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Understanding Working Conditions in Hong Kong's Informal Markets



View of Hong Kong Island

Through the AURA grant, I investigated the role that labor informality played in working conditions in Hong Kong. Continuing research from POLI 348 Urban Politics Lab, I designed a study of the effect of informality on ambient, safety, and behavioral working conditions throughout different industries. The goal of this project was to apply a rigorous social-science research framework to the study of this important issue, as urbanization and inequality have both increased rapidly in the last decade.

The Global South has experienced rapid population growth and urbanization, necessitating expansion of economic infrastructures including labor markets. However, in many cities, traditional labor markets have been insufficient in capturing this growth leading to an expansion in informal labor markets leading to a class of unprotected urban laborers. It is well understood that within the informal market there do not exist the same institutional protections as those in conventional labor markets, leading to lower standard of living for those involved. Additionally, although the degradation of institutional working conditions are well understood, there is little research regarding degradation of working conditions at a micro (or human) level. This study aims to further investigate this idea.

Using data collected through field observations of working conditions in Hong Kong I compared the level of ambient, behavioral and safety working conditions across numerous indicators between the informal and formal markets. Within ambient working conditions, I considered the levels of light, sound, air quality and temperature within the site on a 5-point scale in order to get a wholistic view of conditions within the space. Safety working conditions were considered using a series of binary variables (present or not present) for a number of hazards defined by national and international safety standards. Furthermore, I considered the existence of other safety precautions—also defined within national or international standards. Finally (again in using a binary present vs. not present system), I considered markers of visible conflict in order to

consider degradation of behavioral working conditions.



A crowded street in Urban Hong Kong

Although a random sampling method was intended, due to practical concerns actual sampling was less than random. Using a random number generator, I randomly selected nine of Hong Kong's Tertiary Planning units (TPU). These are organizational units within the city planning and statistical (census) departments synonymous with a unit between the size of a census tract and a neighborhood. I selected this unit because it allowed me to best understand the effects of other underlying variables. I then randomly selected a road in this TPU and attempted to observe each site along a 1-block section of this road, however given practical constraints this was not always achieved.

My findings indicate that, although there does exist some variability between working conditions and labor markets, although it is not compelling. Ambient working conditions are largely random and depend more on the location of the site and the type of site than the labor market presence. Furthermore, Safety working conditions experience significant degradation in both the informal and formal markets, again depending on the sites. However, it is important to note that in many instances informal shops had numerous 'slip-trip and fall' and 'fire hazards' which would pose great risk to worker safety. This was observed in a higher concentration in the informal market rather than the formal marketplace. Additionally, in both the informal and formal marketplace, there lacked basic workplace safety protocols and precautions. These common-sense measures were only observed in a few instances, and when observed tended to be in very high-income sites. Finally, there was no significant degradation in behavioral working conditions, however this result may be unrepresentative of Hong Kong as a whole given notable past issue in the city's domestic service industry.

Not provide significant results, income level and site-level income indicate significance when considering working conditions. sites in higher income TPUs and Sites which were noticeably higher income had higher levels of working conditions. It is important to note, that at many of these sites I was unable to observe back parts (such as a kitchen) where greater degradation of conditions may be occurring. These findings have added importance given the recent waves of protests and unrest in the city. Although the events were precipitated by an Extradition bill, they are deeply tied to economic inequality.