

**169 FPSA MEMBERS OF FIJI HARDWOOD CORPORATION LTD(FHCL)**  
**MADE REDUNDANT ON FRIDAY 21<sup>ST</sup> JUNE, 2013**

More than 169 members of FPSA have been sent home because of the closure of the two timber mills managed and operated by FHCL. These mills are situated at Wainunu in Deuba and Navutu in Lautoka.

According to reliable sources at the Ministry of Trade and Public Enterprises, the decision to close the two mills was made by the Executive Chair, Ms. Powell, who is the PS for the Ministry. After the termination of the CEO and the other senior staff of the Corporation, the Executive Chair has assumed absolute authority of the affairs of the Corporation. The closure of the two mills was envisaged when the Mahogany Industry Decree was promulgated on 12/3/2010. This Decree did not include the FHCL as one of the licensed manufacturing agents and as such the FHCL mills was not able to receive any logs for manufacturing. This exclusion of the FHCL was planned and deliberately done to force the closure of the 2 mills.

FPSA members have been issued with redundancy notices dated 21/6/2013. They have been informed that they will be paid 30 days paid leave as well as one (1) week's wages for each completed year of service. The employment service of employees average around ten (10) years and will be paid merely 10 weeks wages as a result of this closure of the two (2) manufacturing yards.

Decree No. 15 of 2010 which promulgated the Mahogany Industry Decree, states in its preamble as follows: ***"to provide for the restructuring of the Mahogany Industry in Fiji for the purpose of facilitating its further development having regard to the interests of indigenous landowners and the people of Fiji generally, and for related matters."*** The intended sale of FHCL does not convince anyone that the government has regard to the interest of indigenous landowners and the people of Fiji generally. The closure of the 2 yards has resulted in the loss of employment for more than 300 employees whose only livelihood was the source of income that was derived from their employment at the two yards. This is certainly not in the interest of the Fijian people in general as stated in the said Decree.

Further, the redundancy circular notice states that a tender will be called for the sale of the two yards at Wainunu, Deuba, and Navutu, Lautoka. This again is just to convince the people that some form of transparency is maintained when the rumour has been from last year that an American company has already been identified to take over the operations of the mills.

The mills are situated on land belonging to the landowningmataqali, majority of who are employed in the two mills. The actions of the Government in closing the 2 mills is definitely not in the interest of the Fijian people as no Government in its right mind will take away the livelihood of its people during this difficult times. Majority of the employees have children attending schools, and some are attending tertiary institutions and the effects of the closure of the 2 mills will directly affect the children who will be deprived of their right to education as well as the families of the workers from a decent living.

The government has highlighted a number of progressive features in their draft Constitution, including the bill of rights that includes new social and economic rights with provisions that everyone has the right to adequate standard of living which also includes the right to work and a just to minimum wage. The sudden closure of the two mills flies in the face of social and economic rights which is a espoused in the draft Constitution. The 300 full and part time workers will ultimately drift into the poverty trap. It is crucial for the govt to save the FHCL workers from getting into the quagmire that spirals poverty. They must immediately reconsider their decision to ensure the dignity of labour is maintained and jobs are made available to the mill workers either with the company or consensus effort be made to provide alternate employment in the relevant sector.