

S. C. M.

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200,000 may be jobless by 1981

By NEIL PERERA

Some 200,000 workers could be unemployed by the end of the year.

This is the grim prediction of the Christian Industrial Committee (CIC) which has been monitoring the situation in recent months.

In addition, many are likely to be working shorter hours because of the lack of work.

It is estimated that 120,000 members of the workforce are now without jobs — and this figure seems certain to rise.

"This is only a conservative estimate," said CIC's director Lau Chin-shek, yesterday.

"It could be much more," he added.

Workers particularly affected are those in the garment, spinning and weaving, and electronics industries.

These trades are considered the biggest employers, with a total workforce of about 900,000.

Previously this type of worker, earning monthly wages of between \$900 and \$1,100, often depended on overtime to make ends meet. Now, not only has this source of income been eliminated, basic hours have been reduced as well.

Mr Lau estimates that "about 200,000 workers are earning less money because of the reduction of working hours in factories."

There is no longer any guarantee that an employee can work the customary eight hours a day. He is often told to go home after only three or four hours' work.

In many cases workers are told not to report to the factory the following day because there is not enough work to go round.

Some have been told that they would be

contacted at home if their services were required.

The wait invariably lasts days.

Some factories have done away with free transport for employees and stopped Christmas or Chinese New Year bonuses.

Mr Lau says workers were being hit by:

- The current recession.
- A lack of overseas orders, caused by the recession.
- An influx of Chinese refugees who are prepared to work for a much lower wage than bona fide Hongkong Chinese.
- Genuine hardship among several employers.
- A preference by certain employers to convert their factories to high rise industrial or domestic premises.
- Hongkong businessmen opening up in China where labour costs and overheads are lower.

In March this year, the Census and Statistics Department revealed that the unemployment figure stood at 73,000, compared with 74,600 last September.

A department spokesman said the decrease was seasonal.

"We consider the unemployment rate in March higher because of students taking up jobs during the school holidays."

But Mr Lau said: "Our reckoning is that the number is over 120,000."

A report compiled by the Labour Tribunal reveals that it dealt with 361 cases concerning severance pay during the first seven months of this year, 16 per cent more than the previous year.

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Mr Lau disclosed that in inquiries into dismissals and severance pay, his organisation discovered that there were 65 bankruptcies during the January to July period of this year — an increase of 14 per cent over the corresponding period of last year.

CIC also revealed that 310 businesses had ceased operations of their own accord. This represents an increase of 25.5 per cent over the previous year.

A CIC survey carried out last month reveals that in the highly industrialised area of Tsun Wan 31.5 per cent of the workers interviewed said they did not have enough work.

Forty-one per cent worked in the garment industry, 32.2 per cent in the spinning and weaving trade and 35.2 per cent in electronics.

A similar survey has been carried out in other industrial areas such as Kun Tong, San Po Kong and others.

The information gathered is now being assimilated and CIC hopes to publish its findings soon.

Mr Lau said the Tsun Wan survey was motivated by the number of dismissals and redundancies there, and added: "It seems to us that no one could really highlight the seriousness of the situation."

This apparently applies particularly to those workers who have nearly completed 24 months' service.

Meanwhile, Mr Lau warned Government that it should immediately make plans to meet this crisis.