

FIJI TRADES UNION CONGRESS

32 DES VOUEX ROAD, P.O. BOX 1418, SUVA, FIJI

PRESIDENT: Daniel Urai YOUR REF:

NATIONAL SECRETARY: Felix Anthony OUR REF: PUB/01 DATE: 01/11/12

FTUC RELEASE NO: 34-21/12

Wage Increases for the ten Wages Councils

The FTUC is disappointed that the Regime has once again bowed to the pressure of a few Employers and has decided to decrease the increases that were agreed to in the tripartite Wages Councils chaired by Fr. Kevin Barr. This is not the first occasion that this Regime has bowed to some Employers' pressure to deny poor workers a decent wage adjustment to pave the way for these workers to walk out of poverty. Yet this regime constantly talks of getting people out of poverty. This seems like a contradiction it cannot understand.

Disturbing is the fact that Hotel workers, in an industry that the regime regularly advertises as breaking all records and doing extremely well have been denied a 15% wage adjustment as the Tripartite Wages Council had agreed and instead is given a 7.9% adjustment. While the percentages may look high, the increase interprets to only \$1.84 per day, hardly sufficient to buy a loaf of bread. This industry receives some \$23m subsidy from Government and yet lobbies to keep minimum wages well below the poverty line, quite apart from the fact that this industry has more casual employees than any other who can be termed as living in extreme poverty. Similarly the Building industry has suffered the same fate. Most of the industries have seen a decrease in the wage adjustments from between 5.1% to 2%. The wage adjustments in most industries range from \$1.52 per day to \$1.92 per day (FJD). The only exceptions are the Sawmilling and Manufacturing sectors which have seen increases of \$2.48 and \$2.16 respectively. These increases are clearly insufficient and well below the poverty line. In fact all minimum wages remain below the poverty line, with the Garment Industry being 45% below the poverty line with a 48hour working week. Others remain between 33% and 15% below the poverty line for a 48 hour week. Clearly the Regime is not serious about eradicating poverty when it allows itself to be hijacked by some employers who only consider profits above all else.

The Minister may also want to address the issue of other workers who have had a wage freeze for the last 6 to 7 years despite the massive rise in price of basic food items over the same period. Civil servants have received no wage adjustments but merely the reinstatement of wage reductions made in 2007. Most of Government State Owned enterprises have similarly made no wage adjustments or minimal adjustments that have not mitigated the increase of cost of living. Similarly, no sugar worker has for the

same period received any wage adjustment. What we have been witnessing over this period is that more and more workers are being forced below the poverty line. Being on the poverty line or just below it is not good enough. The reality is, many more workers now live in poverty since the last determination of the poverty statistics was done some 3 years ago.

The FTUC is aware that many workers have been either made redundant or are underemployed due to the restructure of Government Companies. Worse still, some 2000 workers stand to lose their jobs when the Road works will be contracted out to private contractors or Corporatized in December 2012. The situation just gets worse when one retires with a meager pension from FNPF which has been recently substantially reduced. This will only ensure that workers during their working lives live in poverty and retire in poverty and extreme poverty. This is no record for any Government to be proud of and an attempt to mislead people into thinking that the situation is getting better when the opposite is true. The Minister instead of blowing his trumpet should tell the workers of Fiji how he intends to deal with such a hopeless situation which is the making of his Government.

The FTUC also places the blame on the current Regime for the high unemployment in the country. This is purely because of the political instability and as a result, lack on investments in the country. It is time that the Regime understands the dire situation that workers are facing. Much has been said about the regime's intention of implementing a National Minimum Wage. If this Industry Wages Council wage adjustments are anything to go by, then no one can and should take seriously the Regimes pronouncements.

The FTUC calls on the Regime to get serious on its commitment to the International Community and workers of Fiji. Decent wage and working conditions are the rights of every worker. There can be no improvements to productivity when workers have no dignity at work and are paid such low wages.

Felix Anthony

National Secretary