

2012 ANNUAL REPORT



PARLIAMENTARY PAPER NO. 6 OF 2018

VISION

Decent & Productive Work for All

MISSION

Ensuring social justice, good faith employment relations, safe and productivity driven workplaces in Fiji

VALUES

- To engage in personal "spiritual rebirth" on a daily basis in accordance with one's faith;
- To drive out fear through shared values in trusting and caring professional relationships;
- To establish, demonstrate and maintain organizational ethics in decision making;
- To be honest, transparent and respectful in our dealings with team members, all customers and the general public at all times
- To uphold and promote good-faith values and principles in all our employment relationships;
- To appreciate each other's talents and synergizing these talents for successful team work;
- To serve all customers in an efficient, effective and timely manner;
- To perform our duties with integrity, in a professional, apolitical, neutral and impartial manner;
- To participate in innovative thinking and acquire innovative solutions to problems;
- To recognize the need for changes and adopt international best practices;
- To act diligently and with due care in utilising all available resources;
- To promote productivity improvement initiatives within our workplaces;
- To behave and perform in accordance with the Public Service Values and Code of Conduct;
- To promote good health and safety standards for everyone in our workplace;
- To promote the EEO principles and prevent all forms of discrimination in employment (including HIV/AIDS status) to enhance the quality of working life and promote good governance;
- To promote respect and human dignity by preventing all forms of sexual harassment in our workplaces;
- To promote a progressive learning environment through research and application of an up-to-date data, information and knowledge; and
- To promote the spiritual character of the Ministry by living the above values towards organizational excellence.

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MINISTER'S MESSAGE

I joined the Ministry on the 22nd of February, 2012 with an open mind and commitment to add value to the labour reforms.

It is indeed challenging and daring for my Ministry to undertake a revolutionary approach to the

Labour reforms where we overhaul and modernize legislations, set standards and change our ways of doing business as usual towards a more customer focused and sustainable service delivery. Changing the culture and business as usual work attitude is always a huge challenge.

I am grateful to see the commitment and team effort from my Permanent Secretary and staff in rolling the labour reform agendas over the last two decades. The



Work on both these final two components have started in 2012 and will continue into 2013 and beyond. The completion of the labour reforms will bring many positive outcomes to the labour market where customers will benefit. The primary intent of the labour reforms is the provision of better services, justice, equity, accountability, good governance, good faith relationship, safe and productivity driven workplaces.

The adoption of the ISO 9001:2008 Quality Management System as the basis of our operational reforms will add value to the labour reforms and ensuring that we place customers at the centre of our service delivery.

I express my appreciation and gratitude to the Hon. Prime Minister for his faith and confidence in appointing me to this challenging role.

My sincere gratitude and best wishes to the Permanent Secretary and all staff of the Ministry and I look forward to another challenging year in 2013.

Usant

Jone Usamate MINISTER FOR LABOUR, INDUSTRIAL RELATIONS AND EMPLOYMENT



PERMANENT SECRETARY'S MESSAGE

2012 was an exciting year for us. We farewell Minister Filipe Bole and bid him well for retirement and welcome our new Minister Jone Usamate who was sworn-in on 22 February, 2012.

The new Minister comes in with energy, passion and commitment to continue with our labour reforms.

We continued our persistence to conclude the labour reforms. The strategic directions continued with the modernisation of the six phases of the labour reforms. Our intent is firm on the belief, commitment and action to modernise our legislative framework to enable good faith employment relationship and trust among the players in our workplaces.



We continued with the review of our main legislations with their supporting regulations. The review is crucial particularly with the implementation of reformed legislations where we experienced some real implementation issues that needs to be addressed while at the same time reaffirms our strategic intensions through tangible results.

We achieved a number of milestones in 2012. We established a new Occupational Medicine Unit within the Workers Compensation Service. We adopted the Fiji Impairment Assessment Manual and trained medical doctors in Suva and Lautoka on the Assessment Manual. We started our ground work on the National Minimum Wage Baseline Survey. This survey will be the basis to determine for the first time a National Minimum Wage for Fiji.

We continued our corporate social responsibility to other Pacific States through south-south cooperation. We assisted both our counterparts in Kiribati and Papua New Guinea on labour inspections and occupational health and safety reforms in the respective nations.

Our Mediation Services achieved 89% settlement rate. This reaffirms our strategic intent where mediation will facilitate productivity improvement and peace in the workplace. The high settlement rate will directly contribute to productivity and good faith relations in the workplace.

We conducted the ISO 9001:2008 Quality Management System training for our Managers through technical assistance from the Asian Productivity Organization. This ISO training begins our journey on the seventh component of our labour reforms. We adopted ISO 9001:2008 to be the international benchmark for our operational management reform.

We appreciate the active participation of our social partners through the Employment Relations Advisory Board (ERAB), National Occupational Safety and Health Advisory Board (NOSHAB) and the National Employment Centre Board (NECB).

I thank the Minister and all staff for their continued commitment and support and I look forward to another challenging and exciting 2013.

Taito R. Waga PERMANENT SECRETARY FOR LABOUR, INDUSTRIAL RELATIONS AND EMPLOYMENT

ROLE OF THE MINISTRY

The core responsibility of the Ministry of Labour is to pursue the attainment of Decent Work standards through the promotion of employment opportunities, development of healthy workers; the provision of healthy and safe working environment, fair working conditions and stable and productive employment relations. These responsibilities are achieved by focusing on developing a modern and enabling policy environment supported by sound labour laws, policies, institutions, practices and values, underpinned by tripartite social dialogue.

ORGANISATION STRUCTURE



Note

- 1. The **Mediation Service** comprises the Chief Mediator and supported by eight (8) Mediators who have been professionally trained and accredited to the Singapore Mediation Centre and international mediation standards.
- 2. The Employment Relations Tribunal is presided by the Chief Tribunal and assisted by a Legal Tribunal.
- 3. The Employment Relations Court (not shown in above organisation structure) is a Division of the High Court and presided by a High Court Judge.
- 4. The National Employment Centre comprises the Interim Chief Executive Officer who is also the Director Labour Standards Services.

Services, Sections and Units of the Ministry



The Ministry comprises of 6 major Services and 12 Sections and 22 Units as breakdown below:

Corporate Service (CS)

The Corporate Service is tasked with the efficient management, administration and coordination of internal services in relation to finance, personnel and material assets in support of the Ministry's core services

Labour Policy and Productivity Service (LPPS)

The core function of this service is to advise the Permanent Secretary on policy and legal matters pertaining to the operations of the Ministry, responsible for promoting and improving productivity in all workplaces and provides Secretariat duties to the **Employment Relations Advisory** Board (ERAB). It also facilitates the fulfillment of Fiji's obligations as a member state of the ILO and also the expeditious disposal of APO matters, including regional technical cooperations with PICs such as Papua New Guinea and Kiribati.

The Service is also responsible for strengthening the capacity of Government to collect, analyze and manage labor market information sources in both the formal and informal employment sectors, assist the Ministry through quality market research, product development and policy design.

The Service also collates and analyses the Ministry's quarterly and annual performance reports, including the preparation and publishing of annual reports

Labour Standards Service (LSS)

The Labour Standards Service is responsible for the promotion of fundamental principles and rights at work standards, and the compliance functions of the Employment Relations Promulgation 2007 (ERP) and its subsidiary Regulations, including the ten Wages Regulation Orders. The Service deals mainly with the minimum terms and conditions of employment in Fiji under the reformed labour legislations and comprises the following Units:

(i) Labour Compliance Unit (LCU)

Responsible for employer/ workplace inspections including verification of wages records, resolution of labour complaints/ employment grievances, control (attestation) of foreign contracts of service, prosecution of offences under the ERP and also appearing as Advocates for workers on their individual grievances at the Employment Relations Tribunal. The Unit also monitors the authorization of employment agencies and businesses in Fiji for local or overseas employment.

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(ii) Employment Relations Unit (ERU)

Responsible for the analysis of reports of employment disputes and their referral to the Mediation and Employment Relations Tribunal Services. The Unit is also responsible for the monitoring and management of strikes and lockouts. The ERU is part of the Executive Support Service (ESS).

(iii) Wages Councils Unit (WCU)

Provides the Secretariat (Sole Chairperson and Secretary) of all the 10 sectoral Wages Councils that set the minimum wages and other terms and conditions of employment in Fiji's employment sectors. The 10 Wages Regulation Orders (WRO) promulgated by the Wages Councils are implemented by the Labour Compliance Unit to ensure workers are actually provided with the stipulated WRO terms and conditions. The Wages Council Unit is part of the Executive Support Service (ESS).

National Occupational Health and Safety Service (NOHSS)

The National Occupational Health and Safety Service is responsible for the promotion of OHS and enforcement of the Health and Safety at Work Act 1996 and its subsidiary legislations and the Workmen's Compensation Act (Cap. 98). The activities of the NOHSS are based on the concept of 'duty of care' principles and promotes a proactive OHS risk management culture emphasizing the creed that 'those who create the risks in the workplace and those who work with them have the primary responsibility to solve them', rather than relying on OHS Inspectors to prescribe the remedies as encouraged in the former statutory and administrative arrangements under the former Factories Act.

The Service aims to promote and maintain a working environment, which is healthy and safe to both workers and employers and directly contributes to improved productivity. This is achieved by improved OHS awareness through the training of OHS Committees and OHS Representatives, joint OHS partnership projects, development of OHS Regulations and Codes of Practice, OHS audits, investigations and enforcement initiatives. The Service also processes Workers Compensation claims for workrelated injuries and deaths.

The Service comprised the following five (5) specialized units:

- (i) Training, Accreditation, Chemical and Hygiene (TACH)
- (ii) Capital Projects and Information Technology (CPIT)
- (iii) Risk Engineering (RE)
- (iv) Field Operations (FO)
- (v) Workers Compensation (WC)

(i) Training, Accreditation, Chemical and Hygiene (TACH)

The TACH Unit is responsible for occupational health and safety training which is an integral part of the OHS management strategy and the implementation of its policies and procedures. It is also responsible for the administration and delivery of specialized OHS Training and Promotion for OHS Committees and Representatives in workplaces around the country.

The Unit is also responsible for Chemical Assessment and Control and Occupational Hygiene services, and administers Part IX of the Health and Safety at Work Act 1996, which stipulates the assessment and control of chemicals including pesticides that are used in Fiji's workplaces. The Unit also conducts occupational hygiene audits of workplaces as part of its duties, which predominantly undertakes the supervision of asbestos removal in affected buildings around the country. In view of the high risks involved with this specific activity, the Unit is also responsible for the training of workers involved in the actual asbestos removal and disposal processes.

(ii) Capital Projects and Information Technology (CPIT)

The CPIT Unit conducts vetting of workplace designs to ensure compliance with the Health and Safety at Work (General Workplace Conditions) Regulations 2003 (GWC). Regulation 63 of the GWC states that every building that is used as a workplace shall be of sound construction and kept in a good state so that it does not expose the occupants to unacceptable OHS risks. The owner of a building that is used as a workplace should ensure that the building complies with the requirements of the GWC. Regulation 64 of the GWC states that the design of any new workplace must be granted prior approval by the Chief Health and Safety Inspector before the rural and local authorities can proceed with the building application.

Before granting the prior approval, the Chief Health and Safety Inspector should ensure that the workplace designs satisfy the requirements of the GWC. The Unit is also responsible for the development, implementation and review of the Ministry's Information and Communication Technology (ICT) systems and processes. This includes providing periodic updates of reported OHS injuries and Workers Compensation claims and collating statistical reports of workplace accidents, injuries, illnesses and deaths to facilitate the identification of key risk industries and injury agents at the national level. This information facilitates the provision of quality policy advice on practical OHS preventative measures. The Unit also provides appropriate IT training for the Ministry staff to ensure the accurate and timely inputs of data into the Ministry's databases. It also develops or facilitates the development of Ministry's databases to improve the responsiveness of the Ministry's core businesses to its internal and external customers.

(iii) Risk Engineering (RE)

The Risk Engineering Service is responsible for the vetting of plants and machinery designs gazetted under Schedule 4 of the Health and Safety at Work (Administration) Regulations 1997, and the Non Destructive Testing (NDT) of high tensile load structures such as tank surfaces, pipelines and building steel structures, with special emphasis to weldings, to ensure compliance with the approved engineering standards for reliability and safety under the OHS legislation. The NDT techniques utilized are industrial radiography (X-Ray), ultrasonic, magnetic particle and dye penetrant. The key role of the Risk Engineering Service is to facilitate, provide advice on and enforce safety engineering principles to improve reliability, health and safety in all workplaces through the application of recognized standards, Codes of Practice and best practices to improve technological compliance and minimize OHS risks. The Service also provides quality and sound policy advice to the Minister, the Permanent Secretary and the NOHSAB on OHS Risk Engineering matters.

