

# Factories hit as workers look for easier jobs

**Young mainlanders shun production line and turn to 'freedom' of the service sector**

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Factories in the mainland's manufacturing centres are struggling to find staff as more young migrant workers turn their backs on the production line to find easier jobs with "more freedom" in the growing services sector.

One of them, Li Tao, who earns a living as a food courier in Guangzhou, said it was a better option for him than factory work.

"Fewer and fewer young people on the mainland want to work in factories now," said Li, who is from a rural part of the country. "We can earn between 5,000 and 7,000 yuan [HK\$5,800 to HK\$8,180] a month as couriers but we have more freedom than if we were working as a security guard or in a factory."

Facing long hours, intense pressure, low pay and job insecurity in the manufacturing industry – where migrant workers have for decades sought work – many young mainlanders like Li have been looking to the booming services sector.

The courier business is a popular choice. Across the mainland, volume increased by about 24 per cent in 2018 from a year earlier to more than 50 billion deliveries.

The business also provides a more flexible workday that appeals to younger workers.

"We can play online games and chat during our break – that's impossible for workers at factories, which are usually located in industrial parks," Li said. "Many people who are now working as couriers once worked in factories – including me."

One of the biggest on-demand delivery service providers, Meituan Dianping, had more than 2.7 million people on its books as couriers in 2018, working either full-time or part-time, the company said. That was 22 per cent more than in 2017.

A survey of its staff also found that 77 per cent of the food couriers were migrant workers, most of them born after the 1980s, Meituan said.

Liu Kaiming, head of the Shenzhen-based Institute of Contemporary Observation – which monitors working conditions in hundreds of mainland contract manufacturers – said the services sector had ballooned since the 2000s and had absorbed a large number of laid-off factory workers.

He said developments in the trade war between China and the United States would be important in determining the future for manufacturing work, as factories considered moving operations out of the mainland.

At present, factory bosses in the Pearl and Yangtze river deltas – the country's traditional manufacturing heartlands – say they are short of workers but cannot meet their salary expectations.

The labour department in Dongguan, in Guangdong, said some 800 factories in the southern city expected to be short of about 100,000 staff in the period after the Lunar New Year holiday.