



## **PRESS RELEASE**

**5<sup>th</sup> September, 2007**

### **FIRCA DENIES RESPONSIBILITY FOR MINING PROBLEMS**

FIRCA is obliged to respond to the one-sided editorial comment set out in today's Fiji Times headed "Resounding Silence".

Before commenting, FIRCA notes that it was in no way consulted for its opinion on the matters set out in the editorial before the editorial was published, a totally one-sided state of affairs not consistent with professional journalism. Since FIRCA was never consulted, it can hardly be blamed for its "silence".

The article effectively describes FIRCA as "bureaucracy gone mad", points to the company's denial of liability to FIRCA, and demands that FIRCA "free up Westech's accounts and let it get on with the job". The actions of FIRCA are described as lacking common sense.

#### **FIRCA replies as follows:**

Firstly, far from being a bureaucracy gone mad, FIRCA is simply doing its job. As the article says: *"No one would deny that FIRCA has a duty to recoup taxes owed to the nation. No one would deny that it should do what it needs to in order to recover those taxes"*.

FIRCA is owed many millions of dollars tax by the company, going back almost twenty years. While the company has denied liability, FIRCA's assessment of that denial is that it is pathetically weak.

Secondly, the reason for the stalemate referred to in the editorial consists of exorbitant and unreasonable demands in relation to tax which the company has made as a condition of starting work. While secrecy provisions prevent FIRCA from divulging the details of such demands, FIRCA is in no way infringing such provisions by so classifying those demands.

Thirdly, the company has already reneged from its earlier agreement with government which if implemented would have resolved all relevant taxation issues.

Fourthly, FIRCA cannot consistently with its statutory duties simply free up Westech's account. Westech must act reasonably before such process can take place.

Fifthly, the move by FIRCA in no way lacks common sense. What does lack common sense are the exorbitant and unreasonable taxation demands made by the company, with which FIRCA cannot legally or properly comply.

To sum up, the buck stops at the door of the company, and not at the door of FIRCA.

Parmod Achary

Acting Chief Executive Officer

**FIJI ISLANDS REVENUE & CUSTOMS AUTHORITY**