



FIJI TRADES UNION CONGRESS

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Workers Demand Accountability

The Fiji Trades Union Congress is alarmed at the decision of the Chairman of Vodafone Fiji Ltd to award from Company funds sixty thousand dollars (\$60,000) to the Prime Minister and his wife to attend the Rugby World Cup Tournament in London. The Chairman claimed that the Prime Minister had done so much for Rugby in the Country. We certainly don't think so. It is time that the Chairman of Vodafone is reminded that Vodafone is owned by ATH which is about 60% owned by FNPF. That is the workers' money. The remainder of the shares in ATH is majority owned by Government, which is taxpayer's funds. It is not up to the Chairman of Vodafone, who is the Chairman of ATH and who is the "Executive Chairman of FNPF to hand out workers and taxpayers funds as charity. Good sense on part of the Prime Minister would dictate that he would not accept such favors and blatantly use public funds to enjoy rugby with his family in London. The Prime Minister must also be reminded that he is elected to serve and not be served.

This unfortunate incident brings to the fore the pressing issue of good governance principles in public enterprises and that are listed on the Stock Exchange. For too long Government and the Stock Exchange have turned a blind eye to the practice of Board Members acting as Executive Chairman of the same Company. Here we have the Chairman of Vodafone who is Chair for ATH and acting as Executive Chair of FNPF, even though he may not be called by that title. The question is where is the demarcation between Management of the Organisation and the Board of that Organisation. The Board of any such Organisation must oversee the operations of Management and set in place policy. In the FNPF case, there can be no oversight as the same person acts in both positions. This clearly is not observing good governance principles. The next question is, why is there no effort made in the appointment of a Chief Executive Officer of FNPF and what has the Reserve Bank got to say about the current situation. The Reserve Bank has oversight responsibilities on all financial institutions including FNPF.

Similar situation exist in Tropikwood Industries Limited where we have an Executive Chairman in Mr. Faiz Khan. In fact Faiz Khan is Executive Chair of the Pine Group of Companies and also Fiji Forest Industries Ltd. Faiz Khan is also Executive Chairman of Airports Fiji Limited which has embarked on a multi-million dollar expansion program at Nadi airport. Negotiation on the sale of the airport is also being considered. Similar situation exist in Fiji Sugar Corporation, where we have an Executive Chairman in Mr. Abdul Khan. Similar situation exist in Biosecurity Authority of Fiji Limited(BAF) where Mr. Xavier Khan is the Executive Chairman. These are examples of how Government owned enterprises must never operate. Good Governance principles demand demarcation or separation between the Board and Management, accountability and transparency.

It has now become common practice that Government owned enterprises spend lavishly when welcoming the Prime Minister or his Ministers on visits. The FTUC calls on Government and those in positions of authority to stop the abuse of public funds for personal survival. This is a form for bribery and corruption. We demand that all positions of Executive Chairman be disbanded immediately and proper appointments of Chief Executive Officers be made in all these organisations in the public interest.

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