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## \$10 m lay-off bill likely for banned firm

A SAI Kung dyeing factory may have to pay as much as \$10 million to 200 workers who were made redundant after the Government shut the factory down.

The Labour Department said the workers were satisfied with the amount of severance payment.

Pollux Dyeing and Bleaching Factory was forced to cease operations from late April for polluting the Ho Chung River, known as the "black river".

Representatives of the interested parties met two weeks ago to clarify how the severance payment would be calculated.

The factory is believed to be taking measures to prevent pollution.

But the non-dye section of the factory - the administration and the sewing sections were allowed to operate for another month.

The factory is expected to request an extension.

A source said the company had approached other factories to try and complete its unfinished orders.

Pollux is believed to have millions of metres of un-dyed cloth lying in its godown and it will take two to three months for the firm to complete its operations.

Laid-off workers will be told this week of their severance pay and how the payment was calculated.

A Labour Department officer said under the Employment Ordinance the

employer has to make the payment within two months after the workers make the claim for severance pay.

But the workers doubted the factory could pay them that soon, given the financial situation of the company, he said.

Some workers had approached the Labour Department because they were not sure how the severance payment would be worked out.

The labour officer said the doubt was cleared and there was never a dispute between employer and employee.

The majority of the laid-off workers earned between \$4,000 and \$7,000 a month.

Most of them may get more than \$33,000 as severance payment, according to the labour officer.

But he would not disclose the total sum of severance payment.

A source said, given that two-thirds of the workers had worked at the dye factory for more than 10 years, some for even 20 years, it was not improbable for the figure to touch \$10 million.

Under the Employment Ordinance, the Pollux workers are entitled to two-thirds of their monthly wage for every year of service, in addition to one month's salary in lieu of one month's notice.

The source said some workers would retire after getting the payment, while the others should have no trouble in finding other jobs in the same trade.