

Survey on Construction Workers' Wages and Employment

Trade Union Demands a Minimum 12% Pay Rise

2nd February 2010

Hong Kong Confederation of Trade Unions

Construction Site Workers General Union

There will be more and more construction projects from 2010. As the demand of construction workers is increasing, it is hoped that their wages will be rising too. The pay rise rate is the main concern of the workers. In order to propose an appropriate rate, the union conducted a survey to find out the state of employment and wages of the construction workers.

1. Employment

Construction Site Workers General Union (CSWGU) interviewed its members by phone between 10th January and 12th February to understand their employment condition. There were 262 valid samples. Here are the details:

a) Full Employment

Owing to the fact that some workers do not need to work on Sundays, some on both Saturdays and Sundays, 'full employment' is defined as a worker worked 24 to 30 days last month in our survey.

There were 81 workers worked 24 to 30 days last month, accounting for 31% of the interviewees.

30 days	5
29 days	1
28 days	1
27 days	2
26 days	50
25 days	15
24 days	7

b) Underemployment

Working 1 to 23 days last month is defined as ‘underemployment’ in this survey.

21 to 23 days	41
16 to 20 days	64
11 to 15 days	27
6 to 10 days	18
1 to 5 days	7

There were 157 labourers worked 1 to 23 days last month, accounting for 60% of the interviewees; 105 labourers worked 16 to 23 days, accounting for 40% of all interviewees, 52 labourers worked less than 16 days, accounting for 20 % of all interviewees. It showed that construction workers are severely under-employed.

c) Unemployment

Working 0 days last month is defined as ‘unemployment’ in this survey. There were 25 labourers unemployed, accounting for 9% of all interviewees. Here are their unemployment periods:

More than 1 year	1
1 year	3
11 months	0
8 months	2
6 months	4
3 to 4 months	5
1 to 2 months	7
1 month	3

Generally, 30% of construction workers are fully-employed; 60% of workers are under-employed; and 10% of workers are unemployed for more than a month. In average, construction workers work 17.77 days a month.

2. Wages

Between 28th January and 4th February, CSWGU conducted a survey by interviewing our members in public housing construction sites. There were 293 valid samples.

Occupation	Number of workers	Percentage of interviewees (%)	Average actual wages (\$)	Wages after a 12% rise (\$)
1. General workers	43	14.68	419	469
2. Metal worker	21	7.17	616	690
3. Plumber	18	6.14	588	659
4. Electrician	18	6.14	585	655
5. Foreman	16	5.46	689	772
6. Welder	15	5.12	642	719
7. Bricklayer and Plasterer	14	4.78	626	701
8. Carpenters	14	4.78	682	764
9. Levellers	14	4.78	561	628
10. Painters	12	4.10	633	709
11. Air conditioning Mechanics	11	3.75	535	599
12. Curtain Wall Installers	10	3.41	622	697
13. Others	101	34.47	596	668
Total	293	100.00	599	671

3. Workers' Actual Situation

3.1 Data provided by the interviewees

According to the information reported by the main contractors, the Census and Statistics Department published the average daily wages of workers engaged in public sector construction projects. The figure was \$814.37 in November 2009. However, the actual average wages of our interviewees was \$599. The \$215.37 difference shows that construction workers are severely exploited by the multi-tier subcontracting system.

Regarding to the average daily wages of \$599 and the average monthly 17.77 working days, the monthly wages of a construction worker is \$10,644.23. The remuneration is totally unreasonable for a worker who earns his livings by physical labour and skills, spending his lifetime for the industry and risking occupational diseases or even injuries.

Apart from several occupations such as bar benders and plumbers benefited from the Bar Benders Strike 2007, wages of construction workers in general have been frozen and reduced in the past ten or so years.

3.2 Other Occupations

Regarding to the information provided by Concrete Industry Workers Union and Hong Kong Dumper Truck Drivers Association, It is a matter of urgency for wage increases.

Concrete truck drivers have not reaped any fruits of the infrastructure construction boom for long. Since 2003, concrete providers have employed sharing hard times as the justification of considerably reducing the transportation fee, or paying 90% of the fees. In recent years, the daily wage of subcontract drivers of a certain concrete provider have been reduced from \$450 to \$350.

There will be more infrastructure constructions commencing next year. However, the operating costs of a concrete truck driver, including fuels, truck purchases, insurances, tyres and maintenance, have increased significantly by 30% since 2003. If the transportation fees cannot be increased by at least 12%, it is impossible for drivers to break even for their businesses under the current living standard.

During the downturn of the construction industry in the past decade, intense competitions emerged in the multi-tier subcontracting system within the dumper

truck sector, where the number of vehicles was decreased from 3000 to 1500. While transportation fees remained at the same level a decade ago, fuel expenses increased 40%. New truck prizes, insurance fees, tyre and maintenance fees are increasing dramatically as well.

If contractors raised prices in their bids according to the anticipated price index, and they fixed the transportation fee rise to less than 12%, there will be a lot of disputes.

4. Stance

As there will be more construction projects to commence, the wages of construction workers will increase too. At the moment, contractors have increased the prices of their bids for construction projects to reflect the anticipated pay rise of the workers. However, the workers still cannot enjoy the wage increases. If the workers do not fight for their deserved wage increases, contractor must grasp the chance of exploiting the pay difference.

Although construction workers have devoted their lifetime and health building for Hong Kong, they are the first ones suffered from each economic downturn. Unemployment, wages cut and outstanding wages are their common difficulties.

In January, Bar Bending Solidarity Union reached an agreement with the Hong Kong Bar-bending Contractors Association, formulating that the daily wages of a day labour will be increased from \$980 to \$1100, a 12% rise approximately.

Considering all the factors from different aspects, Hong Kong Confederation of Trade Unions (HKCTU), demands that wages of all occupations in the construction industry should be increased by at least 12%, after regarding the bar bending sector as an example. HKCTU will negotiate with governmental departments and various associations of contractors, requesting them to accept the pay rise rate proposed by the confederation.

Workers are powerless unless they unite themselves. HKCTU appeals all construction workers to support and join the union, to strengthen themselves for the pay rise demands.