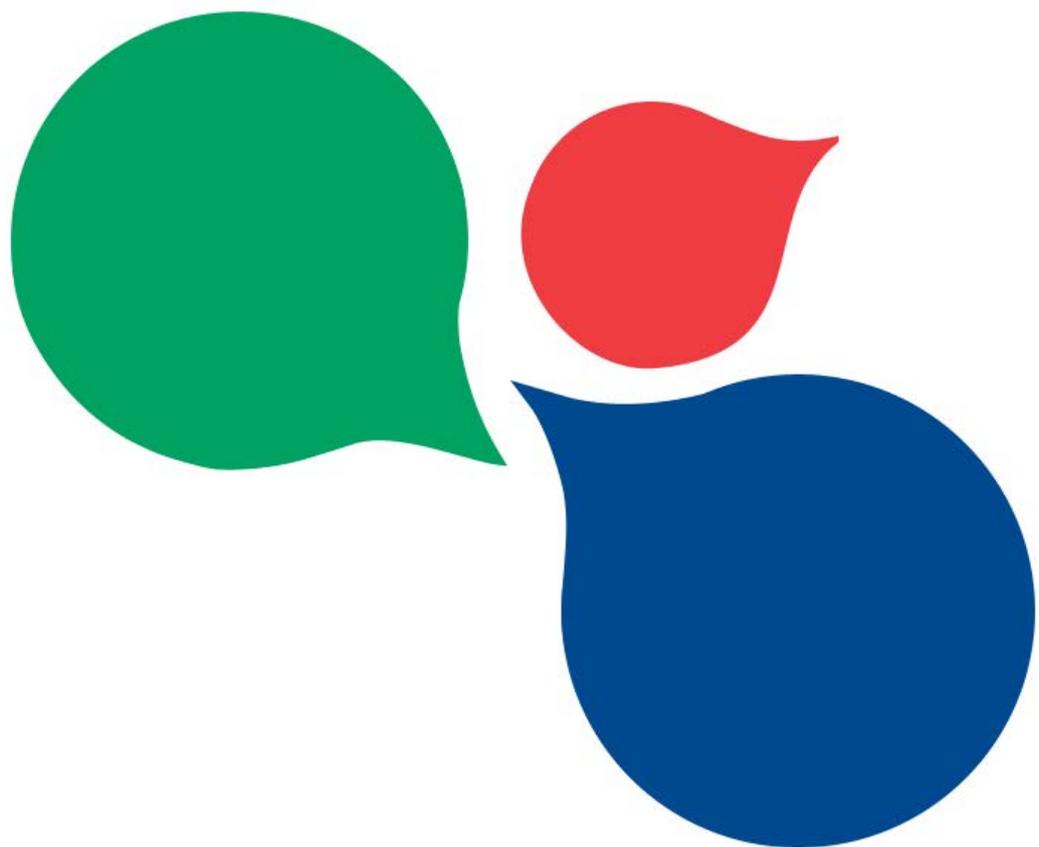


Study on Poverty, Gender and Ethnicity in Key Sectors of the Fijian Economy

Market Development Facility – Fiji Islands



August 2013

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Acronyms

BNPL	Basic Needs Poverty Line
FIBOS	Fiji Bureau of Statistics
FJ\$	Fiji dollars
FPL	Food Poverty Line
GDP	Gross Domestic Product
HH	Household
HIES	Household Income and Expenditure Survey
MDF	Market Development Facility
MPI	Ministry of Primary Industries
NFPL	Non Food Poverty Line
pAE	Per Adult Equivalent
US\$	US dollars

This study paper was written by Linda Jones, with inputs from Priya Chattier, Jonathan Sibley, and Deanna Salpietra.

