

Taiwan tech sector hit by coronavirus outbreak

June 7 2021



Taiwan emerged largely unscathed from the pandemic last year but is now battling a sudden coronavirus outbreak.

A leading Taiwanese chip testing and packaging company said Monday that all its migrant employees have been suspended from working for

around two weeks to contain a coronavirus outbreak.

At least 206 employees, mostly migrant workers, at facilities run by King Yuan Electronics Company (KYEC) in northern Miaoli county have tested positive, according to the government.

The cluster is the first major outbreak in Taiwan's [semiconductor industry](#), which is operating at full capacity to meet a worldwide shortage.

KYEC employs more than 7,000 people, including around 2,100 migrants, and counts some top international tech firms as clients, such as Intel, Qualcomm and Nvidia.

KYEC said in a filing to the Taiwan Stock Exchange that its June output and revenue are expected to drop 30-35 percent due to the suspension of work.

Local media raised concerns that the suspension could impact the global chip shortage as KYEC's business is a key final step in the semiconductor supply chain.

Two other tech firms in Miaoli have also reported infection clusters and suspended [migrant workers](#).

Taiwan's semiconductor factories have been struggling to plug a pandemic-driven shortage of chips that power essential electronic devices.

The water-intensive facilities are running at full capacity, even as Taiwan suffers its worst drought in decades, although recent heavy rains have brought some temporary relief.

Taiwan emerged largely unscathed from the pandemic last year with just a few hundred cases and single-digit deaths thanks to one of the world's best coronavirus responses.

But it is now battling a sudden outbreak. Infections have jumped to more than 11,000 with 286 deaths in over a month after a cluster initially detected among airline pilots spread.

The government announced Monday that strict social distancing restrictions, including closing public venues and schools, would be extended to June 28.

© 2021 AFP

Citation: Taiwan tech sector hit by coronavirus outbreak (2021, June 7) retrieved 10 April 2024 from <https://techxplore.com/news/2021-06-taiwan-tech-sector-coronavirus-outbreak.html>

<p>This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.</p>
--