

## Hon Hai to hike salaries for Taiwan staff

## April 5 2012

Taiwan technology giant Hon Hai, which makes gadgets for Apple, said Thursday it would hike salaries for its Taiwan staff as prices on the island soar.

The pay rises for the company's 10,000-strong employees on the island are expected to take effect from July, said spokesman Simon Hsing without elaborating or saying by how much they would rise.

Hon Hai, the parent of Foxconn which has faced heavy criticism for the working conditions in its Chinese plants, announced in February up to 25 percent pay raises for assembly line workers in <a href="Shenzhen">Shenzhen</a>, <a href="Southern">Southern</a> China.

Taiwan media said after Thursday's announcement that a number of local hi-tech firms are expected to follow Hon Hai's lead.

The move comes after the government on Sunday announced the end of a fuel subsidy that had been in place for 16 months, pushing up petrol prices by around 10 percent.

The government has also warned that it might have to increase <u>electricity</u> <u>prices</u> by up to 30 percent owing to the rising cost of crude.

"The staff is a company's biggest asset and we hope to ease the pressure of living for our Taiwanese staff through the salary adjustment," Hon Hai chief Terry Gou was quoted by the United Daily News as saying.



Foxconn is the world's largest computer component manufacturer and assembles products for Apple -- including the <u>iPhone</u> -- plus Sony and Nokia. It employs about one million workers in China, about half of them based in Shenzhen.

Since 2010, more than a dozen Foxconn employees in China died in apparent suicides, which activists blamed on tough working conditions, prompting calls for better treatment of staff.

-- Dow Jones Newswires contributed to this story --

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