(iv) Field Operations (FO)

The FO Unit is responsible for the effective delivery of OHS Field Operations services in all workplaces in the Central/ Eastern, Western and Northern Divisions of Fiji and its core activities include the:

- Enforcement of OHS Standards stipulated under the OHS Regulations and Codes of Practice;
- Provision of an effective

emergency OHS Response Service for serious workrelated accidents, injuries and fatalities;

- Provision of assistance to workplaces in the setting up of OHS committees; encourage employers and workers to consult with each other on safe work practices and advise employers and workers in meeting their obligations under the OHS legislation;
- Responsive and effective OHS investigation, enforcement and prosecution;
- Audit of OHS Management Systems in workplaces, inspection of workplace plants and machinery, and the registration of workplaces, plants and hazardous substances and chemicals in accordance with the OHS legislation;
- Resolution of conflicts between the aggrieved parties on immediate threat situations and other OHS issues in a timely and costeffective manner;
- Provision of quality and sound policy advice to the Minister, the Permanent Secretary and the NOHSAB on OHS Field Operations matters.

Workers Compensation (WC) Service

The Workmen's Compensation Act (Cap. 94) places on employers the legal responsibility to compensate workers who sustain injuries and contract diseases out of or in the course of their employment. The actual compensation is through monetary payments and medical care provisions for the workers. In cases involving the death of workers, compensation is paid to the dependants of the deceased. The challenge of the Service is to effectively clear all backlog compensation cases for both the civil servants and the military personnel since the start of the engagement in Lebanon and Sinai in the 1970s, to facilitate the transition into the new Workers Compensation legislation in 2012. The Service is also responsible for the administration of secretarial services for the NOHSAB

National Employment Centre (NEC)

The National Employment Centre operates under the National Employment Centre Decree 2009. This national institution is responsible for providing skills training and finding employment opportunities for the unemployed. It is guided by the National Employment Centre Board (NECB) which provides oversight functions for decisions undertaken by the Centre. The NEC is part of Government's response to address the Millennium Development Goals, Goal 1 – eradicate extreme poverty and hunger, and the 2009 ILO Global Jobs Pact to address the jobless growth of economies after the Global Financial and Economic Crisis. The NEC offers four main services - formal employment. foreign employment, selfemployment and professional volunteerism. Unemployed persons who register under the NEC are trained in the relevant

skills demanded by the labour market. The NEC is benchmarked to three international standards comprising of ISO 9001;2008 (Quality Management), ISO 26,000 (Corporate Social Responsibility Guidelines), and the Fiji Business Excellence Framework. These standards ensure that unemployed persons trained under NEC are marketable, nationally, regionally, and internationally.

Mediation Service (MS)

The Mediation Service is newly established under Section 193, Part 20 (Institutions) of the Employment Relations Promulgation 2007. It is the primary conflict-resolution institution at the national level which must first be exhausted by the disputing or aggrieved parties before the secondary institutions of the Employment Relations Tribunal or Employment Relations Court are activated.

The only difference is that at the Mediation Service, a professionally trained and accredited Mediator provides the facilitative negotiator role. This The Mediation Service is basically the continuation of the good faith dialogue between the parties at the enterprise level is consistent with the duty and principles of good faith under the **Employment Relations** Promulgation 2007 and the Code of Good Faith for Collective Bargaining 2008. The engagement of the Mediation Service is voluntary and provides the disputing parties with the opportunity to resolve the disputes themselves. Mediation is also the first port of call under the new labour legislation for all employment related problems. All reasonable attempts are made by the Mediators to resolve the disputes and grievances under the obligation of good faith. Any decision agreed to by the parties and endorsed by the Mediator is final and binding.

Employment Relations Tribunal (ERT)

The Employment Relations Tribunal is newly established under Section 202, Part 20 (Institutions) of the Employment **Relations Promulgation 2007** and its jurisdiction is much wider than that of the former Arbitration Tribunal which it had repealed. If employment disputes or employment grievances are not resolved at the Mediation Service, the **Employment Relations Tribunal** assists employers and their representatives and workers and their representative trade unions by adjudicating and determining any grievance or dispute between parties to employment contracts. The Tribunal also assists the disputing parties to amicably settle disputes and have it in writing as a binding award or decision. In adjudication proceedings, there is also a requirement on the Tribunal to provide mediation assistance to the disputing parties when the need arises.

KEY HIGHLIGHTS This Section covers the key achievements of the Ministry in 2012





Swearing-in of the Minister for Labour, Productivity and Industrial Relations, Mr Jone Usamate.

The key highlights for 2012 are as follows:

- Appointment of the new Minister for Labour, Industrial Relations & Employment Mr. Jone Usamate on 22nd February, 2012
- National Minimum Wage Baseline Survey contract signed between Dr. Mahendra Reddy (Consultant) and the Permanent Secretary for Labour, Industrial Relations & Employment Mr. Taito Waga on the 2nd of November, 2012..
- Establishment of Occupational Medicine Unit within the Worker's Compensation Unit.
- Completed Refresher on Doctor's Impairment Assessment Workshop on 24th April 2012 at the Holiday Inn, Suva and 26th April at the Waterfront Hotel in Lautoka.
- Timely completion and adoption of the Fiji Impairment Assessment Manual.
- Complete development of the Workmen's Compensation Database -.
- Complete development of the Health and Safety at Work (Plant) Regulations to replace the Factories Act 1978.
- Complete development of the Draft Code of Practice for Sawmilling and Woodworking Machineries.
- Visitation to Korovou Women's Prison on the 24th of May, 2012 as part of ministry's corporate social responsibility.
- Complete development of the draft Memorandum of Understanding between NOHSS and MSAF.

- The National OHS Service generated a total of \$1,356,790.56 revenue as of 31 December 2012..
- Completed the appointment of appropriate representation from the Tripartite Social Partners for ERAB, NOHSAB and NECB members' appointed by the Minister for Labour, Industrial Relations & Employment for a 2 year term completed.
- Complete reporting obligations under the ILO Constitution on, nine (9) law and practice reports in relation to ILO Conventions 12, 19, 81, 87, 98, 100, 111, 122, and 129.
- Total of \$1,003,057.65 was paid out to government workers for 107 cases which is equivalent to 103 %. when compared to \$1m allocated by government
- Signed Memorandum of Understanding on technical assistance in the field of labour inspection between the government of the republic of Fiji Ministry of Labour and the government of the republic of Kiribati Ministry of Labour on 20th March, 2012 at the Suva Holiday Inn.
- Signed Extension of Memorandum of Understanding on technical assistance in the field of Occupational Health and Safety between the Government of the Republic of Fiji, Ministry of Labour and the Independent State of Papua New

Guinea, Ministry of Labour on 26th April 2012 in Lautoka.

- Complete the appointment of Deputy Chairpersons for the respective 10 Wages Councils after the resignation of the former Wages Council Chairperson Father Kevin Barr
- Complete Mediation Awareness Seminar for Judges and Magistrates of Fiji in concurrence with Honourable Chief Justice on 14th September 2012.
- Complete Module 2 Training on Managing Conflicts & Resolving Disputes Effectively through Mediation for Ministry staff conducted by resource personnel's from the Singapore Mediation Centre (SMC) from 10th to 13th September 2012.

- Attended the 101st International Labour Organization Conference in Geneva, Switzerland in June 2012
- Complete training on ISO 9001: Quality Management System (QMS) for senior management and district officers from 23rd to 27th July from the Asian Productivity Organization, Mr. Giok Pien Chua, and Mr. Chua Geok Boon from Malaysia.
- Gazetting of 2013 Public Holidays on 7th September, 2012.
- Mediation Service achieved 89.71% employment grievance settlement rate compared against the world's best benchmark of 75% settlement rate for mediation by the Singapore Mediation Centre (SMC)

2012 ACHIEVEMENTS BY OUTCOMES & OUTPUTS:

OUTCOME 15: EMPLEOYMENT AND THE LABOUR MARKET

Output 1: Portfolio Leadership, Policy Advice and Secretariat Support Output 2: Assessment, Registration, Compliance and Monitoring – Labour Standards

Output 3: Productivity Service – LMCC Registration and Training, Workplace Consultancy

Output 5: Mediation Service - Employment Dispute/Grievance Resolution Output 6: Adjudication and Standard Setting on Good Faith Employment Relationships

Output 7: Proactive OHS Service

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Output 9: Workers Compensation Advisory Service

Output 10: Advisory and Compliance Monitoring Service – Workplace HIV/AIDS Standards

Output 11: Employment Creation Services - National Employment Centre

Output 16. Social Dialogue - Tripartite Machinery

tills: A Well Informed Labour Market Under ERP 2007 and the

nemployed Under the NEC Decree 2009

OUTCOME 21. FINANCIAL SERVICES Output 19: Financial Statement

OUTCOME 15: EMPLOYMENT AND THE LABOUR MARKET

Output 1: Portfolio Leadership, Policy Advice & Secretariat Support

a. Worker's Compensation Reform

Implementation of the Ministry's strategic direction and application of reformed organizational culture

Establishment of an Occupational Medicine Unit

An Occupational Medicine Unit has been established within the Workers Compensation Service on a medical practitioner from the Republic of the Fiji Military Forces Dr. Rauni Tikoinayau was seconded in March 2010 to assist the Service in clearing Military cases and normal backlog cases.

Refresher on Doctor's Impairment Assessment Workshop

The Refresher on Doctor's Impairment Assessment Workshop was conducted on the 24th April at the Holiday Inn, Suva and on the 26th April at the Waterfront Hotel in Lautoka to medical assessors in providing medical reports and opinions

The workshop was conducted for 25 doctors mainly consultants and senior medical practitioners by Dr. Tikoinayau with certification.

Completion and adoption of the Fiji Impairment Assessment Manual

The National OHS Service has completed the drafting of the Impairment Assessment Manual during the period under review. The Manual is currently being used in the impairment assessment training for medical assessors and in providing medical reports and opinions. The adoption of the Manual will awaits the gazetting of the Workcare legislation.

Efficient and Effective Worker's Compensation Database

The Worker's Compensation database was developed to maintain detailed record keeping of all workmen's compensation cases and to provide up to date information of each case to clients. The database is maintained periodically and is accessible to Ministry's staff nationwide. Data entry of compensation cases are being updated on a daily basis by the worker's compensation staff.

b. OHS Policy Development

Implementation of the Ministry's strategic direction and application of reformed organizational culture

In improving ministry's strategic direction and to reform its organizational culture the Health and Safety at Work (Plant) Regulations was developed to replace the Factories Act 1978. The regulations expand on the duties of Designers, Manufacturers, Importers, Suppliers and Installers of Plant from that imposed by the Health and Safety at Work Act 1996 and incorporate the modern approach of 'Duty of Care' whereby those who create the risk and those who work with the risk have the primary responsibility to solve them.

Once completed, the Regulations will allow for better management of plant used at workplaces in Fiji and reduce the number of accidents/incidents related to plant use.

In addition the following drafts Regulations were submitted to the Solicitor General's (SG) office for legal vetting before gazetting.

- Health and Safety at Work (Construction) Regulations. This regulate and specify detail specification of how to safely conduct any construction activities in any construction industries including building construction, civil work, road construction work by foremost ensuring and protecting the health and safety of workers and non-workers engaged in construction industry.
- Regulation 44 of HASAW (General Workplace Conditions) Regulations 2003. Regulation 44 to include pre-employment screening on hearing loss. The paper has been prepared but was not taken up to SG's office for final vetting. To be carried forward for 3rd quarter for SG's office for legal vetting and gazetting.

c. Employment Relations Reform

Implementation of the Ministry's strategic direction and application of reformed organizational culture

Mediation Training

The Mediation Service had an opportune time to conduct inaugural Mediation Skills training for first external customer. The training was provided to all the Small Claims Tribunal Referees Fiji - Wide and their entire staff of 40 who converged in Suva at the Sothern Cross Hotel for two days workshop.

The workshops was designed for Referees to up-skill knowledge in the adjudicative functions and also understand and appreciates the value of using structured and effective mediation skills in the resolution of conflicts as an alternative to judicial approach.

In providing such training, the Mediation Service was also able to market and promote the essence of Mediation Skills to the Judiciary which has substantial back log of cases that cannot be effectively resolved based primarily on legal intervention.

The two day program was officially opened by the Honourable Chief Justice Mr. Anthony Gates on Friday 22^{nd} June.

The Unit also provides series of Mediation Skills Training to all internal staff of the Ministry to enhance their knowledge in conflict resolution based primarily on best international practices adopted by the Mediators that is designed to improve customer services.

Mediation Training for Ministry Staff

In providing mediation services and to support employment relationship among the social partners, the Mediation Service in conjunction with the Singapore Mediation Centre (SMC) was also able to inculcate the Ministry staff with the attributes of Mediation concepts and principles that will enable them to be more efficient and effective in dispute resolution.

It also enhances their knowledge in conflict resolution based primarily on International practice adopted by the Mediators that is designed to improve customer service.

Managing Conflicts & Resolving Disputes Effectively through Mediation - Module 2 for Ministry staffs were conducted by resource personnel's from the SMC namely Mr. George Lim and Ms. Josephine Hadikusumo from 10th to 13th September at the Tanoa Plaza in Suva.



