions. For example, all-factor talent services and specific talent policies should be introduced to promote services. This includes building multi-level talent support systems, promoting cross-regional talent cultivation, and establishing talent cooperation demonstration zones to create a livable and friendly business environment for talents. The international talent management system consists of all aspects of innovation, including the promotion of entry, exit, training, innovation and various talent exchange activities (such as cooperation, training, evaluation, employing, encouragement and guarantee), introducing talents, exchange and providing support in talent policies, focusing on building high-level and complete talent service systems, and accelerating talent agglomeration. For instance, there have been the most detailed and specific talent support and incentive policies in local FTZs of Guangdong Province, which can be universally applied to various FTZs around the whole country, and can provide reference for the formulation of talent policies in FTZs.

3.2 Adhering to talent cultivation and introduce the principle of “driven by two wheels and building talent highlands”

China’s FTZs should introduce high-tech talents and optimize the development environment from two aspects. First, it is to introduce international elite talents, speed up the modernization of the management system, and attract entrepreneurial teams led by Nobel Prize winners, innovators of advanced technologies, academicians from developed countries and highly skilled talents from all over the world to settle in China’s FTZs; international high-tech talents who have obtained permanent residence qualifications should be allowed to carry out pilot scientific and technological companies in accordance with international laws and regulations in China, and carry out stock incentive, construction of innovation and entrepreneurship systems, as well as corporate investment based on science and technology; they can also serve as the technical leaders of FTZs and research institutes, or as the leaders of innovative science and technology projects in governmental departments. Second, it should constantly integrate talent incentive mechanisms, enhance the value of knowledge, and attain international standards in talent incentive systems. At the same time, scientific research institutes and universities in FTZs should be given greater autonomy in income distribution, and distribution incentive mechanisms closely combined with post responsibilities, work performance and actual contribution should be promoted to further introduce innovative talents.

3.3 Adapting to local conditions and following a characteristic path of attracting talents

Combining the unique advantages and location advantages, China’s FTZs should formulate scientific and rational industrial layout and development goals, and introduce policies to attract special talents, further promoting and guiding the talent policies of each FTZ.

For example, Henan Province has released relevant incentive schemes for talent introduction, working out the “Heluo Talent Plan”, and systematically formulating talent introduction and development plans based on development planning and innovation and entrepreneurship.

The government of Henan Province has issued measures and schemes on motivating vitality of companies in FTZs, further promoting the flow of talents from universities and research institutes to companies, encouraging universities and research institutes to deeply promote scientific and technological achievements, encouraging the leaders of universities and institutions to take the lead in scientific and technological transformation to enable scientific research to serve corporate innovation, and ensuring that researchers receive innovative and entrepreneurial salaries according to law.

Another example is that Sichuan Province has simplified the procedures for identifying high-level talents and increased financial support, further implementing housing treatment and incentive policies, guaranteeing land for the construction of talent projects, supporting the construction of talent platform, focusing on the transformation of talent research results, etc.

To sum up, FTZs in various China’s regions have issued talent policies, to further promote the development of local FTZs and high-quality economic and social development.

3.4 Formulating subsidy policies of personal income tax

FTZs allow companies to reward their skilled talents by offering shares or investment proportion, so as to give special treatment to skilled talents. These talents who receive such awards can pay personal income tax in installments, but shall not exceeding five years. For talents who work in Qianhai and meet Qianhai's preferred overseas industries, FTZs can provide financial assistance to those whose personal income tax exceeds 15% of their taxable income. In addition to the above economic incentives, applicants are exempt from personal income tax.

3.5 Introducing and cultivating outstanding talents to revitalize the old industrial bases in Northeast China

As the third batch of FTZs in China, Liaoning Free Trade Zone not only pays attention to the introduction of talents, but also cultivates talents. Focusing on highlighting Liaoning's characteristics, Liaoning Free Trade Zone makes bold attempts, efforts and independent changes to build itself as the new engine for upgrading the old industrial bases in Northeast China and improving the overall competitiveness and the level of opening up. Liaoning Free Trade Zone is an pilot zone for implementing the "Three Promotions" put forward for Liaoning by General Secretary Xi Jinping. It focuses on the core of institutional innovation with practical actions, and carries out talent cultivation work with characteristics according to the actual conditions of Liaoning Province, obtaining great achievements.

In terms of cultivating talents, in-depth implementation of the "Shengjing (Shenyang) Talents" gathering and cultivation plan is combined with various cultivation projects, such as implementing the high-skilled talent gathering project, the overseas talent gathering project, the gathering and cultivation project of urgently needed talents and talents of integrating defense and civilian technologies, the cultivation project of young and middle-aged talents in science and technology, the innovative entrepreneurs training project, the project of doubling the number of college students remaining in Shenyang City, and the "Shengjing Artisans" training project, etc. Liaoning Free Trade Zone has focused on the cultivation of outstanding talents for its own development. While vigorously introducing talents, it also pays attention to cultivating talents, thus promoting the abilities in attracting and cultivating talents.

4. Conclusion

In a word, through the analysis of China's overall scheme of FTZs construction and related talent policies, it is found that the overall scheme more or less contains some talent policies, but with a small proportion. Some talent policies are not clear, and the implementation process is unknown. Content about talent policies of various FTZs is not clearly and specifically defined in the overall scheme, or it is only explained from several aspects. This article summarizes and classifies the talent policies or practices of FTZs, which can provide reference and suggestions for relevant departments and leaders.

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