

2014

BioTechnology

An Indian Journal

FULL PAPER

BTAIJ, 10(18), 2014 [10636-10643]

Revelation of social security system construction in Taiwan for Chinese mainland

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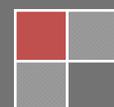
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ABSTRACT

In this paper, contents and successful experience of social security system of Taiwan are analyzed. The social security system of Taiwan is equipped with effective resource allocation, wide coverage, and relatively complete legislation, etc. However, there are still problems, such as heavy financial burden of the government, unsound social security system, etc. It also pointed out that Chinese mainland is confronted by low social security coverage, limited guarantee level and unsound legislation systems, etc. at present. It suggests that Chinese mainland shall perfect the social security system construction by referring to the experience of Taiwan completely, giving full play to the redistribution of social security income, increasing the input and improving the legislative work.

KEYWORDS

Taiwan of China; Chinese mainland; Social security system.



INTRODUCTION

Social security refers that the country may redistribute the national income through legislation to prevent the citizens from the impact of aging, unemployment, labor injury, fertility, etc. and to ensure that citizens with living difficulties can maintain the survival. Meanwhile, it shall enhance the public benefit level and improve the living quality of citizens gradually according to the development of economic society. Social security system is the aggregation of social security policies and measures implemented frequently and stipulated by the law according to certain rules. The social security system of Taiwan of China (hereinafter referred to as Taiwan) gradually grows mature after six decades of development, and it is characterized by wide coverage, effective allocation of social resource, and adaptation to the social and economic development, becoming the example of various countries and regions. Numerous domestic scholars also studied the social security system construction of Taiwan, for instance Wang Jianming^[1], Wang Guojun^[2], Zhang Ying^[3] etc. studied the reforming and perfecting process of social security system of Taiwan respectively, and discussed the background and significance of the three laws, including ‘employment insurance act’, ‘national annuity law’ and ‘national health guarantee law’. Liu Haining^[4] analyzed the income distribution effect of social security system, and pointed out that social security system could redistribute the income and guarantee the social stability and development effectively. Lang Dapeng^[5], Sun Min^[6], and Yu Wenjun^[7] summarized the experience worth referring to by Chinese mainland based on the analysis of achievements obtained by the social security system and existing problems, for instance, establishing the social security system adapted to the economic and social development, pay attention to the fairness and efficiency, attach importance to the legal construction, etc. Li Hu and Wang Youfu^[8] studied the construction of social security system for the aged in Taiwan, and pointed out that Chinese mainland can refer to the valuable experience, such as perfect legislation, strengthening of government function, universal coverage, multiple layers, etc. Shen Huiping^[9] analyzed the social relief system of Taiwan and pointed out the diversified features of relief subject, relief levels and relief means, etc. Song Binwen^[10] studied the development of medical treatment and health system of Taiwan, analyzed the contents and problems of ‘national health insurance’ system, pointed out that the medical insurance shall keep up with the economic development, accelerated the medical insurance information system construction gradually, and pay attention to the legislative experience. The experience is of referential significance for the construction and perfection of social security system in China. Based on the previous studies, complete analysis of social security system is discussed completely, hoping that it can provide references for the construction of social security system.

