Fijian junta imposes draconian anti-union laws

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The Fijian military regime of Commodore Frank Bainimarama has implemented sweeping anti-democratic legislation that targets the working class and is aimed at attracting foreign investment to the small South Pacific island nation.

The Essential National Industries (Employment) Decree 2011 came into force in September, with the stated purpose to "ensure the viability and sustainability of certain industries that are vital or essential to the economy and the gross domestic product of Fiji."

Workers in "essential" companies are banned from taking any "job actions, strikes, sick outs, slowdowns or other financially or operationally harmful activities … for any reason." Workers who take illegal industrial action face fines of $50,000 and five years in prison. If employees continue industrial action after the prime minister declares it illegal, the potential fines and jail terms double.

Moreover, workers in "essential" companies have been stripped of all overtime pay on weekends and public holidays, while airline-related workers are ineligible for any overtime payments. Existing enterprise agreements have been abolished and, where a new one has not been reached, companies can unilaterally impose an agreement or individual contracts. None of the decree's provisions can be legally challenged.

So far, the list of companies classified as "essential" includes the banks—such as Australia's ANZ and Westpac, and the Bank of South Pacific—as well as the Fiji Revenue & Customs Authority and several state-owned industries, including telecommunications, broadcasting, electricity, water and airline companies. Bainimarama has the authority to declare any company to be "essential."

Air Pacific, which is 46 percent owned by Australia's Qantas, reportedly hired a US law firm to assist the military government to draft the anti-worker decree.

Fiji's severe economic crisis is driving the government's attacks on the working class. During 2009 the economy contracted by 3 percent, and then grew by just 0.3 percent in 2010. The key sugar industry remains in slump, while the textile sector is continuing a protracted decline, with exports reportedly falling by 25 percent in 2009 and 2010. An International Monetary Fund delegation visited Fiji in late October and early November and concluded: "Medium-term growth prospects appear to be relatively weak, unless structural reforms are accelerated, and the business climate and political situation improved."

Bainimarama is accelerating his so-called structural reforms, aimed at boosting profits for international investors and domestic business operators.

In his 2012 budget address on November 25, the self-appointed prime minister announced that the corporate tax rate would be slashed from 28 to 20 percent and that "private sector participation will be considered for a number of state-owned enterprises." Bainimarama pledged to rein in "unsustainable" pension payments and institute "performance-based" pay for public sector workers from 2013, a move that he said would see further mass layoffs.

Immediately after the 2006 military coup, the Fijian trade unions worked closely with the regime in imposing wage cuts and job losses—but the military government has now largely dispensed with the unions' services.

The essential services decree includes sharp restrictions on union activities. Collective agreements negotiated by the unions have been dissolved in all "essential" companies. Sham "bargaining units" are to be created, supposedly to represent employees. Individuals must apply in writing to the prime minister to become a "bargaining representative" and provide the names of at least 35 percent of the workers in the so-called bargaining unit.

These provisions are designed to intimidate workers and facilitate military victimisation. Union officials cannot be bargaining representatives, as the decree specifies that they must be employed by the company involved. Those who fail to comply with these provisions face $50,000 fines—or $100,000 for unions—and five years in prison.

The decree also targets the unions' financial base, specifying that unless the "essential" company agrees, there will be no automatic dues check off from employees' wages. This follows the junta's announcement last August that dues would no longer be automatically deducted from any public sector workers. According to the International Labor Organization (ILO), the nurses' union has lost 98 percent of its affiliation revenue as a result.

These measures have been accompanied by stepped up violence and harassment of union officials. Fiji Trade Unions Congress (FTUC) president Daniel Urai was arrested on October 29, after returning from a trade union conference in Australia. Facing trumped-up sedition charges for allegedly inciting political violence against the government, he was only released on bail on November 9. FTUC secretary Felix Anthony was detained on November 4, and held without charge for a week.

The union-based Fiji Labour Party previously played a critical role in the regime's attacks on the working class. Between January 2007 and August 2008, Labour leader Mahendra Chaudhry served as Bainimarama's finance minister. Other Labour politicians accepted the labour and public sector ministries, and oversaw savage wage and job cuts. Chaudhry drafted the 2007 budget that included a 5 percent across-the-board pay cut for public sector workers.

During this period, the union leaders backed the regime and accepted lucrative positions in state-owned industries. Anthony was appointed chairman of Telecom Fiji's board of directors, and chairman of Natadola Bay Resorts Limited, a company established to promote a beach resort and golf course constructed with pension-investment funds. In April 2007 the FTUC secretary denounced public sector workers who were preparing to strike against the Bainimarama-Chaudhry wage cut, declaring that the FTUC "believed that jumping up and down was not the answer to the problems faced by the public servants."

The Australian Council of Trade Unions (ACTU) said nothing about the activities of their Fijian counterparts in 2007-08. Nor did it raise a word of criticism against the military government, even as it assaulted and murdered several political opponents. Now, however, the Australian union bureaucrats have reacted with feigned outrage to the junta's moves against their colleagues in Fiji.

Cynically claiming to champion human and workers' rights in the South Pacific, and backed by the various pseudo-left organisations in Australia, the unions recently organised protests outside Fiji's embassy in Canberra and consulate in Sydney. ACTU president Ged Kearney mooted a possible boycott of Fijian products and travel to Fiji. On December 13, Kearney was refused entry to Fiji, together with New Zealand Council of Trade Unions president Helen Kelly and other union officials.

The unions are functioning as adjuncts of the Australian and New Zealand governments, which have sought to oust Bainimarama's government. Canberra imposed sanctions after the 2006 coup, fearing that regional political instability would open the door for China to gain strategic ground at its expense. The orientation of the military regime toward Beijing—seeking aid, investment, and military equipment—has fuelled concerns in both Canberra and Washington. The Australian government's inability to assert control in Fiji has seen various think tanks, as well as the opposition Liberal Party, call for an end to the sanctions and a rapprochement with the military government.

In this context, the unions have intervened to insist that regime change efforts be ramped up, including through economic and trade sanctions that would crash the Fijian economy. Addressing the Australian Labor Party conference earlier this month, Kearney criticised demands for "dialogue" with the regime, insisting "now is not the time to weaken our position on Fiji."