

Troubled SAAB warns of new salary delays

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Troubled Swedish automaker Saab warned employees on Tuesday that August salaries may be delayed after promised funds from new investors failed to materialise.

Saab's parent company Swedish Automobile, previously known as Spyker, and the automaker announced in a statement that "there is a risk of delayed payment" of wages "as some of the funds that were committed by investors may not be paid in time to effect such salary payments."

Saab Automobile said it was "taking all necessary actions to collect these funds in time and continues discussions with various parties to obtain additional short-term funding".

The company stressed however that there was "no assurance that the necessary funding will be obtained."

This would be the third consecutive month that at least part of Saab's 3,700 employees has seen their salary payments delayed.

The announcement also comes days after Saab's parent company was forced to justify considerable pay hikes to its board members including a 633 percent pay raise to chairman Hans Hugenholtz.

Swedish Automobile has been searching for enough funds to relaunch production that was halted in June due to unpaid bills to suppliers.

Last week, Swedish authorities began procedures to recover funds owed to suppliers in what could be a first step towards bankruptcy.

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The iconic Swedish brand Saab was saved from closure at the last minute at the beginning of 2010 when it was bought by the small Dutch firm Spyker from US giant GM.