SOCIAL SECURITY SYSTEM OF TAIWAN

Social insurance

The social insurance of Taiwan mainly includes the medical treatment and endowment insurance. The medical insurance is mainly the *National Health Insurance Act* issued in August 1994, which is a kind of popular and mandatorily insured social health insurance. Citizens of Taiwan shall join this insurance regardless of occupations, nations and ages, and undertake different ratio of premium rate according to different insured object. The low-income families and veterans shall be taken care of by the government. The ‘national health insurance’ of Taiwan has obtained tremendous achievements since its implementation in 1995, and it included all citizens into a health insurance system with high medical service coverage rate, small payment difference, and high medical service contributing rate, which not only solves the medical insurance problem of the entire citizens of Taiwan, but also alleviates the dilemma of poor and fragile vulnerable groups. As a result, it becomes a social policy with the highest satisfaction degree. Besides the *National Health Insurance Law*, Taiwan also made special medical insurance for different groups, for instance, labor medical health insurance, peasant health insurance, civil servant health insurance, etc. for satisfying the demands of different groups. The social old-age insurance is mainly the *National Annuity Law* implemented in October, 2008 in Taiwan. The specific projects of ‘national annuity’ mainly include the annuity of somatopsychic disturbance, old age annuity, annuity for the family dependants of the deceased, funeral compensation, etc. The ‘national annuity’ system is a compulsory and standard-consistent social security system. The ensured must pay the insurance expense according to stipulations (except that the low-income premium is undertaken by the government), and enjoy the ‘national annuity’ insurance after 65 years old. The ‘national annuity system’ integrates the previous benefit premium effectively on the premise of guaranteeing the vested interest, becoming the social insurance system with wide coverage and favorable development in Taiwan.

Employment insurance

From the 1950 s to the beginning of 1990 s, it was the golden period of economic growth in Taiwan, and during that period, it mainly established the employment service and career training agencies, made employment policies and perfected the employment rules by focusing on the goal of employment completely, for instance, in 1970, ‘Guiding Principle of Strengthening the National Career Guidance’ was made; in 1984, ‘Labor Standards Law’ was made; in 1992, ‘Employment Service Law’, ‘Vocational Training Law’ and Private Employment Service Agency Permission and Management Method’ were made. Relatively complete employment security system was established^[11]. Till the middle and later periods of the 1990 s, with the gradual economic growth in Taiwan, a great batch of people suffered the structural unemployment. The increasingly severe unemployment forced the government of Taiwan to issue the *Inspection Criteria for the Identification of Unemployment and Unemployment Payment* in December 1998. It was officially implemented in New Year’s Day in 1999, which started the construction of unemployment insurance system in modern sense. Afterwards, Taiwan also released

Occupational Accident Labor Insurance Law related to the 'labor insurance' (October 2001). With the issuance of *Employment Insurance Law* in May 2002, the modern unemployment security system was basically confirmed. In *Employment Insurance Law*, the insured object, insuring unit and unemployment payment, etc. have been stipulated clearly. Besides, the *Employment Insurance Law* also made specific punishment provisions to guarantee the coverage rate of unemployment security.

Social assistance

Taiwan implemented the Social Relief Act in June 1980 for providing material or spiritual assistance to those who suffer Natural disasters, Lose labor ability, low-income earners, etc. for maintaining the basic life demands. Furthermore, it was revised in 1997, 2000, 2005, 2008 and 2010 successively. At present, the main service measures of social relief act in Taiwan include (1) life support, targeting at those whose average family income is below absolute standard of living, it may provide persistent economic grant, mainly the cash payment. It mainly includes the family living expense subsidy, subsistence allowance for the old in low and middle income, living supplement cost for the disabled, living supplement cost for the needy child, etc. (2) Medical aid, at present, the medical subsidiary policies have already entered the 'free medical service' age from the traditional 'drug delivery relief'. It mainly includes the subsidy for the national health insurance. (3). Emergency relief, which belongs to the temporary relief, and it mainly targets at assisting the temporary interrupt of family livelihood, or it is mainly provided to live the temporary difficulties since various relief procedures that cannot be handled in time. Projects of emergency relief mainly include the funeral relief, injury relief, life relief etc. (4) Disaster relief, it is mainly dominated by the natural disaster. The occurrence and result of disaster accidents resulting damages to people's life, relief payment can be applied, and it mainly includes the emergency acceptance and issuance of relief^[12]. In addition, *Social Relief Act* also lists the relief and service of special projects into the social relief system, for instance, offering nutrition subsidy to the puerperal and infants, capper subsidy, rental subsidy, etc. other necessary relief and service.

