

Masalai i tokaut

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Rimbunan Hijau abusing local workers and exploiting labor laws

A chilling picture is emerging about the practices of Malaysian logging giant Rimbunan Hijau towards its local workforce and its disregard for PNG's labor laws.

After months of careful research, Masalai is able to reveal for you the appalling conditions suffered by local workers in Rimbunan Hijau logging camps. These include unsanitary and inhumane living and working conditions, racial discrimination, abuse of labor laws and the blatant disregard of immigration rules.

In bringing you this new and exclusive report, Masalai is able to present documentation from within RH company headquarters, from the Departments of Labor and Foreign Affairs, from landowners and company employees and information received from organisations in Malaysia and the Philippines.

Rimbunan Hijau is the largest logging company operating in Papua New Guinea. It dominates the forestry sector and has control of more than fifty percent of all log exports.

High profile logging operations controlled by Rimbunan Hijau include Wawoi Guavi in Western Province, Vailala and East Kikori in Gulf Province, Alimbit Andru in West New Britain, Manus South Coast, Manus West Coast and Kali Bay on Manus Island, Cape Orford and Tokai Matong in East New Britain and Sagarai Gadaisu and Gara Modewa in Milne Bay.

Last year (2003) Rimbunan Hijau exported from PNG over 240 ship loads of raw logs worth more than K113 million and an unknown quantity of sawn timber and veneer.

The appalling environmental damage caused by RH in its logging operations has been documented in numerous reportsⁱ and there has been widespread condemnation of its human rights abusesⁱⁱ including the use of police mobile squads to repress local peopleⁱⁱⁱ.

But now the focus is turning on to Rimbunan Hijau's abuse of local workers, appalling employment conditions and the routine and illegal use of foreign workers.

In 2002 Masalai was able to reveal that Rimbunan Hijau employs hundreds of foreign workers from the Philippines, Malaysia, China and Indonesia in unskilled and semi-skilled positions that could be easily filled by local Papua New Guinean workers^{iv}.

Rimbunan Hijau unlawfully employs foreign workers as chefs, tractor drivers, storekeepers, mechanics, machinery operators, carpenters, welders and accounts assistants.

The employment of foreign workers in such skilled and semi-skilled positions is in breach of PNG labor laws and migration requirements.

The Department of Labor has recently made a rare visit into a logging project area. Their unpublished report^v reveals the consistent abuse of training plans and work permit guidelines with no systematic training or skills transfer and unsafe working practices.



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The Department found that many foreign workers who had permits for senior positions such as managers and supervisors were in fact employed in semi and unskilled positions that could be filled by local workers.

The Department concluded that “Logging companies are exaggerating the position titles only to obtain approval and then they engage semi-skilled and unqualified non-citizens in those positions”^{vi}

Examples noted included a foreign worker with work permit as a “catering supervisor” working as a trainee chainsaw mechanic, and a foreigner with a work permit as a “stores superintendent” working as a cashier

While the company claimed that it employed 38 foreign workers ‘visual observation’ indicated that the numbers were far higher.

“There is no evidence of trade skills and apprenticeship training being conducted on logging sites” and “safe work practice is non-existent”^{vii} the Department official noted.

The lack of any commitment from Rimbunan Hijau to employing and training local workers is confirmed by startling information from the Philippines.

Rimbunan Hijau and its subsidiary logging companies actually use a Philippines based recruitment agency to find Filipino workers for its logging projects in PNG!

Rimbunan Hijau companies regularly use the services of the Ledmir Human Resource Exchange Corporation to find and recruit workers in the Philippines who are then sent to work in semi skilled and unskilled positions in PNG.

Ledmir claims that it has sent over 1,700 Filipino's overseas since 1993 and it currently sends an average of 30 workers overseas each month.



The Ledmir office building on Negros Street, Palan in Makata City

You can give them a call and ask them about their relationship with Rimbunan Hijau on (632) 551 8029.

