

**Fiji Country Statement: 74<sup>th</sup> Session of the Economic and  
Social Commission for Asia and the Pacific**

**14 May 2018, 14:00-17:00**

Mr. Chairman, Bula Vinaka and a very good afternoon to you and all the delegates.

Since this is the first time I am taking the floor, I would like, to congratulate you on your successful election as Chair of the Session.

I commend ESCAP for this very important theme of *“Inequality in Asia and the Pacific in the era of the 2030 Agenda for Sustainable Development”*. The theme this year, has identified common issues for the Asia and Pacific region when working towards the goals of Agenda 2030.

Reduction of inequality is a key pillar in the national development goals. The Fijian Constitution lays the foundation for inclusive growth, giving each and every Fijian socio-growth rights.

Mr. Chairman,

These legal rights in the Constitution are realised through a series of targeted policy interventions, initiatives and incentives.

The Fijian Government over the past decade has made significant changes in the economic and socio-economic policies for the development of the rural and grassroots communities, empowering

women and providing opportunities to the young and innovative minds.

## **National Development Plan**

Fiji's 5-year and 20-year National Development Plan sets the platform to continue to "transform Fiji" into a unified, prosperous, inclusive and progressive modern nation. The Plan consists of two approaches, which are:

- (i) Inclusive Socio-economic Development** – which ensures that all socio-economic rights in the Constitution are realised. Inclusivity is at the centre of growth and development, and the benefits of prosperity is spread as widely as possible to enhance social well-being of all Fijians. It ensures that no one should be left behind, regardless of geographical location, gender, ethnicity, physical and intellectual capability, and social and economic status.
- (ii) Transformational Strategic Thrusts** - includes forward-looking, sustainable and consistent policy shifts to expand our development frontier and support the vision of transforming Fiji. New and emerging growth sectors will be nurtured, connectivity within and to the outside world will be enhanced, new technologies embraced, productivity maximised, human capital development will be accelerated and green growth will be a key guiding principle in the implementation of this Plan.

## **Affordable education**

To have a modernised society, and to reduce poverty and inequality, the Fijian Government has invested significantly in providing education to all, such as free education from pre-school to secondary school, scholarships for toppers and tertiary loan scheme. The Government has allocated 22% to the education sector in the 2017-2018 budget. These initiatives have led to 93% literacy rate, which is amongst the highest in the region.

## **Social Protection**

Our social protection system continues to be strengthened to protect the elderly, women and the disabled. The qualifying age for those eligible for social welfare has been gradually reduced to 65 years in 2017-2018, from 70 years in 2013, with recipients getting \$100 a month, which is a 70% increase over the four years. Fiji also has allowance for persons with disabilities at \$90 a month and bus fare subsidies and \$50 monthly food voucher programme for rural pregnant women. In addition, the employers are encouraged to employ people with disabilities and youth (school leavers and tertiary students), with an incentive of 150% to 300% tax deduction respectively, on wages paid to disabled and youth employees.

Other policies include, free medicine, subsidised electricity and water for Fijians earning less than \$30,000. The minimum tax threshold is \$30,000, fiscal duties on many consumable items have been reduced making basic food items affordable.

## **Infrastructure**

Infrastructure is a crucial component to economic empowerment of Fijians. Fiji has invested in trade and investment enabling infrastructure, such as roads to access markets, improvement in port facilities to enhance our hub status, increased ICT connectivity in rural and isolated regions within the country. Today, capital expenditure makes up 40% of the national budget as compared to 19% in the period 2000-2006.

## **SMEs**

Mr. Chairman, as stated earlier the Fijian Government's approach to reducing inequality is to have targeted policies. Therefore, initiatives such as Micro and Small Business Grant provides the smallest of small businesses a leg-up. A minimum of \$1,000 grant is provided for individuals to start their business or to further improve their existing business. The Fijian Government is partnering with the Fiji Development Bank in this process. This links the businesses with commercial banks and also graduates them from informal to the formal sector. To date, we have supported over 18,900 MSMEs, of which 40% are women entrepreneurs. The programme has a success rate of 80%, which is high by international standard. Other SME initiatives include, Government Guarantee for financing, agriculture grant, business skills training, to name a few.

Mr. Chairman,

### **Youth Empowerment**

We have a young population, approximately 50% of the population is below the age of 27.5 years and 69% is below the age of 40 years. Therefore, the Young Entrepreneurship Scheme is to promote young entrepreneurs. The Scheme is to assist our educated and talented Fijians between the ages of 18 to 30 years with innovative and unique ideas. The Scheme is to give our youth the confidence that they can be job creators and not just job seekers. We in turn want Fiji to progress its status as the hub of the Pacific and become the innovation hub.

Mr. Chairman,

The above mentioned consistent and pro-growth policies and initiatives, amongst other, have led Fiji to achieve unprecedented levels of economic growth. Fiji has maintained a decade of positive growth, with over 4% growth in the last five years. Due to the inward focused policies, we have been able to survive external shocks and the impact of natural disasters. The per capita income has doubled from \$6,400 in 2006 to over \$12,000 in 2017, unemployment rate reached a 20-year low of 4%, we have strong foreign reserves and debt to GDP is around 45.5%, which is the lowest in 15 years. Investments by domestic and foreign investors remain robust. In addition, the IMF Article IV report that was released recently stated that *“Fiji’s income inequality has declined in the last 15 years”*, and

it is *“attributed to improvements in the social safety net and in employment”*.

Mr. Chairman,

In addition to reducing inequality, it is also crucial that all activities are undertaken in a sustainable manner. Sustainable development is a key pillar of our National Development Plan. Environmental degradation, natural disasters and climate change are pressing issues for us and all our policies are focused on sustainability and the future generations. Fiji’s vulnerable position to natural disasters has only strengthened our resolve to build back better. As we have shown through our COP23 Presidency, Fiji will continue its advocacy on reducing the impact of climate change by scaling up mitigation and adaptation efforts – which is the biggest contributor to inequality in this context – and access to climate finance.

Mr. Chairman,

I wish to thank you for allowing me this opportunity to outline some of the key policies and initiatives that have led to the reduction of inequality, especially as we all work towards achieving the 2030 Agenda.

Vinaka vakalevu.