



DATE: April 11, 2013

HIT Dock Worker Strike Update

To our valued clients,

Please see the most recent update from the on-going strike in Hong Kong.

NEGOTIATIONS between the striking dockers and employers of the Hongkong International Terminals (HIT) at Kwai Chung made progress yesterday and went on into night after a management suggested a "possible" 12 per cent pay increase. But Confederation of Trade Unions (CTU) spokesmen said the dockers would prefer to first securing agreement on working conditions, such as lunch breaks, toilet facilities and time off, before discussing pay.

Secretary for Labour and Welfare Matthew Cheung called the progress a "breakthrough" and urged all parties to work towards compromise and not be "too firm" about holding original positions. The offer of a possible 12 per cent pay rise came from Wing Fung Stevedoring & Transportation Co, one of the labour contractors, employed by HIT, which is owned by the local Hutchison Whampoa conglomerate.

Stevedoring companies employ dockers directly, but cannot offer them large increases unless HIT is willing to pay. Striking dockers continued to demonstrate outside Terminal 6 and 80 strikers were allowed by court order to petition their fellow longshoremen to join the strike in the staff parking lot. HIT has offered HK\$5,000 in bonuses for those who continue to work and ignored the call to strike.

While the strike has not stopped work at the Hutchison terminals, it has slowed it down, "Twenty per cent of the cranes are not functioning and ships have to wait between one to three days at the terminals," shippers council executive director Sunny Ho told the Hong Kong Shipping Gazette.

The HIT statement agreed though preferred to view the situation as 80 per cent of the terminals being fully functioning.

Said Hong Kong Association of Freight Forwarding and Logistics (HAFFA) managing director Paul Tsui: "According to our April 8 figures after speaking to members, about 120,000 TEU were stuck in the port."

Kind regards,

The American Companies

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