



October 20, 2017

MEDIA RELEASE

FSC BREACHES MASTER AWARD

FSC deduction from “Top-Up” to cane payment unlawful

The National Federation Party believes it is illegal for the Fiji Sugar Corporation to deduct loans and charges for commodities from the “Top-Up” of \$6.54 per tonne of cane from taxpayers funds to the 4th cane payment of 44 cents per tonne of cane.

NFP General Secretary Jagannath Sami says Clause 21.1 of the Sugar Master Award is extremely clear and authorises FSC to only deduct from cane proceeds and nothing else.

“Under the Master Award, which is the contract of general application between the FSC and Registered Cane Growers, the FSC is only authorised to make deductions from the cane proceeds payable to cane growers”, says Mr Sami who was the Chief Executive of the Sugar Cane Growers Council until forcibly removed from office in January 2007 following the military coup of December 2006.

Clause 21.1 of the Master Award states, *“Notwithstanding any other written law or any agreement between a grower and any other person, the Corporation may deduct from the amount payable to a grower any sum which the Corporation is required or authorised to deduct under the Master Award in priority to any lien, charge or assignment with regard to the grower’s cane or proceeds of sale thereof, and without in any way limiting the generality of the foregoing provisions.”*

Mr Sami says, “the FSC has violated this provision by making deductions from taxpayers’ funds provided by Government as “Top-Up” to assist growers still reeling from the devastation caused by Severe TC Winston”.

“It is hypocritical for FSC on one hand to say the Top-Up will benefit growers, and defend its illegal action of making these deductions by wrongly stating that growers with low cane production in 2016 would have received little income!”.

“This is contrary to the objective of the Top-Up, which was to help growers recover from the effects of TC Winston. Naturally growers in Ba, Tavua and Rakiraki, who were in the direct path of the destructive winds, and had low production after their crops were destroyed”.

All correspondence should be addressed to the general secretary

“The deductions therefore render meaningless the intent of the assistance”.
“In essence, the “Top Up” has benefitted the FSC and the Creditors who received the bulk of the pay-out”

“The growers have been used as pawns and sacrificial lambs. Surely the government would have known this even before agreeing to Top Up”.

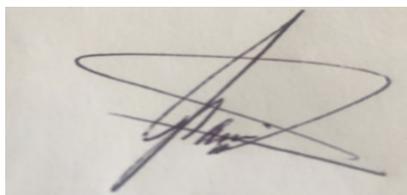
“It is now proven that the claim of the Top-Up helping growers was hollow”.

“Also, the claim that cane price per tonne increased by 11% from the 2015 season is a cheap publicity stunt”.

“The fact is that 70% or over 9,000 of our growers, whose average production fell to 100 tonnes because of TC Winston received less than \$1”. These growers and their families experienced a bleak and dark Diwali”.

“It is clear our growers have been fooled yet again by the government and FSC”.

“We once again call on Government to direct the FSC and the lending institutions like Sugar Cane Growers Fund and Fiji Development Bank to reverse the deductions, firstly because it is illegal under the Master Award and secondly because the intention of the taxpayers’ funds given to assist growers must be made good on”.

A handwritten signature in black ink on a light-colored background. The signature is stylized and appears to read 'Jagannath Sami'.

Jagannath Sami
General Secretary
National Federation Party
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