Or why not send them an email on [admin @ledmir.com](mailto:admin@ledmir.com)

Rimbunan Hijau companies in PNG that use the services of Ledmir include Straits Marine, Fonsen Logging, San Hin, Frontier Holdings, RH Timber Processing, Wawoi Guavi Timber, Pacific Wood Contractors and even Pacific Star – the company that runs The National newspaper^{viii}.

At the same time that Rimbunan Hijau is recruiting Filipino workers through Ledmir, it has been revealed that the Philippine Authorities are cracking down on an alleged people smuggling racket involving PNG.

According to local newspapers, immigration staff in the Philippines are now subjecting all PNG bound tourists to secondary checks as an increasing number of people are traveling into PNG under tourist visas and taking up jobs here.^{ix}

The utter disrespect and contempt from Rimbunan Hijau for PNG, its people and its skilled workers is only emphasized by the appalling conditions and abuses suffered by the PNG people who are employed by the company.

Recent government Reviews of RH logging projects have revealed a catalogue of employment abuses^x:

Wages and other financial benefits

Workers suffer appallingly low wage rates, often less than K50 per week, and often receive no overtime bonuses.

Low wages are also made worse by company tuck shops and canteens that are the only source of store goods and that charge exorbitant prices. At the end of a fortnight a worker can be left with less than K10 in his pay packet according to government reviewers.

The logging companies are also failing to make any NASFund contributions on behalf of their staff and most workers are uninsured.

With low pay and no leave fares, workers recruited from other Provinces often can't get home to see their families and single men who marry locally find it almost impossible to take their families back home.

Housing and living conditions

Housing and general living conditions at most project sites are very bad for local workers. While their bosses and ex-patriot colleagues have their own camps with proper housing, running water and flush toilets, local workers suffer in low quality, unhealthy and hygienic housing.

There is usually no organised waste disposal including a lack of adequate toilet facilities. There is often no safe drinking water and no proper cooking facilities and the conditions are generally unsanitary.

At one RH logging camp there was found to be one shower and one laundry tap for more than 200 people!

Log camps often have no environmental approval and there is never any inspection of the conditions by government agencies.

Health and safety

Rimbunan Hijau does not provide free access to health and safety equipment for local workers. No ear muffs, no gloves, no safety boots, no access to clean water, no first aid kits. Vehicles are generally unregistered and uninsured.

Other employment conditions

While there are allegations that some ex-patriot workers are also illegally trading in beche de mer, vanilla and other forest products, local workers are not so fortunate – it is reported that some of those who die are not even repatriated to their home Province but are unlawfully buried in the bush to save on expenses!

Anyone who dare complain is summarily dismissed, or 'dealt with' by local police thugs employed by the companies.

While companies like Rimbunan Hijau are allowed and indeed encouraged to operate largely outside the law the attempts of the government and the legitimate business community to attract new investment into the country will be largely futile.

It is because of the activities of logging companies like RH that Greg Anderson, Executive Director of the PNG Chamber of Mining and Petroleum, has recently lamented that overseas "our image is so bad"^x.

ⁱ Erskine P (1999) An environmental impact assessment of logging operations in Block 3 of the Wawoi Guavi TRP. Pwesei C L (2000) Environmental and social impact assessment of logging operations in the West Coast of Manus Area. Melick D (2003) Environmental impact assessment of logging operations in the Wawoi Guavi TRP

ⁱⁱ See for example SGS Dateline (2001) Wilderness laid waste

ⁱⁱⁱ See for example National Intelligence Organisation Reports

^{iv} Masalai i tokaut, Number One, June 2002: *Rimbunan Hijau employing hundreds of illegal foreign workers in logging camps.*

^v Department of Labour and Industrial Relations Inspection Report, November 2003

^{vi} Ibid page 3

^{vii} Ibid page 4

^{viii} One Filipino journalist currently employed by The National is being sued by Gadens Lawyers for defamation in series of articles about RD Tuna, a Filipino company in Madang

^{ix} Post Courier newspaper, 29th March 2004

^x Review of current logging projects, 2003/4

^{xi} Speaking at the Australian-PNG Business Forum in Cairns, March 2004