Social welfare

In the middle of the 20th century, the targets of social welfare in Taiwan were urban poor population and social vulnerable groups. Out of the demands of economic growth and political stability, the government of Taiwan took the development of social and welfare services as a social investment, and adopted the subsidy system for disabled of the minimum welfare limit. After the 1970s, the government of Taiwan passed a series of social welfare rules and regulations, released the *Comfort Provision of Teaching Staff in School* (1972), *Children's welfare Law* (1973), etc. successively, and expanded the range of social welfare. It became the starting period of the establishment of welfare policies in Taiwan. With the issuance of 'three laws of social welfare' in 1980, namely *Welfare Law for the Old*, *Welfare Law for the Disabled*, and *Social Relief Act*, it turned to be a significant turning point in the development history of social welfare in Taiwan. As for the education welfare, *University Law* (1982), *Junior College Law* (1976), *National Education Law* (1979), and *Social Education Law* (1980), etc. were issued and modified successively. The social welfare system of Taiwan grew complete day by day, which not only covered the vulnerable group in the society, but also improved the living quality of the public. During that period, although the government was the main department offering social welfare, the non-profit organization played a vital role in the transmission system of welfare service. From the end of the 1980s to 1990s, the government continued to modify the welfare rules and regulations, and expanded the social welfare cost. Consequently, the social legal system grew complete day by day and gradually stepped towards the institutional welfare policy models. Since the *Juvenile Welfare Act* in 1989, Taiwan had conducted a series of targeted social welfare legislation and modification. Besides the further modification of the 'three laws of welfare', a dozen of laws were implemented, including *Subsistence Allowance of Low-and-Middle-Income Old People* (1993), *Welfare Allowance for the Old Farmers* (1994), etc. It was a relatively fast development period of social welfare legislation in Taiwan. These welfare rules and regulations basically laid foundations for the social welfare system in Taiwan, and the entire welfare level has been improve considerably.

SUCCESSFUL EXPERIENCE OF SOCIAL SECURITY SYSTEM IN TAIWAN

Effective allocation of social resource

In the starting procedure of modern construction, the income distribution of Taiwan was improved with its growth, and the social wealth realized the fair distribution. There hasn't been similar growth path of 'deteriorating first and improving later' in the income distribution of developing countries and regions proposed by American economist Simon Kuznets. It is directly related to the effective social security policy implemented by the government of Taiwan, which regulates the result of income distribution. The construction of social security system, establishment and implementation of policies, has followed the successful experience of Japan and developed countries in Europe and America. Although the market economy develops rapidly in Taiwan, the function of market economy on the income gap keeps increasing. However, Taiwan has always been sticking to position the goal of social security expenditure at reducing the poverty, and resisting legal citizens to satisfy the basic demands, thus to reach the redistribution of income. Consequently, Taiwan kept the moderate social security level, and there has not been the phenomenon similar to the exceeding of social security level in western countries, or the excessive compression of social security expenditure in countries and regions with rapid economic development, which may result that social security level is lower than that required by the economic development^[3]. In a certain sense, the social security system

in Taiwan has strong income redistribution function, which may prevent the rapid increase of income gap, or even promote the shortening of income gap.

Adaptation to the economic development

The social security policy in Taiwan is adjusted accordingly with the economic development and social changes, experiencing the transformation of selective type to universal type. In political stable period (in the 1950s), the government of Taiwan issued *Insurance Act for Soldiers* (1950), and *Insurance Act for the Public Officials* (1958) successively to stabilize the political situation. On one hand, it started to develop the economy, recover the production, establish the 'labor insurance' and included the vast wage-earning class and government employees into the scope of social insurance. In economy booming period (1964-1986), the government of Taiwan implemented targeted social security policies to improve the social welfare level for preventing and neutralizing the social risks. The famous 'three laws of welfare' were also released during this period. After Taiwan stepped into the post-industrial society, due to the growing economy, increasing social fortune, loosening financial constraint and resource constraint, and boosted demand for social security, Executive Yuan passed the 'National Health Insurance Draft' in October 1993, and implemented it officially in 1995. At the end of the 20th century, with the economic slowdown of Taiwan and increase of the unemployed, *Employment Insurance Act* (2002) was established timely. Afterwards, the government implemented the National Annuity Act in October 2008 in order to solve the problems, such as the aging problem, imperfect insurance systems for the soldiers, officials, workers, and farmers, failure in providing unified payment standard for the old. The issuance and implementation of national social security rules and laws establishes a set of widespread and diversified social security system applicable for the economic and social development of Taiwan.

