

Hong Kong Standard 25 August 1980

Seminar told Hongkong slipping into a recession of 1974 proportions

100,000 JOBS ON THE LINE

MORE than 100,000 labourers could be out of work by the end of the year.

This is the sombre warning to emerge from a seminar on Hongkong labour organised by the Christian Industrial Committee yesterday.

CIC director Lau Chin-shek predicted that Hongkong was sliding into a depression similar to that of the mid-1970s and about 200 factories could be closed.

Mr Lau said the problem was made worse by factory operators who shifted to the construction industry leaving thousands in the manufacturing sector without work.

In the textile industry, he said, the unemployment rate as shown in a recent survey on 200 large factories has risen about 7 per cent against figures available for February to May.

Figures also show that 30 medium and small size factories have been closed and total wages paid have dropped by 24 per cent.

Employees in the garment industry also dropped from 33.46 per cent of the work force to 31.79 per cent.

Mr Lau said the electronics industry had received the hardest blow in the past six months while the situation in plastics industry was hardly any better.

Mr Lau said labourers were victimised during the 1974 recession and indications were that this was happening again.

"The bosses do not care about the employees once they've got rich," he said and cautioned the Government and employers against jeopardising the livelihood of the workers.

Mr Lau said there was a real danger of workers being ignored as wages have already fallen by three per cent and the soaring

number of industrial accidents of the past two years show there is little concern for their welfare.

A lecturer in social work from the Chinese University of Hongkong, Mr Nelson Chow, suggested that the Government spend more on public construction programmes to create employment opportunities.

Mr Chow also proposed the extension of public assistance to those who are forced out of work when production shrinks.

He called on workers themselves to save their money and to help each other through mutual aid bodies.

"Employers should set up central provident funds or welfare funds by setting aside a little of their annual profits to help employees when required," Mr Chow said.

SECURITY

Mr Chow agreed with a suggestion by Mr Lau that a comprehensive social security scheme would be ideal.

The chairman of the Hongkong Cotton Industry Workers General Union, Pang Chun-hoi, said the expected economic crisis was due to further quota restrictions imposed on Hongkong, the limited bargaining power of trade unions and the lack of unity among workers themselves.

"More than 30 per cent of labourers have been victimised since the recession began late last year," he said.

The director of the Hongkong and Kowloon Electronics Industry General Union, Miss Lee Shuk-ping, said more than 100 electronics factories had already been closed and that this had affected the rice bowls of hundreds of families.