

5 April 1988

# Automate, don't import labour say unionists

THE two Legislative Council labour representatives last night hit out at employers for "distorting the real picture" and "misleading the public".

In a joint statement, Mr Tam Yiu-chung and Mr Pang Chun-hoi, representing Hongkong's left and right wing unions, also denounced any move to import labour.

They said workers from outside had a tendency to marry locals and become residents, thereby exerting more pressure on the community's facilities.

Mr Tam is the vice-chairman of the Federation of Trade Unions, which has a membership of 170,000, and Mr Pang represents the 30,000-member Hongkong and Kowloon Trades Unions Council.

The statement, illustrated by two tables of vacancy figures and a graph, hit back at arguments supporting the importation of labour, and suggested:

- Job vacancies are not new to the territory and there is no reason to believe the situation is any worse now
- Workers have not been getting a better deal
- The labour situation has not hit the economy
- Importation of labour will not benefit workers.

The statement said: "Since the middle of last year, employers have been making use of the tighter labour market as a pretext to push for labour importation, with a view to increasing their own share of profits.

"They claimed any delay

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- Joint statement

in importing labour would hit the economy badly. The pressure they have applied has come in successive waves and there are signs that they are gaining ground.

"But if we care to look a bit deeper and analyse the situation more carefully, we would see a rather different picture."

They said importing labour would not benefit workers and would not be in the interests of the community as a whole.

"Whatever way we look at it, we cannot agree with the arguments supporting the importation of labour.

"We cannot simply accept the argument from some employers that the so-called labour shortage is harming the territory's economic growth.

"To support such an argument would be to support a wrong proposal. This would adversely affect the health of Hongkong's economic growth," the statement said.

The councillors accused some employers of "exaggerating" the situation, adding that job vacancies was an ever-present problem which had not curtailed the terri-

tory's economic growth. They cited as an example the figure quoted by some employers in the clothing industry, which showed the industry short of 100,000 workers. The actual figure was not borne out by subsequent studies.

The true figure, they said, was closer to 23,000.

The statement also challenged claims by employers that there had been hefty increases in wages. Instead of going up, it said, the real take-home pay was actually going down under the pressure of inflation.

"Wage increases very often reflect overtime work," it said.

The statement said workers' productivity had gone up in the period between 1979 and 1985 but the level of wages had remained stagnant, adding: "We should not be fooled by some superficial figures."

They said a degree of labour shortage should be good in the long term since it would encourage investment in automation.

"Some employers can only see as far as their noses and stubbornly refuse to invest in automation and machinery.

"They would rather move their production to places like China or Thailand where they can get much cheaper labour ... this is totally unrealistic.

"It is time for Hongkong to move away from low-cost production."

They urged the Government to take a long-term view of the problem instead of adopting short-term measures just to "pacify" grumblers. "We should set our sights further. We should not scream and yell about a small problem."

The nine employer-trade bodies have just completed a joint survey of the labour situation. They are the General Chamber of Commerce, the Chinese General Chamber of Commerce, the Chinese Manufacturers' Association, the Federation of Hongkong Industries, the Hongkong Tourist Association, the Retail Management Association, the Federation of Hongkong Hotel Owners, the Hongkong Construction Association and the Hongkong Textile Council.