Managing Conflicts & Resolving Disputes Effectively through Mediation for Ministry's Staff

Mediation Awareness for Judges

On 14th September, a Mediation Awareness Seminar for Judges & Magistrates of Fiji in concurrence with Honourable Chief Justice was held at the Holiday Inn, Suva also conducted by the same resource personnel's from the Singapore Mediation Centre (SMC).



Mediation Awareness Seminar for Judges & Magistrates of Fiji

2012 Public Holidays

Consultations completed with stakeholders that include the Fiji Muslim League, Fiji Council of Churches, Shree Sanatan Dharm Pratinidhi Sabah Fiji and the British High Commission.

Public Holidays for 2013 were gazetted on the 7^{th} September.

Public Holiday dates are as follows:

• New Year's Day-Tuesday 1st January

- Prophet Mohammed's Birthday Monday 28th January
- Good Friday Friday 29th March
- Easter Saturday Saturday 30th March
- Easter Monday Monday 1st April
- Fiji Day Thursday 10th October
- Diwali Monday 4th November
- Christmas Day Wednesday 25th December
- Boxing Day Thursday 26th December

The Queen's Birthday was removed from the 2013 year calendar.

Employment Relations Promulgation (ERP) Amendments 2012

In view of emerging labour related issues from the ILO Committee of Experts on the Application of Conventions and Recommendations (CEACR), the Employment Relations Advisory Board (ERAB) endorsed the continuation of the review of ERP in its meeting on 11th April to consider the comments of the CEACR.

During the year, a total number of 8 Subcommittee meetings and 3 Board meetings were held in regards to the discussion of ERP amendments.

The Ministry's Policy Team has tabulated all the proposals of the ERP amendments made by the tripartite into the matrix for its finalization before it is submitted to Cabinet.

ERAB is still continuing with the deliberations of the ERP amendments in light of emerging issues raised through the International Labour organization ILO and the United States (US). Discussions on the amendment will continue in 2013.

ILO Tackle Child Labour Project

The development objectives of the ILO Tackle Project is to contribute towards poverty reduction in Fiji by providing equitable access to basic education and skills development to the most disadvantaged section of the society.

The purpose of TACKLE is to strengthen capacity of the national and local authorities in the formulation, implementation and enforcement of policies to fight child labour, in coordination with social partners and

civil society.

In particular TACKLE aims to:

- improve country level child labour and education legal framework in project countries through support to its preparation or strengthen it where it already exists.
- strengthen institutional capacity leading to improved ability to formulate and implement child labour strategies.
- design and implement targeted actions to combat child labour and develop effective demonstration models.
- Enhance the knowledge base and networks on child labour and education through improved advocacy and dissemination of good practices.

In combating child labour and contribute to poverty reduction in Fiji, the project Child Labour Unit within the Ministry of Labour, IR & Employment have received a total of 64 reported cases on child labour as shown on the graph below.



Also this year, the ministry continues enhancing knowledge base and networks on child labour and education through improved advocacy and dissemination of good practices with 197 schools (primary and secondary) which consists of 347 teachers for Central, Western and Northern Division through child labour awareness as shown in the below graph.





A child withdrawn from child labour activities back to School

The Ministry has also trained a total of 23 police officers on handling child labour issues at District and Divisional level and has formed the link between the police department and Child Labour Unit for better referral of child labour cases.



Child Labour Policing Training for Police Officers held at Centre for Training and Development in Nasese on 25th January 2012

d. Wages Reform

Implementation of the Ministry's strategic direction and application of reformed organizational culture

Wages Councils

The ten Wages Councils was chaired by the Deputy Chairpersons of the respective Wages Councils after the former Wages Council Chairman Father Kevin Barr stepped down from his position.

The Minister for Labour has accepted his resignation, but asserted that Government will ensure that the rule of law prevails and the good faith process of consultation will not be side tracked but completed with professionalism.

Government fully appreciates and acknowledges the tireless efforts of Father Kevin-Barr and all members of the ten re-constituted Wages Councils on their two (2) year terms of appointments since June 2008.

The Deputy Chairpersons of the respective Wages Councils assumed the responsibility of reviewing the proposed WROs after considering the objections received from industries and employers, and making recommendations to the Minister.

In this regard, the Minister has extended the tenure of all Wages Councils until 31st October 2012 including all its Deputy Chairpersons to enable them to review their proposed WROs in the context of the submissions made to the Councils.

The Ministry implemented the final WROs after due process were completed as required under the ERP. Government is fully committed to social justice for workers in ensuring fair wages that are also affordable to employers. In addition to the WROs for the ten sectors, Government has also committed and have established for the first time a National Minimum Wage in its commitment to alleviate poverty as committed in the Peoples Charter for Change, Peace and Progress.



Deputy Chairpersons of the Wages Council briefed on the Wage setting process by the Secretary to Wages Council, Mr. Senitiki Lesi

National Minimum Wage

In line with government's commitment towards the alleviation of poverty through the People's Charter for Change, Peace & Progress, Government through the labour Ministry will be introducing a national minimum wage for all Sectors in Fiji.

In meeting this commitment, the Permanent Secretary for Labour, IR & Employment Mr. Taito Waqa and the National Minimum Wage Baseline Survey (NMWBS) Consultant Dr. Mahendra Reddy signed the NMWBS contract on the 2nd of November at the Ministry of Labour Head Office in Suva..

On the 28th of December, a workshop on the NMWBS was conducted by Dr Reddy mainly to

prepare the staff who will be conducting survey in February 2013. The objective of the survey will determine the national minimum wage review mechanism, which will dictate how and when the national minimum wage will be reviewed in future.

The determination of a Minimum Wage Review Mechanism will be undertaken by Dr. Reddy and the Labour Ministry in 2013.

e. International Obligations

Implementation of the Ministry's strategic direction and application of reformed organizational culture

2012 ILO World OSH Day

The celebration of the World Day for Safety and Health at Work is an integral part of the Global Strategy on Occupational Safety and Health of the ILO and promotes the creation of a global preventative safety and health culture involving all stakeholders. In many parts of the world, national authorities, trade unions, employers' organizations and safety and health practitioners organize activities to celebrate this date.

The ILO celebrates the World Day for Safety and Health at Work on the 28th of April every year to promote the prevention of occupational accidents and diseases globally. It is an awareness-raising campaign intended to focus international attention on emerging trends in the field of occupational safety and health and on the magnitude of work-related injuries, diseases and fatalities worldwide

The National Occupational Health and Safety Service under the Labour Ministry with representatives from Workers, Employers, ILO and other government departments observed the day at the Natabua High School in the Western Division with the theme: *Promoting Safety and Health in a Green Economy*



ILO World OSH Day celebration at Natabua High School in Lautoka

The day was also observed by OHS Committees of agencies together with the primary and secondary school students that made the day memorable by participating in essay and poster competitions based on the 2012 theme and also awards on best HIV & AIDS Policy for workplaces were awarded to successful agencies that met the requirements of the policy.

The celebration was also manifested together with the re-signing of the Memorandum of Understanding (MOU) between the Ministry of Labour of the Independent State of Papua New Guinea and the Government of the Republic of Fiji on technical assistance in the field of occupational safety and health.



Western Primary Schools participated in the World OHS Day march

International Labour Conference (ILC)

The broad policies of the ILO are set by the International Labour Conference, which meets once a year in June, in Geneva, Switzerland. This annual Conference brings together governments', workers' and employer's delegates of the ILO member States. Often called an international parliament of labour, the Conference establishes and adopts international labour standards and is a forum for discussion of key social and labour questions. Each member State is represented by a delegation consisting of two government delegates, an employer delegate, a worker delegate, and their respective advisers. Employer and Worker delegates are nominated in agreement with the most representative national organizations of employers and workers which is the Employment Relations Advisory Board (ERAB) in the case of Fiji.

As endorsed by Cabinet, the Fijian delegation was led by the Honorable Minister for Labour, IR & Employment Mr. Jone Usamate and accompanied by the following tripartite delegates:

- 1. Hon. Jone Usamate (MLIRE) Head of Delegation
- 2. Mr. Sharvada Nand Sharma Government Delegate
- 3. Mr. Tevita Nasalo Kunatuba Government Delegate
- 4. Mr. Felix Mark Anthony Workers' Delegate
- 5. Mr. Mark Mathews Employers' Delegate



Honourable Minister for Labour, Industrial Relations & Employment Mr, Jone Usamate addressing the delegates of the 2012 ILC in Geneva.

The Fijian Government submitted its 2012 report to the ILO during the Conference in Geneva. The following reports were part of the Fijian Government reporting obligation for 2012:

- 1. C12 Worker's Compensation (Agriculture) Convention, 1921
- 2. C19 Equality of Treatment (Accident Compensation) Convention, 1925
- 3. C81 Labour Inspection Convention, 1947
- 4. C87 Freedom of Association and Right to Organize Convention, 1948
- 5. C98 Right to Organize and Collective Bargaining Convention, 1949
- 6. C100 Equal Remuneration Convention, 1951
- 7. C111 Discrimination (Employment and

Occupation) Convention, 1958

- 8. C122 Employment Policy Convention, 1964
- 9. C129 Labour Inspection (Agriculture) Convention, 1969

The following Conventions and Recommendations were approved by Cabinet for ratification and adoption respectively as shown below and were part of the Fijian Government Report for 2012:

- 1. C181- Private Employment Agencies
- 2. R188-Private Employment Agencies
- 3. R198-Job Creation in SMEs
- 4. R193- Promotion of Cooperatives
- 5. MLC 2006-Maritime Labour Convention
- 6. C183-Maternity Protection Convention
- 7. C142-Human Resources Development
- 8. R194-List of Occupational Diseases
- 9. C189-Domestic Workers Convention
- 10. C179-Recruitment & Placement of Seafarers Convention
- 11. C180-Seafarers' Hours of Work and the Manning of Ships Convention

Asian Productivity Organisation (APO) Governing Body Meeting

The Governing Body) is the supreme organ of the APO. It is composed of one government-appointed Director from each member economy. The Governing Body meets annually to receive the Secretary-General's annual report and the auditor's financial report; decide on APO policies, strategies, directions, and membership; approve the rolling two-year plan and annual programs; lay down guidelines for the ensuing fiscal year's program; and approve the budget and financial guidelines.

The APO 54th Governing Body meeting was held in Singapore from the 17th -19th of April, and was attended by the Permanent Secretary for Labour, Industrial Relations & Employment who is also the APO Director for Fiji.

APO Alumni Workshop

The Honourable Minister for Labour Mr. Jone Usamate opened the Asian Productivity Organisation (APO) Alumni Workshop on the 2nd of April, 2012 at the National Training for Productivity Centre (NTPC).



APO Alumni Workshop

ISO Certification Training

The Ministry has taken the first steps in its aim to attain ISO Certification.

The Ministry organized a one week training course on ISO 9001: Quality Management System (QMS) for its senior management and district officers from 23rd to 27th July at the Holiday Inn in Suva.

This was a very significant achievement in the Ministry's set of agendas. With the Labour reform on the verge of completion, the ISO Certification training will catapult the Ministry's services to a newer height.

The training was facilitated by two (2) experts from the Asian Productivity Organisation, Mr. Giok Pien Chua, and Mr. Chua Geok Boon from Malaysia. Following the completion of the training participants conducted a series of in-house QMS training in their respective sections.

The five day intensive training course covered ISO 9000 family of standards, ISO 9001: 2008 requirements, development of a quality policy, objectives and manual, documentation and audit procedures, certification requirements and benefits of a QMS and its operations.

This results in achieving government's commitment in enhancing Public Sector Efficiency, Performance Effectiveness and Service Delivery under the Peoples Charter for Change, Peace and Progress



Participants of the ISO Certification training

f. Bilateral Cooperation

Implementation of the Ministry's strategic direction and application of reformed organizational culture

OHS Technical Assistance

Bilateral Cooperation between the Independent State of Papua New Guinea (PNG) and the Government of the Republic of Fiji have strengthened ties in the extension of technical assistance in the field of Occupational Health and Safety.

A memorandum of understanding (MOU) was signed between the two countries by the PNG High Commissioner Mr. Peter Eafeare and the Minister for Labour, IR & Employment Mr. Jone Usamate on the 27th of April during the celebration of the ILO World OHS Day in Lautoka.

The occasion was another significant achievement between the two countries bilateral relations in the area of technical co-operation. The MOU was a significant framework that was established to facilitate mutual co-operation between the two government and to facilitate its long term commitment towards the project on the capacity building of the PNG occupational health and safety.



MOU Signing between the Government of the Republic of Fiji and the Independent State of Papua New Guinea on OHS Technical Assistance

Labour Inspections Technical Assistance

An agreement has been reached for the Fijian Government to provide technical assistance in the area of labour reform and labour inspection for the Government of the Republic of Kiribati and this will be facilitated through Fiji's Labour Ministry.

The Memorandum of Understanding (MOU) was signed on the 20th of March, between the Kiribati Minister for Labour and Human Resource Development Hon. Boutu Bateriti and Fiji Minister for Labour, Industrial Relations & Employment, Mr Jone Usamate at the Suva Holiday Inn.