Gradual unification and popularization

The social security system was primarily divided into four systems according to the income, including the security system for soldiers, officials, workers, and farmers, which tended to guarantee the soldiers and officials, as a social security system 'paying more attention to officials than common people'. In 1995, the implementation of 'national health insurance' became the start of the construction of national social security system. The 'national health insurance' combined the previous social medical insurance payment. The payment for work injury in the medical treatment payment of labor medical health insurance was remained, while the medical treatment payment of soldiers, workers and officials continued to exist in the form of additional insurance. The issuance of 'national health insurance' solved the separate management of various medical insurances to a certain extent, improved the coverage of medical insurance, and formed the unified medical insurance system. Taiwan not only adopted the universal reform for the public medical care system, but also perfected the old-age insurance system, and established the national annuity insurance system. 'National Annuity Act' mainly integrated on the premise of guaranteeing original welfare allowance, forming the old-age social security system formed by the retirement pay of 'soldiers, workers and officials' and the 'national annuity', which made up and supplemented one-off payment defeats and deficiencies of the previous social insurance. The establishment and promotion of 'national health insurance system' and 'national annuity system' enabled the social security system of Taiwan to cover all citizens. With the gradual integration of professional social security system, it gradually promotes the popularity and unified development trend of social security system.

High attention from the government

Governments of each level in Taiwan undertake the responsibilities and obligations of management, supervision and payment in the construction process of social security system. The administrative competent authorities of social security are divided into three levels: central, direct-controlled municipality, county (city), and village (town). The central level competent department is the Interior Ministry of Executive Yuan, the direct-controlled municipal administrative competent authorities include the government of Taipei and Kaohsiung. As for the county (city) and village (town) level, it includes the county government (or Civil Affairs Bureau), as well as the Social Department (or Civil Affairs Department) set by villages, towns and cities^[6]. Secondly, the government of Taiwan input a lot into the social security. In 1994, the social security expenditure of Taiwan took up 8.9% of the bureau, while in 1995, it reached 13.5% after the implementation of national health security. From 2001 to 2010, the average was above 18%. The counties and cities of Taiwan also played a more and more significant role in the social security supply, and the proportion of social security expenditure in the total financial expenditure increased rapidly. In 1988, the average expenditure of social security was 8%, and after 2000, the proportion surpassed 20%^[7]. In addition, as for the social insurance project, the government undertook or shared the payment of insurance expenses, for instance, it was stipulated in the 'national annuity law' that the government of each level shall share related cost of low-income families according to certain proportion. All reflect that government of each level plays a positive role in the construction and implementation of social security system^[8].

Wide coverage and high level

The social security system attaches great importance to the protection of the vulnerable groups, including the old, low-income earners, children, etc. which avoids the social exclusion problem to a certain degree. Besides several common security systems, the government of Taiwan also provides all kinds of subsidies and allowances, etc. for the old who fail to enjoy the social insurance or have particular identity. These safeguard measures mainly involve the old farmer (fishermen) welfare allowance, old-age security and allowance of veterans, subsistence allowance of the aborigines, subsistence

allowance of low-income old man and other allowances, etc. It also pays special attention to the vulnerable children, as well as the education and health care problems. Since July 1, 2011, it financed 150000 children and juveniles in low-income families^[9]. In addition, the social assistance system is extensive in layers and diversified in relieving measures. Besides guaranteeing the minimal life standard, it also provides high-level social relief, reflected as the material assistance and service assistance. The *Social Relief Method* stipulated clearly that as for the low-income families with working abilities, the competent authorities shall assist them to receive professional training and employment service, entrepreneurship guidance, etc. All funds required by relieving shall be supported by government of each level.