Executive Summary

MDF stimulates investment, business innovation and regulatory reform to create additional jobs and increase the income of poor women and men in rural and urban areas around the world. MDF follows a systems approach to market development and supports businesses with innovative ideas, investment and regulatory reform that will increase business performance, stimulate economic growth and ultimately provide benefits for the poor – as workers, producers, and consumers. Currently, the focus of the Facility’s work in Fiji is in two key sectors: Horticulture and Agro-export; and Tourism and Related Support Services and Industries. It is considering expansion of its work to a third urban-based sector, possibly later this year. MDF selects its sectors based on their contribution to the national economy; long-term growth prospects, and relevance for poverty reduction. For each sector, MDF has prepared a sector assessment and developed a sector growth strategy identifying the key constraints and growth areas within those sectors, on which MDF is focusing its interventions for stimulating broad-based pro-poor growth in the sector.

This study goes deeper into understanding poverty, gender and ethnicity in Fiji within the two key sectors where MDF works, and more generally on urban poverty to complement future work in a third urban-based sector. While the sectors were chosen because of their relevance to poverty reduction, the purpose of this study was to further assess within each sector: who is poor and why within the sectors; the mechanisms, choices and strategies they use to move out of poverty; and what prevents this from happening. In addition, the study is meant to analyse gender equality in the sector, gender roles and controls, and ethnic differences so that its strategy and impacts can better reach both men and women of all ethnicities. With this understanding, MDF can better identify opportunities for equitable growth which are relevant for all poor producers, workers and consumers.

This report therefore complements the Market Development Facility (MDF) existing horticulture and tourism sector assessment reports, and summarises findings of the study on poverty, gender and ethnicity as they relate to these sectors. In addition, it provides information on employment challenges and opportunities for the urban poor, offering information relevant to a possible third sector for MDF implementation. The information presented and conclusions drawn from this report have been appropriately analysed, and have been integrated into MDF’s own internal sector strategies and day-to-day work to help improve pro-poor and gender outcomes. This report therefore provides a summary of study findings, but does not explicitly state MDF’s reaction to these findings. MDF continuously conducts research, collects and analyses information relevant to the sectors in which it works, which will continue to complement the findings in this report in the future.

Primary qualitative research in poverty and gender (with ethnicity as a cross-cutting theme) was conducted in the horticulture and tourism sectors on Viti Levu and Vanua Levu in two time periods between March and May 2013. A range of semi-structured tools was used to produce qualitative findings: focus group discussions, key informant interviews, in-depth worker interviews, household questionnaires (surveys) and observation. This primary research was further supported by extensive secondary source research both before and after the fieldwork. A team of ten was headed by the consultant (study lead), and this report therefore represents the work and insights of a group of people with different areas of expertise and experience relating to the content and context.

Following the initial poverty and gender study, the team further conducted targeted research in selected informal urban settlements in July to gain a deeper understanding of urban poverty, incorporating issues of both gender and ethnicity. Although this was not tied to one particular sector, the intent was to meet with households in order to investigate their experiences with regard to

employment, and economic challenges and opportunities. The findings from the second study are incorporated into this report, with implications noted regarding a potential third urban sector currently under investigation by MDF (industrial manufacturing with an export focus – and a possible concentration on apparel / textile).

Overall findings are extremely positive for MDF’s potential contribution to horticulture and tourism in Fiji, and the integration and / or advancement of low-income women and men of *iTaukei* and Indo-Fijian backgrounds into the sectors. Horticulture and tourism are cornerstones of the Fijian economy, and offer employment and business opportunities as pathways out of poverty to large numbers of households and / or individuals within those households. The pathways out of poverty that result from participation within the sectors go beyond the sectors, as surplus income is utilised to educate members of the household (siblings and offspring) and to advance their economic well-being. There is potential for systemic changes that can result in impact beyond the life of the project. Despite this positive outlook, there are significant challenges for low-income households, and these vary depending on the sector and the context (geographic, socio-cultural).

The situation for urban poverty is more complex due to the multiple systemic factors that perpetuate poverty including the lack of employment opportunities for those living in informal urban settlements. Development of an urban sector by MDF will provide economic opportunities for individuals and households living in informal settlements, but the systemic issues are many and deep, and beyond the scope of MDF’s mandate.

Solutions for each sector relating to poverty and gender are provided in their respective sections and MDF sector assessment reports should be referenced for further information about the sector.