The MOU marked an important step towards more collaborative work and signified the strong spirit of regional cooperation and aspirations between the two governments. The reforms will assist Kiribati put in place a system which addresses the labour requirements of today and one important component is the need to have legislation in place to address labour mobility that would harmonize Kiribati's laws.



MOU Signing between the Government of the Republic of Fiji and the Government of the Republic of Kiribati on Labour Inspection Technical Assistance

g. Public relations and community engagement programmes.

Contribution to the Environment and the Community

Environmental and Community Projects

Below are the list of environmental and community projects undertaken by the ministry as part of its corporate social responsibility:

- Visitation to Women's Prison on the 24th of May
- Ministry's staff involvement in the DISMAC operations.

- Donation of \$229.00 towards the Prime Minister's Flood Appeal Fund on 13th April.
- Collection of \$605.50 for assistance to ministry staff affected by the April floods in the Western Division.

Board and Committee Meetings

Employment Relations Advisory Board (ERAB)

The ministry organized 3 ERAB Meetings, 7 ERAB Sub-Committee Meetings and 1 Maritime Labour Convention (MLC) Workshop whereby various stakeholders including the Maritime Safety Authority of Fiji was present and contributed to a lively discussion on the topic.

All meetings including the workshop have detailed minutes videotaped and transcribed for everyone's records and they have been circulated to all the members present come the next meet.

7 ERAB sub-committee meetings on the ERP Amendments was held in 2012



ERAB Meeting on the 16th of July at Suva Holiday Inn

National Occupational Health & Safety Advisory Board (NOHSAB)

The NOHSAB met two times in the year 2012. The 1st meeting was held on the 30^{th} March 2012 and the 2nd meeting was on 07^{th} of May 2012. Both meetings were held at the Suva Holiday Inn.



NOSHAB Meeting held on 7th May at Suva Holiday Inn

National Employment Centre Board (NECB)

The NEC Board met only once in 2012 and there total of 19 Board papers tabled for discussion

h. National obligations and duties

Provision of quality advice to FNPF, ATH, FINTEL, NEC, ERAB, NOHSAB, NTPC, FNU, FNCDP, Poverty Combat Committee, PSC Scholarship Committee, ILO Child Labour Advisory Committee, PS Meetings, MOH, NCHP and other national bodies.

In meeting national obligations and duties, the Permanent Secretary for Labour, Industrial Relations and Employment PSLIRE) is a confirmed board member of the following institutions in providing sound policy advice to assist in national and economical development

- 1. Fiji National Provident Fund (FNPF)
- 2. Amalgamated Telecommunications Holding (ATH)
- 3. Fiji International Telecommunications (FINTEL)
- 4. National Employment Centre Board (NECB)
- 5. Employment Relations Advisory Board (ERAB)
- 6. National Occupational Health and Safety Advisory Board (NOHSAB)
- 7. National Training Productivity Centre (NTPC)
- 8. Fiji National University (FNU)
- 9. Fiji National Committee for Disabled Persons
- 10. Poverty Combat Committee,
- 11. Public Service Commission (PSC) Scholarship Committee,
- 12. ILO Child Labour Advisory Committee,
- 13. Permanent Secretary's Meetings
- 14. Ministry of Health (MOH)
- 15. NCHP

The Permanent Secretary for Labour has attended a total of 35 national obligation and duty meetings in 2012.

Amendment of Schedules on HASAW (Administration) Regulations 1997

Strategic positioning of labour services

The Ministry carried out the strategic positioning of labour services through the amendment of Schedules

under the Health and Safety at Work (Administration) Regulations 1997.

The amendments highlighted by the Solicitor General's Office has been completed and the revised copy is with the Office for legal vetting and clearance for gazetting

i. Increase Revenue collection

Compliance with procurement procedures and authorities in the FIs Compliance with procurement procedures and authorities in the FIs

NOHSS Revenue Collection

The revenue collection for the National OHS Service resulted from the user pay services undertaken by NOHSS as provided below:

- OHS Training
- Engineering Design Vetting
- Hazard Audit
- Engineering Consultancy
- OHS Consultancy
- Management Consultancy
- Assessment & Control of Chemicals
- Occupational Hygiene Service
- statutory engineering inspection
- Workplace Registration
- Issuance of Notices
- Non Destructive Testing

The National OHS Service generated a total of \$1,356,790.56 in 2012 and have exceeded by 159% when compared with the annual target of \$850,000

The table below illustrates the trends in revenue generation from 2010 - 2012

NOHSS revenue

	2010	2011	2012
Target	\$750,000.00	\$750,000.00	\$850,000.00
Generated	\$830,375.25	\$836,878.07	\$1,356,790.56

Implementation of MOU Signed

Creation of effective working partnerships and networks within government and relevant organizations

Memorandum of Understanding with MSAF

In creating an effective working partnership and networks within government, a draft Memorandum of Understanding (MOU) with the Maritime Safety Authority of Fiji (MSAF) have been developed to ensure that there is common understanding between the Maritime Safety Authority of Fiji (MSAF) and the National Occupational Health & Safety Service (NOHSS) when dealing with OHS issues on boats and ferries. Joint Committee have been formed to work a way in which the two organizations can facilitate health and safety issues in regards to sea transportation and the demarcation of their responsibilities..

In 2012, MSAF and NOHSS have been jointly conducting inspections on the presence of any asbestos containing materials for 86 boats & ferries.

Memorandum of Understanding under NEC

A Memorandum of Understanding between the National Employment Centre (NEC) and Employers were established to create working partnerships and networking with employers in terms of employment creation for the registered unemployed.

In 2012, a total of 55 MOUs were signed between NEC and employers for workplace attachment against the annual target of 50, which is equivalent to 110% achievement.

MOU Signed with NEC

	1 st	2nd	3 rd	4th
	Quarter	Quarter	Quarter	Quarter
MOU Signed	-	18	27	10
Total	50			



MOU signing between NEC and Think Pacific

j. Submission of factual, quality and labour market policy papers

Submission of factual, quality and timely labour market policy papers for DSC, Cabinet, PSC, ERAB, NOHSAB and NECB.

Cabinet Papers Submitted

In 2012, the Ministry tabled the total of 22 papers to Cabinet as detailed below:

- I. Update on Death and Serious Injury Compensation for Military Servicemen on Middle East Tour of Duty (1978-1997) and Other Work Related Compensation
- II. National Employment Centre Achievements and Challenges: 2010-2011
- III. Adoption of International Labour Organization Recommendation No. 200 on HIV/AIDS in the Workplace, 2010
- IV. Extension of MOU Between Fiji and Papua New Guinea on Occupational Safety and Health Technical Assistance
- V. Convocation of the 101st Session of the International Labour Conference – 2012
- VI. Ratification of International Labour Organisation Convention No. 181: Private Employment Agencies 1997
- VII. Adoption of International Labour Organisation Recommendation No. 188: Private Employment Agencies, 1997
- VIII. Adoption of International Labour Organisation Recommendation No. 189: Job Creation in Small and Medium Sized Enterprises, 1998
- IX. Defer the Adoption of International Labour Organisation Recommendation No. 193: Promotion of Co-operatives
- X. Change of Bond Conditions for Overseas Recruitment Agencies and Mr. Mikaele Delana's Case

XI. Convocation of the 101st Session of the International Labour Conference – 2012

- XII. Adoption of ILO Recommendation No. 194 on List of Occupational Diseases, 2002
- XIII. Ratification of the ILO Maritime Labour Convention 2006
- XIV. Ratification of ILO Convention No. 142 on Human Resources Development 1975
- XV. Ratification of ILO Convention No. 183 on Maternity Protection 2000
- XVI. Report on the 101st Session of the International Labour Conference, Geneva 2012
- XVII. Public Holidays for 2013
- XVIII. Daylight Saving 2012
- XIX. Daylight Saving 2012
- XX. Strengthening Labour Market Information Sharing amongst Government Agencies
- XXI. Establishment of Wages Forum to replace all existing Wages Councils
- XXII. Governments Response to the Resolution of the 316th Session of the ILO Governing Body meeting on Fiji
- XXIII. Establishment of a Higher Level Fiji Productivity and Training Agency to Spearhead Government's Productivity Reform to Boost Sectoral and National Productivity.

ERAB Papers Tabled

The ministry conducted of 3 ERAB Meetings in 2012 and tabled a total of 21 papers. out of this, 12 Board papers were for discussion in the first meeting of 2012 and 9 were for the second meeting of 2012.

NOSHAB Papers Tabled

Out of the 15 NOHSAB Papers targeted for the year, a total of nineteen (19) papers were presented to the Board in 2012.

A total of twelve (12) papers were presented in the 1st meeting of the year, however discussion on few papers did not continue as there were no meetings in the last two quarters due to heavy commitments in 2012. There were sixteen (16) discussion papers presented in the 2nd meeting whilst three (3) were information papers. A total of 8 new papers were presented to the Board for the year 2012.

NECB Papers Tables

NECB meeting was scheduled on 17th December 2012. 19 papers were tabled for discussion; however,

due to the effects of the tropical cyclone Evan the meeting was postponed and adjourned to 10th January 2013.

Board papers tabled are as follows:

- I. Matters Arising
- II. National Employment Centre Board
- III. NEC performance update to November 2012
- IV. Fiji Volunteer Service (FVS) Activities 2012
- V. Melanesian Spearhead Group (MSG) Skills Movement Scheme
- VI. update on the Preliminary recruitment for Jumeirah at Ethad Towers – Abu Dhabi, United Arab Emirates
- VII. Logo and slogan for Foreign Employment Service
- VIII. Official Launching of Foreign Employment Service
- IX. Draft National Employment Centre (Code of Ethics) 2012
- X. Draft National Employment Centre (Formal Employment Service) Regulations 2012
- XI. Draft National Employment Centre (Fiji Volunteer Service) Regulations 2012
- XII. Draft National Employment Centre (Foreign Employment Service) Regulations 2012
- XIII. Draft National Employment Centre (Self Employment Service) Regulations 2012
- XIV. Draft National Employment Centre (Self Employment Service) Regulations 2012
- XV. National Employment Centre Trust Fund
- XVI. National Employment Centre Organisation Structure
- XVII. Implementing ISO 9000 Quality Management System
- XVIII. NEC Corporate Plan 2013
- XIX. Technical Workshop on Employment Creation \policies

Output 2: Assessment, Registration, Compliance & Monitoring - Labour Standards

a. Compliance to Labour Standards Enforcement Policy and Procedures. Effective OHS and Labour Compliance Enforcement Service and Processes

In line with the Roadmap goal of the fullest and most productive utilization of our human resources, the Labour Standards Service continued to promote fundamental principles and rights at work standards through the following achievements:

National Action Plan for the Elimination of Worst Forms of Child Labour

The National Action Plan workshop was conducted from 28th to 31st July at Holiday Inn Suva and a draft report has been prepared for consultation.



Workshop on National Action plan for the Elimination of Child Labour

Children Withdrawn from Child Labour Activities

A total of 9 children were withdrawn from child labour activities involved or employed in Agriculture Farming and street begging. This is made possible through the efforts and training and inspection done by the Western Officers in the agriculture Farms.

b. Continuously gauge organizational performance

Effective and efficient Employment Grievance & Dispute Resolution

Employment Relations Service

The core function of this the Employment Relations Service is to analyze employment disputes and their referral to the Mediation Services and Employment Relations Tribunal. The unit is also responsible for the monitoring and management of strikes and lockouts and maintains the database for redundant workers in Fiji.

Employment Disputes / Grievance Referral to Mediation Service and/or ER Tribunal

	Mediation	Tribunal	TOTAL	
2011	425	14	439	
2012	584	-	584	
Annual Target: 1000 - EG 5 - ED				

The table given above illustrates the number of employment disputes and grievances referred to the Mediation Service and the Employment Relations Tribunal from 2011 – 2012.

Over the 2 years, it is noted that 2012 received the highest number of referrals to the Mediation Services. These referral cases are mainly on unfair dismissal, sexual harassment, disadvantage and discrimination.

c. Continuously gauge organizational performance

Effective and efficient Labour Compliance Service

Labour Inspections of Workplaces

The Labour Compliance Unit is responsible for employer/workplace inspections including verification of wages records, resolution of labour complaints/employment grievances, control (attestation) of foreign contracts of service, prosecution of offences under the ERP and also appearing as Advocates for workers on their individual grievances at the Employment Relations Tribunal. The Unit also monitors the authorization of employment agencies and businesses in Fiji for local or overseas employment. In 2012, The Unit conducted the total of 1242 labour inspections against the annual target of 4500

The graph below shows trends from 2010 - 2012 on labour inspections conducted against its annual targets



Labour Inspections Graph 2010 - 2012

Labour Complaints

In 2012, The Unit settled the total of 816 labour complaints against the annual target of 1839

The graph below shows trends from 2010 - 2012 on labour complaints conducted against its annual targets



Labour Complaints Graph 2010 - 2012

Unclaimed Wages

The unclaimed wages recovered in 2012 have decreased when compared with the 2010 and 2011 recoveries.

The decrease in the recovery of unclaimed wages has resulted from shortage of staff in 2012 to conduct labour inspections.



