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Asia's days of cheap labour 'are over'

The cost of manufacturing high technology products in Hongkong is no cheaper than some areas of the US, according to a trade delegation from Georgia.

A member of the delegation to Hongkong, Mr Leland Strange, who is also president of Intelligent Systems Corp of the US, said that high technology products could be produced as cheaply in Georgia as Hongkong.

He said that wages for unskilled labour in Georgia were low, partly because the workforce was less unionised than it is in the rest of the US.

About 17 per cent of Georgia's workforce is unionised and about 25 per cent in high technology industries.

He said that US companies invested in Hongkong and the Far East, not because wages were lower, but because plant capacity could be increased far more quickly to cope with changes in market demand.

His own company uses the manufacturing capacity of Atlas Electronics in Hongkong.

He said the image of the Far East as a centre for low

wages was no longer correct. The trade mission from Georgia is seeking to promote reciprocal investment and trade with Hongkong.

The Governor of Georgia, Mr Joe Frank Harris, said that Hongkong exported far more to Georgia than Georgia did to Hongkong.

Textiles form a large proportion of Hongkong's exports to Georgia and he said that a better trade balance could be achieved if Hongkong started importing more of Georgia's agricultural produce.