INTRODUCTION

Fiji Context

Fiji lies in the heart of the Pacific Ocean midway between the Equator and the South Pole. Fiji is comprised of approximately 330 islands of which about a third are inhabited. It covers 1.3 million km² of the South Pacific Ocean with a total land area of 18,330km². There are two major islands – Viti Levu which is 10,429km² and Vanua Levu at 5556km². Other main islands are Taveuni (470km²), Kadavu (411km²), Gau (140km²) and Koro (104km²). The capital is Suva and it is one of the two urban centres that are designated as cities in Fiji. The other city is Lautoka and both are located on the island of Viti Levu.¹

Fiji, endowed with forest, mineral, and fish resources, is one of the most developed of the Pacific island economies, though there is still a large subsistence sector. Sugar exports, remittances from Fijians working abroad, and a growing tourism industry – with 400,000–500,000 tourists annually – are the major sources of foreign exchange (more information on relevant industries provided below). Political instability has been an issue in recent decades with relative stability in recent years. Long-term challenges include low investment, uncertain land ownership rights, and the government's developing capacity to manage its budget – Fiji's current account deficit peaked at 23% of GDP in 2006, and declined to 12.5% of GDP in 2012.²

Background to Consultancy

MDF operations in Fiji began in the second half of 2011. MDF follows a systems approach to market development and supports businesses with innovative ideas, investment and regulatory reform that will increase business performance, stimulate economic growth and ultimately provide benefits for the poor – as workers, producers, and consumers. Currently, the focus of the Facility is in two key sectors: horticulture and agro-export; and tourism and supporting services and industries. It is considering expansion of its work to a third urban-based sector, possibly later this year. For each sector, MDF has prepared a sector assessment and developed a sector growth strategy, which identifies the key constraint and growth areas within those sectors, on which MDF is focusing its interventions for stimulating broad-based pro-poor growth in the sector. Once sector size, key products and markets, growth trends, different categories of producers and service providers, and the different ways in which they are connected were identified, MDF sought to deepen its understanding of these sectors in terms of poverty, gender and ethnicity. This report therefore complements the sector reports with information on poverty, gender and ethnicity, while key sector information is included in the two earlier reports. Overlap is inevitable, but the intent of this report is not to replace the sector reports, although it does include some general information as needed to understand the context and suggests solutions to be highlighted or incorporated into the existing strategies for each of the sectors.

Purpose and Objectives of Study

MDF's goal is to create additional employment and income for poor women and men in rural and urban areas through sustainable and broad-based pro-poor growth. Understanding poverty and gender

¹ Government of Fiji, Ministry of Education (2007) *Education for All: midterm assessment report* http://planipolis.iiep.unesco.org/upload/Fiji/Fiji_EFA_MDA_Report.pdf viewed March 29, 2013

² CIA World Factbook <https://www.cia.gov/library/publications/the-world-factbook/geos/fj.html> viewed March 29, 2013

roles, and in the case of Fiji – ethnic roles – within the sectors where MDF works is integral to achieving sustainable and broad-based pro-poor growth. By understanding who is poor and why, MDF can better identify opportunities for equitable growth that are relevant for these poor producers, workers and consumers.

The purpose of this study is to go beyond the mostly statistical studies on poverty and to determine, through qualitative assessment: who is poor and why within the sectors; the mechanisms, choices and strategies to move out of poverty; and what prevents this from happening. In addition, the study is intended to analyse gender equality, gender roles and controls, and ethnic differences so that MDF's strategy and impacts can better reach both men and women of all ethnicities. Through a qualitative study, MDF is better able to understand this picture of poverty in the two sectors where it currently works, and better understand the strategies that households use as a pathway out of poverty.

This study therefore focuses on:

- **Poverty:** Who is poor in each sector, to what degree, and why, and suitable pathways out of poverty- both in terms of income sources and accessible jobs;
- **Gender:** The different economic roles and controls of (poor) women and men in each sector and which economic activities in the sectors – in terms of sources of income and access to jobs – can contribute to greater female participation and gender equality;
- **Ethnicity:** The varying roles ethnic groups play in each sector and which economic activities offer scope for greater participation by poor members of each group in each sector. Ethnicity is looked at as a cross-cutting theme in both the analysis on poverty and gender.