Labour Compliance Challenges

The lack of capacity in the LCS Unit's with the

establishment of 20 Labour Inspectors, out of which 50% (10) of the position has been vacant for the past years and 3 has been allocated to the new prosecution Unit's based at HQ have an impact on the service delivery of the Unit

The execution of the fixed Penalty Notice has increase in 2012 by 95.55% compared to previous years and have strengthened the commitment of employers under the reformed labour law.

Prosecution of Criminal Cases

The graph below shows that the total number of 542 prosecution cases was received in 2012 whereby a total of 53 were settled and 50 awaits the decision of the Tribunal.

	1 st Qtr	2 nd Qtr	3 rd Qtr	4 th Qtr	Total
Received		180	223	139	542
Settled		16	22	15	53
Decision		10	15	25	50
Active files		155	207	60	

ADMINISTRATION AND CONTROL OF TRADE UNIONS AND INDUSTRIAL ASSOCIATIONS

The Registrar of Trade Unions & Registrar of Industrial Associations (RTU/RIA) is responsible for the administration and control of trade unions and industrial associations in dealing with the registration, suspension, cancellation and also to provide advisory role to trade unions and industrial associations.

It is also responsible for the coordination and supervision of strike secret ballots by trade unions and the vetting and registration of all Collective Agreements to ensure that the improved terms and conditions of employment in conformity with the ERP are met between employers and registered trade unions.

Registration of Trade Unions

In 2012, the Ministry received a total of 86 Trade Union applications for registrations whereby 62 were registered and 24 were returned to the Trade Unions. The graph below shows the number of applications registered in 2012 on a quarterly basis.



Registration of Trade Unions in 2012

Annual Returns



The Registrar for Trade Union accepted the total of 34 Annual Returns and returned 13 to Trade Unions

Administration and Control of Industrial Associations

In 2012, the Ministry receives a total of 26 Industrial **Association** applications for registration whereby 20 were registered and 6 were returned to the Industrial Association.

The graph below shows the number of industrial association application registered in 2012 on a quarterly basis.



Registration of Industrial Association

Annual Returns



The Registrar of Industrial Association accepted the total of 17 Annual Returns and returned 3 to the Association.

Attestation of Foreign Contracts of Service

During the year there were no foreign contract submitted to the Ministry for attestation.

Output 3: Productivity Service – LMCC Registration & Training, Workplace Consultancy

a. Implementation of the Ministry's strategic direction and application of reformed organizational culture Productivity Reform under the Employment Relations Promulgation 2007 (ERP)

Labour Management Consultation Cooperation Committee (LMCCC) Awareness in Workplaces

As part of Productivity Reform under the Employment Relations Promulgation (ERP) 2007, LMCCC is essential in building the human and social capital of the enterprises.

LMCCC is the new arrangement of relationship in an organization where a committee comprising of employer and worker members labour in unison to create an enabling environment for the achievement of goals and the nurturing of future relationships through the concept of good faith and the promotion of productivity.

The purpose of LMCCC is to create a bi-partite forum for meaningful consultation and cooperation between employers and workers representatives, at the enterprise or organization level.

In 2012, the ministry conducted a total of 12 LMCCC Awareness. The ministry also finalizes the draft CBT value-based Training Package to be used for the Accredited LMCC Training in both private and public sector organizations Effective administration of *ER (LMCCC) Regulations 2008* and ensure employers inspected have established LMCCC and verify frequency of reports submitted to ERAB

LMCCC Registration

There were no LMCC Committee established for public and private sectors in 2012 and this will commence in 2013 due to the change in ministry's policy priorities through the year

A LMCCC is made up of equal number of employers and workers representatives and the membership should cover all levels of management and labour and also union members. The employers and workers in an organization are responsible for selecting their members. The Committee may by mutual agreement invite additional members to provide information and advice at its meetings.

Output 5: Mediation Service - Employment Disputes / Grievance Resolution

a. Continuously gauge organizational performance

Effective and efficient Employment Dispute Resolution

The Mediation Service is primarily a national level institution for conflict resolution through the continuation of good faith dialogue between parties at the enterprise level directly impacting the Roadmap goal under the Employment and the Labour market outcome of ensuring the fullest and most productive utilization of our human resources. This is achieved through the activities highlighted below

Employment Grievances Mediated

An employment grievance is a grievance that a worker, may have against the employer or former employer because of the following claims:

- The worker has been dismissed;
- The worker's employment, or one or more conditions of it, is or are affected to the worker's disadvantage by some unjustifiable action by the employer;
- The worker has been discriminated within the terms of Part 9 of the ERP;
- The worker has been sexually harassed in the worker's employment within the terms of section 76 of the ERP;
- The worker has been subject to duress in the worker's employment in relation to membership or non- membership of a union.

In 2012, Individual workers reported a total of 1125 Employment Grievance with accumulating balance of 207 from 2011. Of these, 1332 cases were completely disposed-off by the mediation process whereby 1195 grievances were resolved which constitutes 89.71% of all grievances fully mediated. The remaining 217 grievances were referred to the Tribunal for third party adjudication where cases relating to legal and procedural aspects could not be resolved. A total of 217 cases were however pending by the end of the year, in which mediation hearings are to be conducted in 2013.



Consolidated Report of Employment Grievance for 2012

The Mediation Services assesses its success based on the 75% international benchmark set by the Singapore Mediation Centre (SMC), thus settlement rate corresponds to 89.71%. Direct tangible benefit to aggrieved workers is quantified in a recovery and payment of some \$889,083.56. Such payments alleviate workers and economic responsibilities to some extent, whereby the workers are able to meet their urgent basic needs.

Employment Grievance from 2010 - 2012

	2010	2011	2012
Received	1279	1319	1332
Mediated	1045	1122	1412
Settled	824	876	1195
Referral	221	246	217
Annual Target	1044	1200	1100

Employment Disputes Mediated

An employment dispute is a dispute that a trade union may have against a union member's employer on the following reasons:

- On charges or amendments to their existing collective agreements
- A dispute that an employer may have against the union for breaching the collective agreement
- A dispute that a trade union may have against the employer for breaching the collective agreement or the minimum standards of employment stipulated under the Employment Relations Promulgation 2007

During the period under review, unions reported a total of 7 employment disputes during the year with accumulating balance of 5 from 2011. Of these, 12 cases were completely disposed-off by the mediation process whereby 1 dispute was resolved. The remaining balance from the accumulated total of 12, which is 11, has been referred to the Employment Relations Tribunal for adjudication. Therefore a total of 1 employment dispute case was pending for mediation as of 31 December.



Consolidated Report of Employment Disputes for 2012

Settlement of employment disputes was low and this is mainly due to party representative's approach to mediation which is far from the good faith principles but simply to use mediation as a window in gaining access to the Employment Tribunal. This simply exploits the old mind set of adversarial approach to dispute resolution. Continuing awareness training on process of mediation will be intensified to bring about changes in employment relationships amongst the parties.

Linployment Disputes nom 2010 - 2012			
	2010	2011	2012
Received	21	13	12
Mediated	13	8	11
Settled	3	3	1
Referral	10	5	10
Annual Target	13	15	4

Employment Disputes from 2010 - 2012

Effective Management of Strike

ERP recognizes that the duty of good faith does not preclude certain legal strikes and lockouts, and also ensures that mediation services are available to solve issues where there is slightest threat of a strike or lockout in both, essential and non-essential services. The strike and lockout under the ERP has therefore taken a new meaning which seeks the pro-active intervention of mediators to prevent catastrophic outcome in order to maintain labour market stability and boost investor confidence. During the year under review, mediation Unit receives a total of 5 cases of strike notice wherein the union was contemplating strike action. These reports related to the tourism and sawmill & logging industries, which if uncontrolled had the potential to cripple the tourism industry that is quite vulnerable to our economy.

The Mediation Service of the Ministry have successfully settled the impasse between aggrieved parties and averted the imminent threat of potentially dangerous strike in following cases:

- 1. Tropik Wood Employees and Allied Workers Union VS Tropik Wood Industries Limited
- National Union of Hospitality, Catering and Tourism Industries Employees VS Sheraton Fiji Resort/Westin/Sheraton Villas & DGRC
- 3. Fiji Public Service Association VS Airport Fiji Limited.
- 4. Fiji Public Service Association VS Civil Aviation Authority of Fiji
- 5. Fiji Sugar & General Workers Union VS APCO Paints.



Mediation in progress between Warwick Fiji Resort and Hotel Workers Union

ERP Training

In providing mediation services and to support employment relationship among the social partners, the Mediation Unit also disseminates information by conducting free awareness training on the new legislation. In 2012, the Unit conducted a total of 7 ERP Awareness and LMCC Training to external customers.

Output 6: Adjudication & Standard Setting on Good Faith Employment Relationships

a. Continuously gauge organizational performance

Effective and efficient Resolution of Employment Matters

Under Output 6, the adjudication and standard setting on good faith employment relationships rests solely with the Employment Relations Tribunal (ERT) as an independent body of the Ministry.

The general function of the Tribunal is to assist employers and their representatives and workers and their representatives (trade unions) to maintain effective employment relations in particular adjudication.

The Tribunal may assist parties to amicably settle the matter and settlement must be signed by parties and endorsed by Tribunal as binding. Tribunal to provide Mediation assistance in matter to prerequisite to adjudication (Section 210- (1)(2)(3) under the ERP 2007

Grievance

Grievance cases received through Tribunal are cases referred from the Mediation Service when mediation fails and the Mediator shall refer the grievance to Tribunal as reflected under ---Section 194 (5) of the ERP 2007.

As a result of these referrals a total of 129 grievance cases were received in 2012 whereby 84 cases were heard and 91 cases settled



Adjudication of Grievance Matters in 2012

Disputes

There are two (2) determinants of disputes under the Employment Relations Tribunal. These disputes are:

Dispute of Right – This is a dispute refers to the Tribunal by the Permanent Secretary for Labour, Industrial Relations & Employment under Section 168(3).

Dispute of Interest - These are dispute cases referred to Tribunal when mediation fails and the Mediator shall refer the dispute to Tribunal as reflected under Section 194 (5) of the ERP 2007

As a result of these referrals, a total of 5 disputes were received in 2012 whereby 2 cases were heard and 8 cases settled.





Miscellaneous

A total of 22 miscellaneous cases were received in 2012 whereby 13 cases were heard and 16 cases settled.



Worker's Compensation

Worker's Compensation cases are received through the Employment Relations Tribunal when employers disputes the compensation payment and the only avenue to have workers receive payment is through the filing of cases through ERT, which is the process the ministry follows for the recovery of compensation claims.

Consequently, a total of 48 worker's compensation cases were received in 2012 whereby 22 cases were heard and 52 cases settle.



Adjudication of Worker's Compensation Matters in 2012

Criminal Cases

A total of 27 worker's compensation cases were received in 2012 whereby 11 cases were heard and 42 cases settled.



Overall adjudication of Employment Matters



Adjudication of Employment Matters in 2012

The graph given above shows the overall adjudication of employment matters during the 3 year period from 2010 - 2012 and employment grievance was recorded the most highest for the 3 year period.

Adjudication of cases from 2010 - 2012

	Cases Received	Cases Settled	Ongoing Case	Pending Decision
2010	481	313	98	70
2011	500	197	276	27
2012	299	62	237	0
a. TRAINING, ACCREDITATION, CHEMICAL & HYGIENE

OHS Training & Promotion

The TACH Unit is responsible for occupational health and safety training which is an integral part of the OHS management strategy and the implementation of its policies and procedures. It is also responsible for the administration and delivery of specialized OHS training and promotion for OHS Committees and Representatives in workplaces around the country.

OHS Training



During the period under review, the OHS Training Unit of the National OHS Service conducted a total of 83 OHS Trainings on Module 1 & 2 and 3 & 4 compared to the annual target of 100. Out of the 83 trainings, 74 were for Module 1 & 2 and 9 were for Module 3 & 4.

The Unit has a shortfall of 17 trainings against the annual of 100 and this is due the shortage of staff in the Unit.





OHS Training for senior officials from different government departments at the Centre for Training & Development (CTD) in June 2012.

OHS Awareness



The Training Unit also conducted a total of 190 OHS Awareness compared to the annual target of 10 in 2012.

Chemical Assessment and Control and Occupational Hygiene

The Unit is also responsible for chemical assessment and control and occupational hygiene services and administers Part IX of the *Health and Safety at Work Act 1996*, which stipulates the assessment and control of chemicals including pesticides that are used in Fiji's workplaces. The Unit also conducts occupational hygiene audits of workplaces as part of its duties, which predominantly undertakes the supervision of asbestos removal in affected buildings around the country. In view of the high risks involved with this specific activity and also responsible for the training of workers involved in the actual asbestos removal and disposal processes.

- a) Occupational Hygiene Audits
- b) Supervision of asbestos removal

In-country Occupational Audiometry Course



In-country Occupational Audiometry Course was conducted from 10th to 13th September at the Holiday Inn for fifteen (15) participants. The course provider was from TAFE NSW - Western Sydney Institute which consisted of two (2) course facilitators as follows:

- Ms. Janette Louise Brazel
- Ms. Monica Summers

The course facilitators were qualified audiologist and they delivered the course with very high standard especially teacher to student monitoring in the practical aspect of conducting audiometric testing.