Existing problems in the social security system of Taiwan

(1) The financial burden of the government is too heavy. The rate undertaken by individuals in the social insurance is relatively low, and the government undertakes the majority of insurance. When there are losses in some of the insurance of the public insurance system, the government shall also undertake the responsibility of compensating for the loss, which may result in the severe imbalance between the income and expenses. Seen from the payment structure of national annuity, the self-pau ratio of the insured is 56.34%, while the government subsidy reaches 43.66%, in which, the central government occupies 94.15%. (2) Low social welfare efficiency. The abuse of medical resources is quite widespread in Taiwan, which cultivates the behaviors of paying special attention to the body. The medical expense expenditure for the implementation of 'national health insurance' took up 5.27% of the gross regional production in Taiwan. According to the statistics, the average times of seeing the doctor of each person in every year reached 11.9, and it increased to 15 times in 2005, far higher than other regions and countries. (3) It lacks scientific planning and integration. Taiwan has not formed unified social security administrative system yet, and the competent authorities of social security are diversified. Moreover, there is a lack of effective communication and coordination between the competent authorities, which results in certain repetitions and contradictions in the related laws and administrative decrees, and it was also difficult to achieve continuous and integrated service. In addition, social security policies are issued by all counties and cities in Taiwan, but there is a lack of scientific planning, and there are evident differences in the social security expenditures^[7]. (4) There is multi-structure in the social security, which may result in the unfairness. Before 1995, Taiwan implemented occupational social security policies which led to the great differences in the social security level between the civil servants and workers. Although the government of Taiwan started to constructed various 'national' social insurance project since then, it paid too much attention to the some social groups and stratum, as well as the national insurance and occupational insurance, failing to realize the unification of national insurance standards and solve the social contradiction of unfair distribution thoroughly.

CURRENT SITUATION AND CHALLENGE OF SOCIAL SECURITY SYSTEM CONSTRUCTION IN CHINESE MAINLAND

Current situation of social security system construction of Chinese mainland

(1) Preliminary establishment of social security system. Ever since the reform and opening-up, the social security system of Chinese mainland develops rapidly, forming the framework of social security system dominated by the social insurance, including the social relief, social welfare, veteran benefit and placement, housing security and charity cause, etc. The basic endowment insurance, basic medical insurance, unemployment insurance, work-related injury insurance and maternity insurance is widely implemented in cities and towns. In rural areas, new rural co-operative medical system and new rural social pension insurance are implemented^[13]. (2) The coverage is further improved. Till the end of 2012, the number of people joining the basic endowment insurance throughout the country reached 820 million, while the number of those joining the medical insurance reached 570 million, and the number of those joining the unemployment insurance reached 160 million. The income of the five social insurance funds is 2890.95 billion Yuan, while the expenditure is 2218.16 billion Yuan and the accumulative balance reaches 3580.44 billion Yuan. In 2012, the new rural social pension insurance experimental unit expands rapidly, and at the end of year, the number of people joining the insurance reached 326 million. (3) The legislative system is perfected gradually. In 1951, *Labor Insurance Regulation of the People's Republic of China* was released by the Government Administration Council, which laid the foundation for the legal system of social security. Afterwards, stipulations concerning the pension, medical treatment, work injury, poverty, disaster relief, social welfare and veteran benefit and placement released and implemented successively, and social security legal system adapted to the planned economy was developed preliminarily. The issuance of *Social Insurance Law of the People's Republic of China* in 2010 was the milestone of social security development, which enhanced the institutionalization and legalization process of social security system of China substantially.

