



## The Betty Letters

*My Dear Grandchild,*

*I am so happy that the Hongkong Government is going to introduce a minimum wage law! The proposed law is a long time in coming. I want to congratulate the Hongkong Government for its decision. I think that I shall join the next walkabout in order to thank the Hongkong Government for its fine and well-thought-out decision. I am assuming that all of the Filipinas and Filipinos, living tax-free in Hongkong, will be included in this new law. This is going to be wonderful for everybody! Of course, 'everybody' includes, especially, those who engage in the work of house-helpers: Cleaning floors; changing babies' diapers; helping with the cooking; washing the motor cars; walking the dog; and, gardening, etc (you know, My Dear Grandchild, you must not call the Filipinas and Filipinos, 'maids' or 'servants' or 'drivers' because they do not like to be reminded of their status in life even though, in point of fact, that is, exactly, what is their role. There are known to be more than 9 million Filipinas and Filipinos, working in homes, around the world. I bet you the next dinner that you did not realise that about 10 percent of the entire citizenry of The Philippines are maids and/or servants. The Government of the Philippines promotes its citizens to be maids and servants, you know, in order that it can make money from them. It is The Philippines Government's biggest export earner, you know.). Since there is to be a minimum wage for house-helpers, et al, in Hongkong, I assume that the Hongkong Government will take into consideration that notional value of the provision of (a) accommodation (b) food (c) uniforms (d) insurance and (d) the return ticket to The Philippines, which has to be given to the Filipina/Filipino servants every 2 years. According to my rough calculation, at wages of about \$HK3,580 net per month, Filipinas and Filipinos in Hongkong are being grossly overpaid, compared with the average person, working in an office and taking home about \$HK6,000 per month, gross. If a Filipina/Filipino had to rent a room in a flat, it would cost at least \$HK3,000 per month. As for food, it must have a notional cost of at least \$HK50 per meal, which is about \$4,500 per month. And that would be the absolute minimum. I need not go further because I am certain that you see the point that I am making. As soon as the new proposal for a minimum wage is passed into law, it is quite likely that it will increase the unemployment rate in Hongkong. My froglike husband, Bo-Bo, told me that he welcomed the prospects of more unemployment because he maintains that it will be much easier to replace ageing and incompetent staff as well as reduce payroll costs. Looking at my position, only, my reasoning about an increase in unemployment in these 416 square miles, due to the passing into law of this new statute, among other things, is simple, also. If I ask my Filipina maid to work on her day off, for any reason, she will say that she must receive the statutorily minimum wage, which, I am told, is going to be about \$HK33 per hour. For an 8-hour day, therefore, it will cost me \$HK264 which, on a monthly basis, is about \$HK7,920. Therefore, it seems clear that the Filipinas and Filipinos, knowing them as I do, will all want to get in on the new law, demanding \$HK7,920 as their new, minimum monthly wage packet – in addition to that free ticket, back to The Philippines, the large quantities of food that they consume (ever see a skinny maid?) in which they get free accommodation, etc, etc, etc. Now, today, I am employing 2 Filipinas, one to clean the house and help with the cooking and the shopping for food – which she calls, 'marketing' because the word, 'shopping' is not a very toffee term for a servant who does not want to be known for that which is her vocation in life – and cleaning the cars, and the other maid to help in the washing and ironing of clothes, the making of beds and the changing of sheets and, generally, looking after my personal requirements, such as carrying my*

*bags when I go to Pacific Mall on shopping expeditions. As soon as the new, minimum-wage law takes effect, I shall sack one of the maids and demand that the remaining one take up the duties of the maid that I have sacked. If the surviving maid refuses, then, I shall just sack her, too, and get a replacement maid from The Philippines where there is a plentiful supply of prospective maids, all wanting to leave the squalor in their villages and hamlets. There are, literally, millions of experienced and neophyte maids in The Philippines, all wanting to come to Hongkong to take up the menial tasks, assigned to servants, the world over. It is not that the Filipinas are the best maids in the world, mind you, but, over the years, they have come to accept their role in life and, in spite of their often surly attitude, most of them work out their 2-year contracts – except those who are incarcerated for acts, contrary to the laws of Hongkong, such as stealing and making false claims of being molested by their employers.*

*Taking this situation a little further, I have come to know that the owners of some Hongkong hotels are giving certain senior staff dual executive positions – but keeping their salaries unchanged. Without naming names, in one Kowloon hotel, the Resident Manageress is, also, Director of Rooms. In the recent past, she was receiving about \$HK25,000 per month plus a housing allowance and certain other, clearly defined perquisites. Today, with the dual title of Resident Manageress and Director of Rooms, she is receiving \$HK25,000 per month plus a reduced housing allowance – and no other perquisites. She could quit, of course, and the owner of the hotel knows this, but does not worry about such an eventuality because there are hundreds of people, waiting to take up this lady's place the very moment that she baulks at her lot in life. If she were to quit, which is highly unlikely, considering the employment situation, worldwide, her replacement would be hired at a lesser salary and with no accumulated retirement benefit. So you see, the owner of this hotel would like nothing better than to receive this lady's notice of resignation. Most hotel operators in the Hongkong pay way over \$HK33 per hour, that sum, being mooted as the proposed, new minimum wage, so that this new law will have little impact on the hospitality industry. But many companies, which are now suffering a decided downturn in revenues due to the global recession, will look to cut costs in order to make ends meet. As such, reducing staff levels is an excellent start to saving money. The Hongkong Government, which is leaning more and more toward socialistic tendencies, does not realise, in my opinion, the full extent of that which it is proposing when it considers the imposition of laws, such as a minimum wage for Hongkong workers. The idea might, at first glance, seem correct and proper, but, as the late, world-famous economist, Mr Milton Friedman, once remarked, the best controller of a market is the market, itself. Hongkong employers, when times are good, have to compete with other employers for staff. This leads to wage increases, quite automatically. The market for staff determines the wages/salaries that staff is willing to accept. So, there is little to no requirement for a minimum wage, you see. 'Ah!' you say, 'But what about the unscrupulous employer who seeks to take advantage of certain situations to the detriment of those who cannot adequately defend themselves?' There are laws to protect this innocent and the ignorant, is the quick answer, but a minimum wage law would not protect the innocent and the ignorant, in any event.*

*Oh, God! Here comes my frog of a husband and he will want his dinner. I am doing the cooking myself now, in preparation for paring staff levels at home.*

*Talk to you, next week.*

*Chief Lady*

***While TARGET makes every attempt to ensure accuracy of all data published, TARGET cannot be held responsible for any errors and/or omissions.***

*If readers feel that they would like to voice their opinions about that which they have read in **TARGET**, please feel free to e-mail your views to [editor@targetnewspapers.com](mailto:editor@targetnewspapers.com). **TARGET** does not guarantee to publish readers' views, but reserves the right so to do subject to the laws of libel.*