RISK ENGINEERING & CAPITAL PROJECTS

The Risk Engineering Unit is responsible for the vetting of plants and machinery designs gazetted under Schedule 4 of the *Health and Safety at Work (Administration) Regulations 1997*, and the non-destructive testing (NDT) of high tensile load structures such as tank surfaces, pipelines and building steel structures, with special emphasis on welding, to ensure compliance with the approved engineering standards for reliability and safety under the OHS legislation. The NDT techniques utilized are industrial radiography (X-Ray), ultrasonic, magnetic particle and dye penetrant. The key role of the Risk Engineering Service is to facilitate, provide advice on and enforce safety engineering principles to improve reliability, health

and safety in all workplaces through the application of recognized standards, Codes of Practice and best practices to improve technological compliance and minimize OHS risks. The unit also conducts vetting of workplace designs to ensure compliance with the Health and Safety at Work (General Workplace Conditions) Regulations 2003 (GWC). Regulation 63 of the GWC states that every building that is used as a workplace shall be of sound construction and kept in a good state so that it does not expose the occupants to unacceptable OHS risks. The owner of a building that is used as a workplace should ensure that the building complies with the requirements of the GWC. Regulation 64 of the GWC states that the design of any new workplace must be granted prior approval by the Chief Health and Safety Inspector before the rural and local authorities can proceed with the building application.

As a preventative measure, the Building and Plant EDV, new Workplace Commissioning and NDT service ensures that all possible foreseeable risk to health and safety of persons (workers and nonworkers) is eliminated prior to using a building as a workplace, a plant at the workplace or putting a plant back into commission after repairs. The outcome of these is reduced incidents of OHS issues arising from the building that is used as a workplace or plant that is used at the workplace, and contributes to a reduction in workplace injuries and/or diseases

Engineering Design Vetting – Plants



The graph above illustrates the number of engineering design vetting plants by quarters in 2012. The Risk Engineering Unit conducted a total of 291 vetting of plants against the annual target of 252.



Engineering Design Vetting of Plants

Engineering Design Vetting – Building

As indicated by the graph the large number of Building EDV conducted in the Wholesale, Retail Trade, Restaurants & Hotels (F) sector can be attributed to businesses upgrading their facilities in light of the positive growth figures forecasted for this year, particularly in the tourism sector. This is a trend that has been observed from the 1st Quarter and is expected to continue into the foreseeable future



The graph above illustrates the number of plants engineering design vetting by quarters in 2012. The Risk Engineering Unit conducted a total of 307 vetting of buildings against the annual target of 252.

New Workplace Commissioned

This activity is a follow on from the Building EDV whereby building plans need approval prior to construction. This is a further indication of the confidence that businesses have in the economy by upgrading their facilities in light of positive growth forecasts, particularly in tourism related activities



The graph above illustrates the number of plants engineering design vetting by quarters in 2012. The Risk Engineering Unit commissioned a total of 37 workplaces against the annual target of 60.

Non-Destructive Testing

The main demand for this service mainly in the Manufacturing sector due to activities carried out to prepare the FSC Sugar Mills for the new crushing season.

The graph below illustrates the number of non – destructive testing (NDT) by quarters in 2012. The Risk Engineering Unit conducted a total of 557 workplaces against the annual target of 500.



FIELD OPERATIONS

The FO Unit is responsible for the effective delivery of OHS Field Operations services in all workplaces in the Central/Eastern, Western and Northern Divisions of Fiji and its core activities include the:

- enforcement of OHS standards stipulated under the OHS regulations and codes of practice;
- provision of an effective emergency OHS response service for serious work-related

accidents, injuries and fatalities;

- provision of assistance to workplaces in the setting up of OHS committees; encourage employers and workers to consult with each other on safe work practices and advise employers and workers in meeting their obligations under the OHS legislation;
- responsive and effective OHS investigation, enforcement and prosecution;
- audit of OHS management systems in workplaces, inspection of workplace plants and machinery, and the registration of workplaces, plants and hazardous substances and chemicals in accordance with the OHS legislation;
- resolution of conflicts between the aggrieved parties on immediate threat situations and other OHS issues in a timely and cost-effective manner; and
- provision of quality and sound policy advice to the Minister, the Permanent Secretary and the NOHSAB on OHS field operations matters.



The graph above illustrates the number of workplace registered by quarters in 2012. The Field Operations Unit registered a total of 1763 workplaces against the annual target of 820 which is equivalent to 215%.

SMART Audits



A total of 1984 SMART Audits conducted in 2012 as part of its contribution to providing proactive OHS Service against the annual target of 920 as shown in the above graph. The increase in the area of audit is due to the demand from the stakeholders to meet their respective requirements for compliance aspects.

Hazard Audit



The graph above illustrates the number of hazard audit by quarters in 2012. The Field Operations Unit conducted a total of 875 audits against the annual target of 568 which is equivalent to 154%.

Demand has declined for the fact that the cut off time frame for application for Business License with the relevant municipal councils is 31st March for the year and those applications received later than the cut off time frame incurs penalty by the municipal councils. Most of the Business License inspections have been covered in the 1st quarter.

Business License Activity

This activity has been implemented this year to assist the Municipal Councils in ensuring the minimum compliance of OHS, National Fire Authority, Department of Environment, Local Municipal Councils to upgrade the level of service to relevant standards as per other legislations. The OHS FO Unit has registered those business licenses as workplaces which have applied for the hazard audits for 2012.

Statutory Engineering inspection



The graph above illustrates the number of statutory engineering inspection by quarters in 2012. The Field Operation Unit conducted a total of 5925 statutory engineering inspection against the annual target of 7500 which is equivalent to 79%.



Amusement Rides Inspection

a. Effective OHS and Labour Compliance Enforcement Service and Processes

Quality and efficient settlement of Workers Compensation cases

WORKERS COMPENSATION SERVICE

The WC Units have engaged the services of the Fiji Military Forces servicemen & servicewomen to facilitate the clearance of backlog cases to pave way for the new Fiji Workcare Decree 2013





In 2012 (566), 2011 (504) and 2012 (607) case settled. There is fluctuation for the case settled from 2010 to 2012. As there are 14 process for death and 15 process for injury. The settlement of cases depend on doctors assessment as well the post injury if they is nil assessment then case is closed if the injury is critical then it takes longer time hence process of completion takes longer. If the case goes to Employment Relation Tribunal (ERT) then the settlement is anticipated to be delayed further.



As illustrated above, there is a fluctuation in the case reported from 2010 to 2012. There was a significant reduction in number of the case reported in 2010 because of the workers were not aware of what Work Compensation Unit does or probably some of services provided by this Ministry. The majority of the 2010 cases were reported in 2011, so this resulted in decrease in case reported in 2010. Hence a rise in 2011.





In 2010 (391), 2011 (533) and 2012 (377) case pending. The settlement of cases depend on doctors assessment as wells the post injury if they is nil assessment then case is closed if the injury is critical then it takes longer time hence process of completion takes longer.

Total Compensation Paid to Government Workers



Out of the \$1m allocated to the Ministry for the year, the ministry paid out a total of \$1,003,057.65 for 107 cases which is equivalent to 103%. Twenty five (25) death claims were paid out to dependents of the deceased workers amounting to \$600,000.00 and eighty, two (82) injured workers were paid out totaling \$403,057.65

Tabulated below is the summary of injury and death cases paid from the \$1m allocated for Government cases

Ministry	No of cases		Compensation Pd out	
	Injury	Death	Injury	Death
G/Shipping	1		\$24,000.00	
RFMF	59	14	\$203,994.60	\$336,000.00
Prisons	2		\$24,417.29	
PWD	11	4	\$108,067.74	\$96,000.00
Education	-	4	-	\$96,000.00
Agriculture	-	1	-	\$24,000.00
Health	5	1	\$31,879.05	\$24,000.00
Energy	1	-	\$4609.88	-
Police	3	-	\$6089.09	-
S/Welfare		1	- \$24,000.00	
TOTAL	82	25	\$403,057.65 \$600,000.0	

Total Compensation Paid to Private Workers



For private workers, a total compensation payout for 2010 was \$915,737.95; 2011 was \$706,009.87: and 2012 is \$494,583.65. There is an increase in total compensation payout in 2010 because the taskforce team was formed to settle the pending cases



A total of 24 Death cases were recorded for government as illustrated above by quarters for 2012.

Clear Backlog cases pending from 2001 - 2009



Backlog cases settled were thirty three (33) out of the 180 target. In total the Unit has settled 2093 out of 2201 total pending cases which is equivalent to 95%

2012 breakdown of pending injury cases (95)

- Awaiting final medical report 23
- Workers to be referred for final medical assessment 5
- Awaiting payslip 2
- Claim sent to employer 16
- Claims disputed 12
- Workers statement to be taken 1
- Witness statement to be taken 1
- Cases with ERT 35



Clear Backlog cases pending from 2010 – 2012



A total of 554 cases were settled. Out of the 554 settled, 463 were injury cases and 91 death cases. Target for the year was 618 cases.

Middle East Worker's Compensation Cases Settled

A total of seventy one (71) Middle East cases were settled during the year. Eleven (11) were death cases and sixty (60) were injury cases.

A total of 46 payments were made. Thirty five (35) injured military personnel were paid out and eleven (11) death payments were made to dependents of the deceased workers.

Total compensation paid out was: \$332,367.67

2012 MIDDLE EAST COMPENSATION PAYOUT						
	INJURY DEATH TOTAL					
Mo of cases	35	11	46			
Compensation paid out	\$68,367.67	\$264,000.00	\$332,367.67			
Non Compensable cases	25	-	25			

Trust Accounts Withdrawals and Opening of New Trust Accounts

Trust accounts withdrawal are for workers compensation cases beneficiary accounts for children less than 21 years of age. One hundred and forty four (144) trust fund withdrawals for education needs were facilitated during the year.

Also a total of thirty two (32) new trust accounts were opened during the year for new worker's compensation beneficiary accounts for children less than 21 years of age.

Output 10: Advisory & Compliance Monitoring Service – Workplace HIV/AIDS Standards

a. Effective OHS and Labour Compliance Enforcement Service and Processes

Compliance to OHS Enforcement Policy and Procedures

HIV & AIDS

Within the Training, Accreditation, Chemical & Hygiene Section, the HIV & AIDS Unit was established to advise employers and workers of acceptable preventive action for averting occupational deaths, injuries and related diseases from HIV/AIDS in the workplace, whilst respecting the fundamental principles and rights at work and also to empower workplace stakeholders to reduce the impact of HIV & AIDS to businesses and the community at large through the implementation of workplace policies including the National Code of Practice and programs that support prevention activities and those who are infected and affected by HIV & AIDS.

The unit is responsible for:

- providing awareness and training on HIV & AIDS in the workplace;
- developing HIV/AIDS workplace policy guidelines;
- assisting businesses to set up comprehensive HIV/AIDS workplace programs;
- developing strategic partnerships to expand the impact of HIV and AIDS response;
- working with other stakeholders in promoting sustainability of HIV & AIDS program funding
- reaching out to workplace communities and most at risk industry classifications; and
- delivering the objectives and goals of the MDGs and Fiji's ILO Decent Work Country Program.



HIV & AIDS training is provided to workplaces to maintain a fair, healthy, and safe workplace for all workers and informed workplaces on how to effectively apply the HIV & AIDS policy in the workplace.

In 2012, a total of 16 trainings were conducted when compared with the annual target of 10.

HIV & AIDS Awareness



A total of 44 HIV & AIDS awareness programme was conducted in 2012 against the annual target of 10.

World AIDS 2012 Day



The NOHS Service actively participated in the World Aids Day Celebration on 1st Dec. Basic awareness posters and pamphlets were distributed on the World Aids Day celebration

Output 11: Employment Creation Services - National Employment Centre

a. Implementation of the Ministry's strategic direction and application of reformed organizational culture Establishment of a cost-effective 'one-stop shop' National Employment Centre (NEC

The National Employment Centre operates under the National Employment Centre Decree 2009. This national institution is responsible for providing skills training and finding employment opportunities for the unemployed. It is guided by the National Employment Centre Board (NECB) which provides oversight functions for decisions undertaken by the Centre.

The NEC is part of Government's response to address the *Millennium Development Goals*, Goal 1 – eradicate extreme poverty and hunger, and the 2009 *ILO Global Jobs Pact* to address the jobless growth of economies after the Global Financial and Economic Crisis.

The NEC offers four main services – formal employment, foreign employment, selfemployment and professional volunteerism. Unemployed persons who register under the NEC are trained in the relevant skills demanded by the labour market.

The NEC is benchmarked to two international standards comprising of ISO 9001:2008 (Quality Management), ISO 26,000 (Corporate Social Responsibility Guidelines), as well as the Fiji Business Excellence Framework. These standards ensure that unemployed persons trained under NEC are marketable, nationally, regionally, and internationally.