Challenges confronted by the construction of social security system in Chinese mainland

(1) At first, the dualistic society structure of China results in tremendous gap in social insurance. Since there is evident difference in the urban and rural dual structure of social security in Chinese mainland, the urban social insurance is far higher than the rural areas in insurance project, coverage and security level. From 1995 to 2008, the proportion of urban social security expenditure in per capital GDP was 15%, but it was only 0.18% in rural areas. The social security expenditure enjoyed by the urban citizens was 83.3 times of the rural expenditure^[14]. Such urban-rural divided social security system resulted in the inequality of social security right enjoyed by the citizens, forming the great factors restraining the development of social security system objectively. (2) Challenges brought by the aging of population. China has already

stepped into the aging society in the 1990s, and at the end of 2012, the number of people above 65 years old was 127 million, accounting for 9.4% of the total population. However, it was estimated by experts that in 2055, the population above 65 years old would account for 25% of the total population. Due to the aging of population, the pension dependency coefficient will increase substantially, and the medical cost will also aggravate accordingly. The future Chinese mainland is confronted by greater pressure of aging population. (3) Insufficient social security capital, and the security level is evidently lower than the actual demand. The social security system is confronted by the double challenges of aging population and economic system transformation. The number of people joining the insurance grows slowly, while those enjoying the treatment of insurance row too fast. As a result, there is a huge gap between the income and expense of social security fund. It is estimated that in order to realize the objective of establishing the social security system covering cities and rural areas, the financing gap of social insurance is as high as 10000 billion Yuan. (4) The social security legislative system shall be perfected urgently. In recent years, the mainland has already strengthened the legislative work related to the social security, but seen from the general perspective, the legislation of social security is not systematic and complete, and it has not formed the legislation in social relief and social welfare, etc. Meanwhile, since the legislative level is not high, it lacks supervision and execution force even if it has rules and regulations. The phenomenon of embezzling social security fund, cheating in insurance and refusal of insurance, etc. is quite serious.

REVELATION OF SOCIAL SECURITY SYSTEM CONSTRUCTION TO CHINEE MAINLAND

Giving full paly to the redistribution of social security income

The social security system of Taiwan keeps reforming with the high speed of economy. The popularity of social security system and unified development trend give full play to the income distribution of social security, and it can also shorten the income difference of local residents strongly. The development of social security system reveals an objective fact, namely, the social security actually has comprehensive income distribution function, which may regulate the distribution pattern in each level, and realize the social fairness and sharing of development achievements^[15]. The Gini coefficient of Chinese mainland reached 0.48 in 2007, breaking the 'international warning line' 0.40. The regional disparities, industrial differences, and rural-urban difference continue to enlarge, and the income distribution problem has already become serious social problems, impacting the healthy and sustainable development of national economy. However, the social security system of Chinese mainland cannot help shorten the urban-rural gap, but enlarge the gap. China is a socialist county, with the ultimate goal of realizing the common prosperity. The essential attributes of the state system and regime required that the social security system of China shall be established in fair and priority principle, as well as the path of urban and rural overall development. Especially for the difference of urban and rural income caused by the dual economy, it shall shorten the gap gradually through the redistribution function of social security.

Promoting the social security progress progressively

The construction of social security shall adapt to the economic and social development. The development of social security system completely selects the institutional model of social security and policy framework based on the specific conditions of the regions, and the location of social security system experience transition from selection type to the universal type. By referring to the experience of Taiwan, the construction of social security system of Chinese mainland shall be based on national conditions, and establish the progressive social security system adapted to the economic development level. At present, Chinese mainland is in the rapid economic development stage, and it is still in the primary stage of socialism, but the economic strength and comprehensive national strength is not abundant. Meanwhile, there is a huge difference in the economic conditions of cities and rural areas, and the imbalance of rural-urban separation and regional development imbalance cannot be changed within a short period. The rural-urban dualistic society security system will exist within a certain period of time, and the balance of rural and urban development requires a progressive process. Under such circumstances, the 'progressive' development model will be more favorable for the sustainable development of social security. At present, diversified and layered social security system shall be adopted to cover the public. With the economic development and gradual step into the industrial society, the key point of social security is to perfect the social security constantly, including the pension, medical treatment and employment, to develop the social welfare and social relief cause, to construct the unified urban-rural social security system, and to accomplish the transition from the system covering both cities and rural areas to the system of unified rural and urban integration.