The findings of this study capture the learning on gender, poverty and ethnicity from qualitative research, providing insight and direction relevant to MDF's systems approach to market development. These findings will be incorporated into MDF's existing sector assessment reports and sector growth strategies, and will help guide MDF's work so that it ensures that interventions can better target the needs of the poor and enhance pathways out of poverty.

Research Methodology

This is a qualitative research study- the aim is to explore specific topics, rather than provide statistical data and analysis. A range of semi-structured tools was used to produce qualitative findings: focus group discussions, key informant interviews, in-depth worker interviews, household questionnaires and observation. These instruments enabled the research team to investigate key topics that are not as amenable to statistical analysis, such as gender norms, impact of ethnicity on roles, current and potential pathways out of poverty, household and individual aspirations, barriers to moving out of poverty, and solutions to overcome those barriers. Note that in order to derive the needed information, our research in tourism focused more on the individual workers – with questions about the overall household situation – while research in horticulture was conducted at the household or farmer group level.

The primary research was further supported by extensive secondary source research. Secondary research involved review of literature on poverty and gender, as well as background research to better understand the context or locate other evidence to support our findings.

A team of ten was headed by the Study Lead, and this report therefore represents the work and insights of a group of people with different areas of expertise and experience relating to the content and context.

The research team consisted of:

- Linda Jones, Study Lead, Independent Consultant
- Jonathan Sibley, Poverty Specialist, Independent Consultant
- Priya Chatter, Research Consultant, Gender and Poverty Specialist
- Deanna Salpietra, MDF Results Measurement and Communications Manager
- Krishneil Maharaj, MDF Tourism Sector Coordinator
- Paul Valemei, MDF Tourism Business Advisor
- Miliana Ratu, MDF Horticulture Sector Coordinator
- Ritesh Prasad, MDF Results Measurement Specialist
- Ratu Sivoriano Tokalau Masau, Translator and Research Assistant
- Shahroz Jalil, MDF Fiji Country Representative

The Study Lead was responsible for the overall research, and outputs, and participated in the horticulture and tourism field research; the Poverty Specialist acted as technical advisor, and provided sections of this report on poverty studies and measurement; and the Research Consultant advised on gendered research planning and tool design, participated in horticulture field research and contributed secondary source information for the gender sections of this report. The Results Measurement and Communications manager was engaged throughout in planning, research design and implementation, data consolidation and analysis. The remainder of the team contributed their valuable expertise and experience in the two target sectors, reviewed plans and tools, implemented the qualitative research, and provided insights on the findings.

Research was conducted on Viti Levu, Vanua Levu and the outer islands during two time periods between March and May 2013 with specific locations described in the sector analysis sections of this document. Focus group discussions were carried out in urban settlements in July 2013 to gain an understanding of the economic opportunities and barriers of the urban poor. Specifically, the research for this study consisted of:

- Review of a significant range of secondary sources (cited in this document)
- 34 key informant interviews in horticulture and tourism sectors with individuals such as managers and wholesalers who have a broad understanding of the industry
- Nine focus group discussions in the horticulture sector – five male and four female groups
- Nine focus group discussions in urban settlements
- 35 worker interviews – majority in the tourism sector
- 54 semi-structured household questionnaires – 43 in horticulture households and 11 in tourism households – which are described in the following table.

Table 1: Number of Households and Respondents Answering the Household (HH) Questionnaire³

Total Number of HH Surveyed	54 ⁴
Total Number of Respondents	81
Average Age of All Respondents	44
Number of Fijian HH	28
Number of Indo-Fijian HH	26
Average HH Size	5.8

Respondents were chosen on a geographic and representative basis. We visited key parts of the country related to horticulture and tourism, and selected respondents in a range of targeted roles. In the horticulture sector, we met with farm labourers, poor and less poor farmers, traders / wholesalers, input suppliers, and processors and their staff. In the tourism sector, we elicited information from management and staff at various levels in different types of hotels and resorts, and individuals involved in SMEs relating to tourism (activities, restaurants, handicraft retail). For the urban research, we worked with People’s Community Network to select representative respondents from very poor and poor settlements in Lautoka, Nadi, Suva and Nasinu. In all cases, we sought to speak to men and women both *iTaukei* and Indo-Fijian, and were successful in reaching a cross-section of society.