NEC Subsidiary Legislations

The ministry submitted the following regulations to the Solicitor General's Office in 2012 and are all in the vetting process:

- NEC Administration Regulations
- NEC Code of Ethics for staff
- NEC Trust Fund Regulations

Private Public Partnership (PPP) Agreement

In creating private public partnership, the National Employment Centre (NEC) together with the National Centre for Small & Micro Enterprise Development signed an agreement in partnering with the conduct of business skills training for NEC clients interested in starting their small business.

Also during the year the NEC renewed contracts with Kuruleca Consultants on 5th November in providing Professional Counseling and also with the Fiji National University (FNU) on 7th November in providing Aptitude Assessment for clients. The MOU was signed between the Minister for Labour Mr. Jone Usamate and the Fiji National University Vice Chancellor

Registration of Unemployed Persons by Divisions for 2012



The National Employment Centre surpassed its registration target of 2,000 in 2012 and registered 3,696 unemployed persons.

Unemployed Persons Counseled by Divisions for 2012



Aptitude assessment for unemployed persons by Divisions for 2012



Life Skills Training for unemployed persons by Divisions for 2012





First round Life Skills Training in 2012 conducted on the $17^{\rm th}$ of May.

Employment Skills Training for unemployed persons by Divisions for 2012



Permanent Employment By Divisions for 2012



NEC Activities Report from 2010 - 2012

Activities	2010	2011	2012
NEC Registration	9201	10309	3428
NEC Counseling	3738	7676	2832
NEC Aptitude Test	3108	7703	2830
NEC Life Skills Training	2401	2582	1333



As seen from the 3 years trend, there is an overall decrease in the core activities, this is mainly due to the financial (bus fare) problems faced by the clients during the process. Another contributing factor that could be attributing to this is the change of contact details when clients actually registered and when they are called for the counseling- training session. There is a need for clients to update NEC with any changes to their registration details, hence the decrease.

Output 16: Social Dialogue - Tripartite Machinery

a. Implementation of the Ministry's strategic direction and application of reformed organizational culture.. Establishment of the Tripartite Forum/Tripartite Machinery

The membership of the three Board's established by legislation and administered by the Ministry is tripartite and the Minister shall invite the most representative employers and workers organization to submit names recommended to be appointed as members.

The Permanent Secretary for Labour, Industrial Relations and Employment or his Deputy is also a member of the Board and shall be its Chairperson under the provision of the Act.

The previous Board membership of a two years term expired on 31st December 2011. The new members nominated by the tripartite for two years term effective from 1st January, 2012 and expiring on 31st December, 2013 are as follows:-

Appointment of Employment Relations Advisory Board members for a two (2) year term [2012-2013

Chairperson

 Permanent Secretary for Labour, Industrial Relations & Employment, Mr. Taito Waqa

Government Representatives

- Permanent Secretary for Public Service
- Permanent Secretary for Strategic Planning, National Development and Statistics

Employer Representatives

Fiji Commerce & Employers Federation

- Mr. Howard POlitini
- Mr. Nesbit Hazelman
- Mt. Poate Mata

Fiji Retailers Association

• Mr. Himmat Lodhia

Worker Representatives

Fiji Trades Union Congress

- Mr. John Paul
- Mr. Daniel Urai
- Mr. Felix Anthony

Fiji Public Service Association

• Mr. Damdaran Nair

Independent Members

- Ms Marie Chan
- Ms. Basundra Kumar
- Mr. Peni Gavidi

Additional members for ERP amendments Committee

- Mr. O P Singh
- Mr. Rajeshwar Singh
- Mr. Noel Tofinga

Appointment of NOSHAB for a two (2) year term [2012-2013]

The National Occupational Health and Safety Advisory Board (NOHSAB) is established under the provision of *Health and Safety at Work Act 1996.* The membership is tripartite consisting of members from the employers, workers and government.

It is a requirement under Section 39 of the HASAWA 1996 that the Board shall prepare and submit to the Minister a report of its operations annually.

The functions of the Board are:

- (i) To advise the Minister on matters relating to occupational health and safety;
- To inquire into and reporting back to the Minister on matters referred to it by the Minister;
- (iii) In liaison with the Inspectorate, to facilitate

the development of national health and safety regulations, standards and approval of codes of practice for the Minister's consideration; and

(iv) Such other functions as are imposed on it by or under the Health and Safety at Work Act 1996 or any other Act.

The Board has powers necessary to carry out its functions or as are conferred on it by this or any other Act.

The Board has powers necessary to invite one more person(s) it considers appropriate to act in an advisory capacity to advise the Board on matters relating to health and safety at work on key policy areas.

Chairperson

 Permanent Secretary for Labour, Industrial Relations & Employment

Deputy Chairperson

- Employer Member
- Worker Member

Government Representative

- PS for Public Service Commission
- PS for Public Enterprises, Tourism & Communication.
- PS for Local Govt, Urban Development & Environment,
- PS for Transport, Works & Energy

Employers Representative

- Mr. Noel Tofinga
- Mr. Asaeli Tokalau
- Mr. John O'Connor
- Mr. Naveen Lakshmaiya
- Mr. Nesbitt Hazelman

Workers Representative

- Mr. John Mudaliar
- Mr. Krishna Raghuwaiya
- Mr. Rouhit Singh
- Ms. Jotika Sharma
- Mr. Vilikesa Naulumatua

Appointment of National Employment Centre (NEC) Board

Chairperson

 Permanent Secretary for Labour, Industrial Relations & Employment

Government Representatives

- Permanent Secretary for Public Service
- Permanent Secretary for Social Welfare
- Deputy Secretary for Lands
- Deputy Secretary for Education
- Deputy Secretary for Industry and Trade
- Deputy Secretary for Finance
- Deputy Secretary for Labour, Industrial Relations & Employment
- Permanent Secretary for National Planning
- Permanent Secretary for Agriculture

Divisional Commissioners

- Commissioner Eastern
- Commissioner Central
- Commissioner Western\
- Commissioner Northern

Employer Representative

• Fiji Commerce & Employers Federation

Workers Representative

Fiji Trades Union Congress

Vocational Training Institution

- University of Fiji
- National Training for Productivity Centre
- Fiji National University

Other members

- Civil Society Organisation
- Youth representative

Output 18: A Well Informed Labour Market under ERP 2007 and the Unemployed under the NEC Decree 2009

a. Promote effective Public Relations and better informed labour force Efficient dissemination of public information through the Ministry website, newsletter, radio and television.

Establishment of Media & Information Unit

As the Labour Reform nears completion, the Ministry through the establishment of this new Media Unit is planning to enhance promotion of the Ministry's policies, laws and services to create a well-informed labour market. Accordingly, a value based Media Policy was designed and implemented for effective, accurate, and quality dissemination of Labour related information to all stakeholders and the general public.

The Media Policy enabled an increase in liaising and networking with all employers, workers, government departments, tripartite and other stakeholders including academia, civil society non-governmental organizations at national, regional and international level in order to promote our Ministry's goals and achievement. The Unit also strengthened its internal networking and communication processes with Senior Executives, Managers, Supervisors, Team Leaders and staff which enabled better flow of information.

The Ministerial Media Policy is in line with the Ministry of Information (MINFO) Media and Public Relations policy guidelines and includes the following:

- Dissemination of quality and accurate information
- Timely submission and dissemination of information
- Increase coverage of MLIRE activities
- Strengthen networking with MINFO for information dissemination
- Provide quality and timely media statements and responses

 Ensure all stakeholders have access to key ministerial messages and policies

Information disseminated to the public is in the form of press releases, radio and television talkback shows, exhibitions, media interviews, press conferences, newspaper advertisements, pamphlets, brochures and posters and other forms of publications

Press Releases Issued in 2012

The Unit came into operation in 2011 but was fully established with relevant resources for operations in the year 2012.

The trend below indicates the progress of the Unit prior to and after establishment.

2012 Press Release						
Quarter	Q1	Q2	Q3	Q4		
Target	10	10	10	10		
Achieved	11	11	16	7		
Total	45					

Press Release Issuance from 2011 - 2012



Talkback Show

The Ministry created awareness and promotion of its services through the Radio Talkback shows with the Fiji Broadcasting Corporation (FBC) and the Communications Fiji Limited (CFL). The Ministry participated in a total of 9 talkback shows and received overwhelming response by the audiences and the general public on its operations. Customer feedback while participation in this show enabled the Ministry to enhance its customer service as the members of the public brought into attention of the Ministry their predicaments and issues. As a result, a number of complaints and issues were noted and addressed.

The graph below illustrates the number of talkback shows conducted in 2012.



Talkback Shows for 2012



Director Labour Policy and Productivity participated in a Talkback Show with FBC TV

Media Coverage by Section and Quarter from 2011 - 2012



The graph above shows that the Policy Unit of the Ministry has submitted the most number of press releases in 2012 when compared with other Sections of the ministry. The Policy Unit of the ministry provides coverage on the following topical issues:

- Ministers Road Show to the West, North and Central Eastern Division
- Wages Regulation Orders
- Wages Councils
- ISO Certification
- International Labour Conference

In addition to the issuance of press releases, the ministry also provided responses to media through interviews and questionnaires on topics such as OHS issues, child labour, Wages Regulation Orders, unemployment and employment.



Honourable Minister for Labour, IR & Employment Mr. Jone Usamate provides response to ILO Media Team regarding Child Labour issues in Fiji.

OUTCOME 21: FINANCIAL SERVICES

Output 19: Financial Statement

Audit Report

	REI	UBLIC OF FIJI	÷
		THE AUDITOR GENERAL	
	B ² Floor, Ratu Sukuna House. MacArthur Street, P. O. Box 2214, Government Buildings, Suva, Fiji Islands.	Telephone: (679) 330 9032 Fax: (679) 330 3812 Email: <u>info@auditorguneral.gc</u> Website: <u>http://www.oag.gov</u>	v.fi
	Excellence	in Public Sector Auditing	
File: 481			
5 June 2013			
The Minister Ministry of Labou Civic House SUVA.	r, Industrial Relations & Emp	loyment	
Dear Sir			
KELATIONS ANI	D EMPLOYMENT FOR THE	OF THE MINISTRY OF LAB YEAR ENDED 31 DECEMBER 20)12
year ended 31 Dec	ember 2012 together with my	of Labour, Industrial Relations & audit report on them are enclosed.	z Employment for the
Particulars of erro the Ministry for its	rs and omissions arising from action.	n the audit have been forwarded	to the Management of
Yours sincerely			
7BM	I		
Tevita Bolanavanu AUDITOR-GENE			
C: Mr. Taito W	Jaqa, Permanent Secretary for	Labour, Industrial Relations & Em	ployment.
Encl.			

REPUBLIC OF FIJI

OFFICE OF THE AUDITOR GENERAL



MacArthur Street, P. O. Box 2214, Government Buildings, Suva, Fiji Islands. Telephone: (679) 330 9032 Fax: (679) 330 3812 Email: <u>info@auditorgeneral.gov.fi</u> Website: <u>http://www.oag.gov.fi</u>



Excellence in Public Sector Auditing

MINISTRY OF LABOUR, INDUSTRIAL RELATIONS AND EMPLOYMENT FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

INDEPENDENT AUDIT REPORT

Scope

I have audited the special purpose financial statements which have been prepared under the cash basis of accounting and notes thereon of the Ministry of Labour, Industrial Relations and Employment for the year ended 31 December 2012, as set out on pages 6 to 16. The financial statements comprise the following:

- (i) Statement of Receipts and Expenditure;
- (ii) Appropriation Statement;
- (iii) Statement of Losses; and
- (iv) Trust Accounts Statements of Receipts and Payments for:
 - a. National Occupational Health & Safety Education and Accident Prevention
 - b. OHS Consultancy Services, Workmen's Compensation and Wages Dispute
 - c. Employment Relations Agency
 - d. Child Labour Unit
 - e. National Employment Centre

The Ministry of Labour, Industrial Relations and Employment is responsible for the preparation and presentation of the special purpose financial statements and the information contained therein.

My responsibility is to express an opinion on these special purpose financial statements based on my audit.

My audit was conducted in accordance with the Fiji Standards on Auditing to provide reasonable assurance as to whether the special purpose financial statements are free of material misstatements. My audit procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the special purpose financial statements and evaluation of accounting policies. These procedures have been undertaken to form an opinion as to whether, in all material respects, the special purpose financial statements are fairly stated and in accordance with government policies stated in Note 2, the Audit Act and the Financial Management Act 2004, so as to present a view which is consistent with my understanding of the financial performance of the Ministry of Labour, Industrial Relations and Employment for the year ended 31 December 2012.

The audit opinion expressed in this report has been formed on the above basis.

Qualifications

 A variance of \$467,900 exists between the trust fund cash at bank account balance and the trust fund liability account balance contrary to section 58 (3) of Finance Instructions 2010. Therefore, the *Trust Fund Account Statement of Receipts and Expenditures* cannot be ascertained to be fairly stated. 2. A variance of \$657,783 exists between the trust fund cash at bank recorded in the general ledger and the bank statement balance, contrary to section 32 (6) of Finance Instructions 2010. As such, I was not able to ascertain that all receipts and payments have been accurately accounted and disclosed in the Main Trust Fund Accounts.

