

256 workers lose jobs at dockyard

THE Hongkong United Dockyards yesterday laid off 256 workers, representing 10 per cent of its workforce, owing to poor business.

The company's managing director J.D. Hall, in a statement to the press, attributed the lay-offs to world-wide shipping recession.

It is the second time in six weeks that a large number of local shipyard workers was laid off.

Last month, 131 workers of the Euroasia Shipyard were retrenched because of a slowdown in orders.

Mr Hall said although his company had a busy summer, the company did not have a further project after that to keep its workers busy. He also said fierce competition in the ship repair business had "forced us to reorganise ourselves to cope with these lean times," said Mr Hall. "Regrettably redundancy is inevitable," he added.

The laid-off workers of the dockyard will receive extra-gratia payments and also will benefit from a non-contributory retirement scheme.

The company's Workers Association chairman, Lee Chung-bun, said the association had not received any complaint from the laid-off workers.

He added that he did not learn about

the lay-offs until yesterday afternoon. Those affected had been compensated according to labour regulations.

"As far as I know, most of the dismissed workers are those employed on daily basis and I haven't heard any complaints or discontent from them," he said.

Meanwhile an employers' association yesterday pointed out that employees should be prepared to tolerate a lower salary increase owing to the current recession.

However, a labour organisation spokesman said other than the employers and employees, the government should also share the responsibility in overcoming the adverse economic situation.

In a statement, the Employers' Federation of Hongkong, said "it recognises that the extremely high wage and salary awards of recent years cannot continue without a serious effect on Hongkong's ability to compete, especially with other countries in this region."

The federation said it had made an appeal for over a year, to all employers, both in the private and public sectors, to reduce the expectations of staff at this time of serious recession.

It welcomed the government's recent announcement that the salary increase for civil servants would be held below 10 per cent.

The federation also called upon employers to exercise restraint when deciding upon any future pay increase.

However, a labour organisation spokesman said employers should not pass the responsibility onto workers alone, although both employers and employees should cooperate during the economic downturn.

"The government should also play a part to assist industry, like offering low interest loans, training workers to cope with advanced technology and to speed up diversification of industry," said Christian Industrial Committee spokesman Lee Cheuk-yan.