The qualitative research focused on who is poor in the sector, why they are poor and what are potential solutions for them to move out of poverty. Further information on research design and analysis can be obtained by contacting MDF: info@cardnomdf.org.

Research Findings

Part One of this report first examines poverty, gender and ethnicity in the overall Fiji context, and then in the horticulture and tourism sectors. The information in this section is primarily from secondary sources; complemented with comments from the primary research conducted by MDF. It covers defining poverty in Fiji, general factors which contribute to this poverty, overall gender dynamics, and general pathways out of poverty. **Annex 1** contains further information from national statistics on poverty indicators for Deciles 2–4. **Annex 2** contains specific information from secondary sources on urban poverty in Fiji.

Part Two contains the sector-specific research findings from the research conducted by MDF. Each sector’s section covers poverty analysis for the sector; an analysis of who is poor and why and the influencing factors on poverty; gender dynamics in the sector and potential pathways out of poverty relevant for MDF’s work in the sector. **Annex 3** contains additional household profiles for those households surveyed by MDF in the horticulture sector; while **Annex 4** contains the same for the tourism sector.

Part Three summarises MDFs research as gathered through Focus Group Discussions in urban settlements throughout the island of Viti Levu.

Part Four briefly describes overall conclusions of the study as it relates to MDFs work in each of the sectors in Fiji. Sector-specific conclusions are described with the relevant sections.

³ Note that tables without an identified source represent data from our primary research.

⁴ 54 households were surveyed in total. The income data for two are incomplete (H26 and H14) and these households are not included in tables on income and pAE. However, for certain questions like gender, type of household, utilities, etc., the answers are complete and all 54 houses are included. In some cases, both a male and female household member were interviewed, and therefore the total individual respondents is 81. Throughout this report conclusions are accompanied with the actual number of respondents used in each calculation.

PART ONE: GENERAL RESEARCH FINDINGS

General research findings on poverty, gender and ethnicity are derived from secondary sources and field research as described above. Where information is drawn from secondary sources (reports, papers, websites), the sources are cited in the endnotes. Sector-specific findings that relate to poverty, gender and ethnicity are covered in Part Two of this report.

Defining Poverty in Fiji

Poverty can have many different definitions, is complex and multi-dimensional, and has been the subject of a variety of studies in Fiji in recent years. This section provides an overview of previous studies which have been conducted on poverty in Fiji; types of measurements used for establishing poverty lines and their limitations; and a summary of the Basic Needs Poverty Line and other characteristics of poverty in Fiji that were used for analysis in this study.

Previous Studies and Findings

The following studies provided background information for the qualitative research, supported the development of the research plan and instruments, and contributed to analysis.

Household Income and Expenditure Survey – HIES

The Household Income and Expenditure Survey (HIES) is conducted periodically by the Fiji Bureau of Statistics,⁵ and is used to determine national poverty levels in Fiji and construct the Consumer Price Index. The HIES seeks to develop a representative sample of households at the national level. For the 2008–2009 HIES, 3573 households were surveyed, 1911 urban households and 1662 rural households. Two-stage sampling was used. A sampling frame was constructed based on the four divisions in Fiji (Central, Eastern, Northern, and Western), divided into rural and urban subsets, and the target sampling was 2% of households. The HIES provides a generalised, macro, point-in-time view of household income and expenditure. Since the sampling is nationally representative, rather than locally representative, care was taken when building on HIES findings for this qualitative research study in the tourism and horticulture sectors. Further, ongoing urban migration, changing income patterns and price fluctuations mean that general HIES data was considered but did not overshadow our more nuanced region- and sector-specific research findings. Despite these caveats, the HIES offers a general context and indicators for localised studies of household income and expenditure. Two reports have been published by the Fiji Islands Bureau of Statistics (FIBOS) analysing the most recent HIES: the *Preliminary Report on Poverty and Household Incomes in Fiji 2008–2009*;⁶ and the *Report on the 2008–2009 Household Income and Expenditure Survey for Fiji*.⁷ Both were consulted in preparing the research plan and are utilised below in assessing deciles and poverty indicators.