Qualified Audit Opinion

In my opinion:

- (a) Except for the matters referred to in the qualification paragraphs, the financial statements present fairly, in accordance with the accounting policies stated in Note 2, the financial performance of the Ministry of Labour, Industrial Relations and Employment for the year ended 31 December 2012.
- (b) The financial statements give the information required by the Financial Management Act 2001 in the manner so required.

I have obtained all the information and explanations, which, to the best of my knowledge and belief were necessary for the purpose of my audit.

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Tevita Bolanavanua AUDITOR GENERAL

5 June 2013



MANAGEMENT CERTIFICATE

FOR THE YEAR ENDED 31 DECEMBER 2012

We certify that these financial statements:

- Fairly reflect the financial operations and performance of the Ministry of Labour, Industrial Relations and Employment and its financial position for the year ended 31 December 2012; and
- (b) Have been prepared in accordance with the requirements of the Financial Management Act 2004 and the Finance Instructions 2010.

Taito Waqa Permanent Secretary for Labour, Industrial Relations & Employment

Date: 30/05/2013

Viliame Naulud gaa Acting Senior Accounts Officer

	N	2012	0011
	Notes	2012 \$	2011 \$
RECEIPTS			Ŧ
State Revenue			
Commission		343	442
Total State Revenue		343	442
Agency Revenue			
Miscellaneous		129,890	76,701
Total Agency Revenue		129,890	76,701
TOTAL REVENUE		130,233	77,143
EXPENDITURE			
Operating Expenditure			
Established Staff	3 (a)	2,687,442	2,532,393
Government Wage Earners	3 (b)	145,559	207,582
Travel & Communication	3 (c)	243,803	193,165
Maintenance & Operations	3 (d)	363,502	309,993
Purchase of Goods & Services	3 (e)	781,570	192,174
Operating Grants and Transfers	3 (f)	39,618	34,361
Special Expenditure	3 (g)	3,071,328	4,580,112
Total Operating Expenditure		7,332,822	8,049,780
Capital Expenditure			
Capital Purchase		50,000	
Total Capital Expenditure		50,000	
Value Added Tax		640,222	860,977
TOTAL EXPENDITURE		8,025,044	8,910,757

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APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2012

SEG	Item	Budget Estimate \$	Appropriation Changes \$	Revised Estimate \$ a	Actual Expenditure \$	Carry- Over \$	Lapsed Appropriation \$ (a-b)
	Operating Expenditure						
1	Established Staff	2,902,527	(214,970)	2,687,557	2,687,442		115
2	Government Wage Earners	155,164	(9,560)	145,604	145,559		45
3	Travel & Communication	215,000	29,075	244,075	243,803		272
4	Maintenance & Operations	200,800	163,229	364,029	363,502		527
5	Purchase of Goods & Services	938,479	(156,899)	781,580	781,570		10
6	Operating Grants & Transfers	35,000	4,619	39,619	39,618		1
7	Special Expenditure	3,142,151	(65,494)	3,076,657	3,071,328		5,329
	Total Operating Expenditure	7,589,121	(250,000)	7,339,121	7,332,822		6,299
	Capital Expenditure						
9	Capital Purchase	50,000		50,000	50,000		
	Total Capital Expenditure	50,000		50,000	50,000		
13	Value Added Tax	681,900	(37,500)	644,400	642,222		2,178
	TOTAL EXPENDITURE	8,321,021	(287,500)	8,033,521	8,025,044		8,477

Appropriation Movements

In 2012, the Cabinet approved the redeployment of \$287,500 from the Ministry's budget to Fiji Roads Authorities budget as Capital Grant.

Other movements were as follows:

Virement No.	From	То	Amount \$
01/2012	SEG 1	SEG 7	8,500.00
02/2012	SEG 1	SEG 4 & 5	12,650.00
03/2012	SEG 7	SEG 4	30,000.00
04/2012	SEG 1	SEG 4	50,000.00
05/2012	SEG 5 & 7	SEG 4 & 5	33,200.00
06/2012	SEG 5	SEG 7	8,123.00
07/2012	SEG 1	SEG 3, 4, 5 & 7	100,000.00
08/2012	SEG 6	SEG 7	3,600.00
12/2012	SEG 4	SEG 5	5,000.00
13/2012	SEG 7	SEG 5	40,000.00
14/2012	SEG 5 & 7	SEG 3	2,591.00
15/2012	SEG 4,5 & 6	SEG 4	7,181.00
16/2012	SEG 7	SEG 4	735.00
17/2012	SEG 5	SEG 4	5,655.00
18/2012	SEG 1 & 5	SEG 3 & 4	39,244.00
19/2012	SEG 1, 2 & 5	SEG 3 & 4	19,782.00
20/2012	SEG 1	SEG 4	8,500.00

STATEMENT OF LOSSES FOR THE YEAR ENDED 31 DECEMBER 2012

Loss of Money

There was no Loss of money recorded for the year ended 31 December 2012.

Loss of Fixed Assets

The Ministry conducted its Board of Survey in 2012. The Permanent Secretary of Finance is yet to approve the write-off of the unserviceable assets reported in the Board of Survey report. The following division's assets amounting to \$39,379 were reported to be unserviceable:

Division	Amount for Unserviceable Items \$
Western	20,986
Northern	8,415
Central/Eastern	280
Headquarters	9,698
Total	39,379

NATIONAL OCCUPATIONAL HEALTH & SAFETY EDUCATION AND ACCIDENT PREVENTION TRUST FUND ACCOUNT - STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

ko ja	2012	2011
RECEIPTS	\$	\$
OHS Trust Fund	2,022,872	1,075,239
Total Receipts	2,022,872	1,075,239
PAYMENTS		
OHS Trust Fund	1,033,088	591,316
Total Payments	1,033,088	591,316
Net Surplus	989,784	483,923
Balance as at 1 January	3,371,110	2,887,187
Closing Balance as at 31 December 2012	4,360,893	3,371,110

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TRUST FUND ACCOUNT - STATEMENT OF RECEIPTS AND PAYMENTS FOR OHS CONSULTANCY SERVICES, WORKMENS COMPENSATION AND WAGES DISPUTE FOR THE YEAR ENDED 31 DECEMBER 2012

	2012	2011
	\$	\$
RECEIPTS		
Workmen's Compensation	1,451,607	3,303,724
Wages Dispute	220,938	629,141
OHS Consultancy	527,596	1,087,224
Total Receipts	2,200,141	5,020,089
PAYMENTS		
Workmen's Compensation	2,203,560	2,549,235
Wages Dispute	207,329	655,757
OHS Consultancy	455,082	1,097,612
Total Payments	2,865,971	4,302,604
Net Surplus/(Deficit)	(665,830)	717,485
Balance as at 1 January	952,238	234,753
Closing Balance as at 31 December 2012	286,408	952,238

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TRUST FUND ACCOUNT - STATEMENT OF RECEIPTS AND PAYMENTS FOR EMPLOYMENT RELATIONS AGENCY FOR THE YEAR ENDED 31 DECEMBER 2012

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	Notes	Notes 2012		
		\$	\$	
RECEIPTS				
ERT Trust Fund		61,414	3,610	
Total Receipts		61,414	3,610	
PAYMENTS				
ERT Trust Fund		23,464		
Total Payments		23,464		
Net Surplus/(Deficit)		37,950	3,610	
Balance as at 1 January	8	3,610		
Closing Balance as at 31 December 2012		41,561	3,610	

TRUST FUND ACCOUNT - STATEMENT OF RECEIPTS AND PAYMENTS FOR CHILD LABOUR UNIT

FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012	2011
RECEIPTS		\$	\$
CLU Trust Fund		264,029	135,130
Total Receipts		264,029	135,130
PAYMENTS			
CLU Trust Fund		232,827	117,949
Total Payments		232,827	117,949
Net Surplus/(Deficit)		31,202	17,181
Balance as at 1 January	8	17,181	
Closing Balance as at 31 December 2012	_	48,383	17,181

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TRUST FUND ACCOUNT - STATEMENT OF RECEIPTS AND PAYMENTS FOR NATIONAL EMPLOYMENT CENTRE

FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012	2011
RECEIPTS		\$	\$
NEC Trust Fund		1,307,120	1,322,575
Total Receipts	-	1,307,120	1,322,575
PAYMENTS			
NEC Trust Fund		1,046,903	1.082,911
Total Payments	-	1,046,903	1,082,911
Net Surplus/(Deficit)		260,217	239,664
Balance as at 1 January	8	239,664	
Closing Balance as at 31 December 2012	-	499,881	239,664

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS -FOR THE YEAR ENDED 31 DECEMBER 2012

NOTE 1: REPORTING ENTITY

The core responsibility of the Ministry of Labour is to pursue the attainment of decent work standards through the development of healthy workers; the provision of healthy and safe working environment; fair working conditions and stable and constructive labour relations. These responsibilities are achieved by focussing on developing an enabling environment supported by sound labour laws, policies and practices.

NOTE 2: STATEMENT OF ACCOUNTING POLICIES

(a) Basis of Accounting

In accordance with Government accounting policies, the financial statements of the Ministry of Labour, Industrial Relations and Employment is prepared on cash basis of accounting. All payments related to purchases of fixed assets have been expensed.

The financial statements are presented in accordance with the Financial Management Act and the requirements of Section 71 (1) of the Finance Instruction 2010. The preparation and presentation of a Statement of Assets and Liabilities is not required under the current Government policies, except for that of the Trade and Manufacturing Accounts.

(b) Accounting for Value Added Tax (VAT)

All income is inclusive of VAT while all expenses are VAT exclusive. The Ministry on a monthly basis takes out VAT output on total money received for expenditure from Ministry of Finance. VAT input on the other hand is claimed on payments made to the suppliers and sub-contractors for expenses incurred.

The VAT payment as per the statement of receipts and expenditure relates to the VAT input claimed on payments made to the suppliers and sub-contractors for expenses incurred and VAT payments to FRCA. Actual amount paid to FRCA during the year represent the difference between VAT Output and VAT Input.

(c) Comparative Figures

Where necessary, amounts relating to prior years have been reclassified to facilitate comparison and achieve consistency in disclosure with current year amounts.

(d) Revenue Recognition

Revenue is recognised when the Ministry receives actual cash.

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued...) FOR THE YEAR ENDED 31 DECEMBER 2012

NOTE 3: SIGNIFICANT VARIATIONS

- (a) The Established Staff costs increased by \$155,049 or 6% in 2012 compared to 2011. This was due to the filling of vacant posts for the Ministry due to the uplifting of common cadre post and also directives from PSC for all vacant posts to be filled.
- (b) The Government Wage Earners costs decreased by \$62,023 or 30% in 2012 due to the filling of vacant posts for the Ministry and relievers being reduced.
- (c) The Travel and Communication costs increased by \$50,638 or 26% in 2012 due to the increase in the number of trips due to Reforms, Awareness's and Referral Cases from FICAC, PM's Office and AG's Office.
- (d) The Maintenance and Operation costs increased by \$53,509 or 17% in 2012 due to the Reforms undergoing in the Ministry resulting in extra operating costs in maintenance of assets & equipment due to wear and tear thus increase in expenditure.
- (e) The Purchase of Goods and Services costs increased by \$589,396 or 307% in 2012 due to purchase of office goods and services due to expiry of life time of assets thus replacements, stationeries as per majority computerized duties and providing human resources as per OHS Compliance.
- (f) The Operating Grants and Transfers increased by \$5,257 or 15 % in 2012 mainly due to increase in expenditure paid out for grants and payments of ILO contribution through proper monitoring and control.
- (g) The Special Expenditure costs decreased by \$1,508,784 or 33% in 2012 due to the decrease in backlogs of RFMF Middle East Cases and Government Cases payout.

NOTE 4: OPERATING TRUST

At balance date, the Operating Trust Fund Account had a balance of \$89,663.97 that relates to various employee deductions.

NOTE 5: MAIN TRUST ACCOUNT

At balance date, The Main Trust Fund Account maintained by the Ministry of Labour had a balance of \$5,237,123.88. The Balances in this account relates to the Workmen's Compensation, Wages Dispute, OHS Consultancy Services, OHS Trust Fund, National Employment Centre, Employment Relations Agency and Child Labour Unit.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued...) \Leftrightarrow FOR THE YEAR ENDED 31 DECEMBER 2012

NOTE 6: REVOLVING FUND ACCOUNT (RFA)

At balance date, the Ministry of Labour had a nil balance in the RFA account.

NOTE 7: DRAWINGS ACCOUNT

At balance date, there were funds amounting to \$414,538.12 under Drawings Account. These monies relate to cheques written by the Ministry that are yet to be presented to the bank.

NOTE 8: TRUST FUND ACCOUNT COMPARATIVE FIGURES

The 2011 comparative figures for the three trust fund accounts namely, National Employment Centre Trust Fund, Employment Relations Trust Fund and the Child Labour Unit Trust Fund, were not audited in 2011 as the Statement of Receipts and Payments of these Trust Accounts were not submitted for audit.