

Nobody Wants the 3D Jobs

By a Special Reporting Team, Choson Ilbo, July 31, 2003

Samsung Electronics' Chonan factory, which assembles high-tech semiconductors, found itself in a manpower crisis early this year when 285 of its 3,500 female workers in their 20s resigned. The "resignation parade" was expected, as every year in March young workers quit their jobs to start attending college. But the number this year was higher than expected, as Samsung paid bonuses of about W5-10 million (\$4,000-8,000) at the end of last year after the plant recorded its best results ever. Roh Il-ho, who was then in charge of personnel affairs, said, "Most of the employees resigned in time to apply and attend a nearby university. While I cannot stop people from continuing their education, there is a vague sentiment that nothing is possible without a university degree."

There was a time in the mid-1990s when Samsung asked technical schools to send it students whose grades come in the top 30 percent, Roh said. "But now, we are just grateful if the schools send us any students." Even one of the world's finest companies cannot find suitable workers in its own backyard. The social tendency to look down on manufacturing jobs has businesses of all sizes moaning from labor shortages. The younger generations avoid the jobs, and even workers at factories try to stay away from the production lines.

LG Phillips recently decided to build a new liquid crystal display plant in Paju, Kyonggi province. The main reason LG decided on Paju was because it thought it could more easily find workers for the plant there. It had provided the workers at its Gumi factory in North Kyongsang province with food and board for only W24,000 a month, but still, in less than a year, 20 percent of the workers resigned. Ku Sun-pon, head of the company's human resources development team, stressed that his department's most important task is preventing worker shortages. The situation is similar at shipping companies, whose profits are up recently. Hyundai Heavy Industries recently increased the maximum age for new hires at its painting division, from 26 to 35. As a result, the competition rate during a recent recruitment period was two to one. This clearly shows the recent lack of younger technicians.

The Korea Shipbuilders Association expects the industry to be short of 5,000 workers through 2004. The shortage is expected to weaken the companies' competitiveness. The association's vice-president, Lee Byung-ho, said, "If a certain industry lacks workers, a bottle-neck phenomenon occurs and the overall work process is delayed. Moreover, in order to procure workers, labor costs increase. In the worst case, companies could suffer from a 3-4 percent sales drop." The labor shortage in small companies

is even more serious. Park Chang-soo, president of Chang Shin Metals, said that he had to give up a \$7.5 million order made in February because he could not find the workers to carry out the work by the deadline. As a result, the order went to a Brazilian company. Chang Shin received an export award from the government in 2001 for having made \$10 million from exports. However, the company's goal this year is to make W2 billion. "These days I want to find and yell at the person who first coined the term 3D [to describe the difficult, dirty and dangerous jobs] and made the young people avoid such jobs."

The factories that are deserted by young people are filling up with illegal foreign workers. Se Myong Furniture in Pochon-gun, Kyonggi province, said 27 out of its 40 workers are foreign, from countries such as Bangladesh, Uzbekistan, Russia, Sri Lanka, India and the Philippines. These foreign workers receive the same salary as local workers. The president of the company, Yoon Jin-hyun, said, "Some of the young local workers come to work on their first day and leave without a word during lunchtime."

Recruiting researchers to small firms is almost impossible these days. FiberTech, a fabric manufacturer that owns a factory in Paju, moved out its research center to Ilsan. This was because no matter how hard the company tried no one applied to be a researcher for the past five years. President Sok Chang-hwan said, "The average annual salary of a researcher is W60 billion, which is almost the same rate as the company president."

The money foreign workers earn in Korea and wire back home is astronomical. According to the Korea Exchange Bank, 380,000 foreign workers in Korea remit about \$280 million each month. Not only are there fewer jobs available, but our national resources are leaking.

According to the Small and Medium Business Administration, companies were short 196,575 workers during the first quarter of this year. That would make for a 9 percent labor shortage rate. The rate was 11 percent for the clothing and fur industry, 11 percent for metal workers, 10 percent for machinery and 10 percent for the rubber and plastic industries.

Cho Yong-su from the LG Economic Research Institute said, "At a time when everybody has the lottery mentality, such as real estate speculation or KOSDAQ investment, the people's expectations about their jobs are inflated, and finding workers is becoming a serious problem. If the term 3D continues to refer to all manufacturing businesses, a serious blow to the nation's economy can be expected."