Perfecting the social security legal constructuin

The laws become the support of social security system for its fairness and coerciveness. Perfect legal system is the foundation of stable and order promotion of social security. Since the late period of 1950s, it continued to make various social security laws and regulations. In the rapid development stage of social security, it was also the period with the most legislation. The standard legal system of social security provides complete legal basis for the construction, integration and implementation of social security system. According to the legislative experience of Taiwan, we shall take the lead in the legislative work of social security. Ever since the reform and opening up, certain progress has been made in the social security legislation. However, in general, the social security legal construction is not mature yet, being low in legislative layer and limited in constraint. Moreover, since there are 'multiples of policies from different departments', there may be contradictions, which will directly impact the implementation of these rules and regulations in practice. Many contradictions

and problems met in the construction of social security system are related to such problems as the imperfect laws, lack of operability, insufficient monitoring and execution approaches, various management loopholes, etc. Therefore, with the constant development of social security system, the acceleration of legislation for social security has already become an urgent and severe task in the reform process of social security system.

Enhancing the management of social security system

Learn the lesson from Taiwan, namely the competent authorities of social security are not unified, which results in the excessive financial burden. The Chinese mainland shall unify the management agencies of social safety, and implement unified leadership, and level-to-level administration between the central and regional areas. The central government shall be responsible for making the social security laws and significant policies, while the specific supervision shall be implemented by the local governments, so as to guarantee the legitimate right of each subject and to improve the management efficiency of social security. Secondly, it shall increase the input into the social security field. Compared to the sufficient input of social security fund in Taiwan, the input into the labor and social security cause in central and local fiancé increases year by year, but there is still a large gap between the limited input and constantly increasing social security demand. Therefore, the government shall further deepen the financial tax system reform, enhance the support to public finance, increase the transfer payment by the social insurance, enhance the transfer payment of social security reasonably, especially the basic guarantee of rural-urban minimum life security. Eventually, the great significance of private social welfare group in the social security shall be fully exerted. As for the society security offering department, besides the government, it also includes the minimal subsistence allowances, business department, employee department and volunteer department, the integration and utilization of social resource, its business department, employer department and volunteer department, etc. The integration and utilization of social resources play a vital role in the social security department. As for Taiwan, the supply to the social security is mainly from the automatic department, Therefore, Chinese mainland citizens shall support the development of social welfare group and encourage the private social welfare teams and encourage all circles of life to donate and do charity activities, etc. in all kinds of forms.

CONCLUSION

The social security system of Taiwan has gone through six-decade development and reform, and it is relatively reasonable and perfect at present. The social security system can redistribute the income favorably, allocated the social resources effectively, pay attention to the support to vulnerable groups, adjust constantly with the economic development, and gradually develop towards the popular and unified trend. Chinese mainland and Taiwan are of the same strain, by referring to the successful experience in the construction of social security system of Taiwan, the Chinese mainland shall undertake and give full play to the dominant role in the operation of social security, increase the input into the social security constantly, perfect the security legal institution construction, explore the full coverage and sustainable social security model applicable for the economic and social development of Chinese mainland, enhance the 'security network' of the society, and promote the orderly and healthy development of all causes.

ACKNOWLEDGMENTS

This paper is one of China national "thirteenth five-year" science and technology development planning major subject research which addressed by Zhang Xiangqian (2014DP0024), China Humanities and Social Science Fund which addressed by Zhang Xiangqian (11BJY003) and The program for Fujian Social Science Fund which addressed by Zhang Xiangqian (2014B029), Express thanks to the Fund support and all the participators.

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