

# Rapid change spurs Macau unrest

Long before a May Day demonstration turned violent, Macau Chief Executive Edmund Ho Hau-wah had warned about a time bomb of social unrest ticking away due to economic transformations and contradictions that have turned the former Portuguese colony from a tiny fishing village with gambling dens into a well-established tourist spot with modern casinos.

Ho last month told visitors that because of the severe shortage of skilled and unskilled manpower, the importation of labor had become a necessity.

According to the Labour Affairs Bureau and the Public Security Police the number of non-resident workers with work permits totaled 47,876 at the end of March, an increase of 21.5 percent over December 2005.

According to an official source, the current 265,800 workforce cannot cope with the demand for 110,000 additional workers over the next three years.

Ho is aware the rapid modernization of the region will result in huge wealth discrepancies and severe rises in living costs, said the source, quoting from what visitors were told last month.

The source also said Ho is heartbroken to see the welfare of local residents being imperiled by the rapid economic changes.

„As expected, the local workforce is frustrated at not being able to share the fruits of robust economic growth. The importation of labor has dampened the demand for local workers and kept salaries low,“ the source said.

„But the impromptu scuffles Monday will not turn into an

organized anti- government force as the people of Macau are pleased with Ho's heavy-handed rule in the absence of party politics."

Ho admitted one problem with the workforce is its heavy reliance on the gambling industry.

In fact, for most locals, the most popular career is a job in a casino.

Ho knows that to break this vicious circle, more daring moves are needed to tap other talents from outside, the source said.

The Macau government is also vigorously devising strategies to entice more investors to the region and for more international airlines to make use of the airport.

Ho is also striving for a bigger role for Macau in the construction of the Hong Kong-Macau-Zhuhai Bridge and is involved in talks for an extended rail track under the bridge.

„Ho envisions a great need for an all-weather link to the outlying islands which is the crux to sustaining its booming tourism industry," said a visitor, recalling Ho's words.

Ho also believes that the long-term remedy to the labor shortage lies in the government's push for quality graduates from Macau's universities to fill the dearth of talent in the territory.

„Ho is grooming the city's youngsters to tap the diversified business and trade opportunities, a departure from its present dominance on the gambling industry. He wants to see graduates of all disciplines add life and color to the city," the source said.

In his policy address last November, Ho pledged to grant 15 years of free education to all students starting no later than the 2009-10 academic year.

Macau's robust gambling industry is another reason behind the push to promote education. The Macau government relies heavily on gambling levies. In 2004, 80 percent of its economic activity was based on casinos.

Taxes from gambling alone accounted for 77 percent of the government's budget.

Meanwhile, Ho is hoping to open up more job and trade opportunities by closer economic integration with the mainland.

„Ho is confident the setup of a tariff- free industrial area at Gongbei in Zhuhai will be more than a tiny piece of land for manufacturing textiles and garments,“ said the visitor quoting Ho's remarks.

„It provides a unique zone of customs immunity on the mainland for multipurpose uses like trade fairs and exhibitions.“