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# 10,000 foreign labour boost

By JOYCE NIP

THE Government plans to further relax restrictions on imported labour by allowing another 10,000 foreign workers into the territory to help ease the chronic shortages in the workforce.

It will be the second concession in a year to employers who have kept up pressure for a further relaxation of the territory's strict imported labour policy.

Last May, the Government began to relax its tight restrictions on foreign labour by allowing 3,000 overseas workers into the territory.

However, this has failed to meet the needs of the private sector which claims a shortfall of 110,000 workers in key industries.

These include the hotel and service sectors, textiles and manufacturing industries and construction.

While employers are expected to welcome the move, it will further anger unionists who fear it will open the floodgates and erode the wages and rights of the local workforce.

However, the Government insists it will not pave the way for a mass influx of cheap labour.

"There is no way that the Government would allow for the unlimited massive import of unskilled workers," said a senior government official.

"It would be a limited scheme allowing for between 5,000 and 10,000 workers," he said.

The plan could be implemented in July, once approval has been given by the policy-making body, the Executive Council.

Semi-skilled and unskilled labourers would include technicians, machine operators, food and beverage workers,

assemblers, textiles and clerical workers.

Only skilled workers like technicians and craftsmen were allowed in under last year's scheme.

Workers brought in under the scheme could be tightly controlled. An official said that they would be given two- to three-year contracts similar to last year's scheme.

The business sector welcomed the plan but warned that it would be effective only if immigration procedures were simplified and the scope extended.

"It is encouraging that the imported labour policy is being reviewed. There is a firm belief in a more flexible policy," said legislator Mr Martin Barrow, who also chaired a coalition of nine trade and commercial organisations which claimed last year that Hongkong had a shortfall of 200,000 workers.

Vice-Chairman of the

Hongkong Federation of Trade Unions, Ms Lam Shuk-ye, criticised the move and accused the Government of appeasing employers at the expense of workers.

"The Government has totally ignored the opinions of workers. It is only concerned about the cost to employers," she said.

A further import of labour would erode wage gains as imported labourers were paid less than their local counterparts, she said.

The business sector has urged the authorities to further simplify procedures for importing workers and avoid last year's problems of red tape.

Despite last year's quota of 3,000 workers, employers were unable to fill the quota because of what they claimed was government bureaucracy.

Only 1,600 workers out of

the 3,000 quota were brought in as a result of last year's scheme.

It was a "very modest scheme whose arrangements were complicated and bureaucratic", Mr Barrow said. "A lot of time and work is involved in making it work. The procedure must be simplified."

Fellow legislator Mr Jimmy McGregor agreed.

"It was not indicative of the demand but only the bureaucracy," said Mr McGregor, who represents the Hongkong General Chamber of Commerce in the Legislative Council.

Mr McGregor, however, warned that over-simplifying the procedures could endanger the protection of immigrant workers.

Both Mr Barrow and Mr McGregor called for the lowering of the skill requirement for imported labour.

"A lot of training is provided to move Hongkong people into more skilled positions but if there are shortages in unskilled areas, these people should be brought in," said Mr Barrow.

Mr McGregor said the construction and retail industries were worst hit by the shortage.

"I cannot see how the shortage in these industries could be relieved unless the Government relaxes its rules on immigration," said Mr McGregor.

Government statistics show a negligible change in the unemployment figures. In April, unemployment stood at 1.7 per cent compared with 1.3 per cent for the same period last year.

Mr Leung Ming-yin, Director of Immigration, is expected to make an announcement relating to the new scheme within two weeks.