

Remarks by SLW on business suspension of chain fitness and beauty group

Following are the remarks by the Secretary for Labour and Welfare, Mr Chris Sun, on business suspension of chain fitness and beauty group at a media session after officiating at the kick-off ceremony of Jockey Club "Brain Health" Dementia Screening and Community Support Project this afternoon (September 15):

Reporter: An English follow-up question of the Physical Fitness incident. What kind of assistance has the Bureau provided for the affected employees up until now? Secondly, what kind of advice would you urge the affected employees to take at this stage?

Secretary for Labour and Welfare: First of all, up till now we have received around 670 employees of Physical Fitness seeking help from the Labour Department. Basically they are looking for relief to their unpaid wages and severance payment. They are all eligible to apply for funding support under the Protection of Wages on Insolvency Fund (PWIF). There is a procedure under the Fund. Right now, colleagues in the Labour Department together with members of the labour unions are trying their very best to persuade the employer of Physical Fitness to sign a statement declaring that they are unable to pay. If this statement could be signed, it will speed up the whole process. The 600 odd employees will get the payment under PWIF in a very speedy manner. In the event that this statement is not available, there is an established procedure which has to go through the Labour Tribunal and also to file a petition to the Court, so it takes a bit more time. Yet you can rest assured that under the Fund, all the affected employees can get funding support for their unpaid wages and severance payment.

Secondly, on the newly opened brand Healthy, for ex-employees of Physical Fitness, if they are considering joining the new company, they should pay attention to the terms of the new employment, make sure they know what terms are being offered, as well as the protection and terms of the employment, make sure they know what they are signing for. Also, they have to ask the new employer about how their unpaid wages and severance payment with the ex-employer would be handled. I think this is very important and I urge them to make sure they consider all these factors before signing a new employment contract.

Thank you very much.

(Please also refer to the Chinese portion of the remarks.)