⁵ 1977, 1991, 2002–2003, 2008–2009

⁶ Narsey, W., Raikoti, T., & Waqavonovono. (2010). *Preliminary Report: Poverty and Household Incomes in Fiji in 2008-09 (2008-09 Household Income and Expenditure Survey Results)*. Suva: Fiji Islands Bureau of Statistics.

⁷ FIBOS. (2011). *Report on the 2008–2009 Household Income and expenditure Survey for Fiji*. Suva: Fiji Islands Bureau of Statistics.

Poverty and Gender Study

Gender Issues in Employment, Underemployment and Incomes in Fiji (Narsey, 2007)⁸ analyses issues pertaining to gender, employment and incomes in Fiji based on HIES Dataset: 2002–2003. Even though data and analysis of incomes using the 2002–2003 HIES is now outdated, many of the issues raised are relevant for consideration in determining pathways out of poverty for low income households. In particular, the study found similar education profiles between economically active males and females, although women had a lower labour force participation rate (31%). This percentage reflects only formal employment rather than informal sector activity or economically unvalued ‘domestic’ activity – 99% of participants of which were women. Further, women also dominated in the area of unpaid community work (77% of the labour force). (These two findings regarding women’s domestic and community contribution are consistent with our qualitative research results and are elaborated below.) The women officially active in the labour force worked fewer hours than men, but when household work was included, they worked between 26% and 31% more than men according to the HIES, and also supported by our study.

World Bank Poverty Study on Poverty Trend and Profiles

As part of the technical support provided by The World Bank to the Government of Fiji, the World Bank, in conjunction with the Fiji Islands Bureau of Statistics, prepared a report analysing poverty trends and profiles based on HIES Datasets 2002–2003 and 2008–2009.⁹ The study found poverty trends tended to mirror the pattern of recent economic growth, increasing urban growth (in particular the services sector) and reducing agricultural output. The study found aggregate poverty levels disguise large regional variations: Northern Division 54%, Western Division: 40%, Eastern Division 32% and Central Division 23%. Western Division is the most densely populated division and therefore makes the greatest contribution to the poverty headcount. Overall, 35.2% of the Fiji population was estimated to be living in poverty (below the Basic Needs Poverty Line), representing a reduction from 39.8% in 2002–2003. Importantly for the current study, the World Bank / FIBOS study concluded that poverty could only be summarised to the level of an urban or rural subdivision, and was not designed to estimate poverty at a lower regional level (such as provinces or *tikinas*). In keeping with this observation, our qualitative research found significant household variation between provinces and even within the same context, and greater poverty amongst rural farmers as compared to urban tourism workers.

According to the report, the decline in poverty was only in non- agricultural urban sectors, and rural poverty levels evidenced no decline. However, our qualitative field research and ongoing work in the sector indicates that many horticulture households have the potential to move out of poverty, particularly those that are able to improve productivity and reach consistent and high value markets.

Poverty in Fiji: Changes 2002–2003 to 2008–2009 and Policy Implications (Narsey)

Narsey¹⁰ also analysed the 2008–2009 HIES to examine trends in poverty since the 2002–2003 HIES in Fiji. The findings were generally consistent with those of The World Bank / FIBOS analysis although the unit of estimation was income rather than expenditure. With particular relevance to the current study, the Narsey report found that:

⁸ Narsey, W. (2007). *Gender Issues in Employment, Underemployment and Incomes in Fiji*. Suva: Fiji Islands Bureau of Statistics.

⁹ World Bank, & FIBOS. (2011). *Republic of Fiji: Poverty Trends, Profiles and Small Area estimation (Poverty Maps) in Republic of Fiji (2003-2009)*. Washington: The World Bank & Fiji Islands Bureau of Statistics.

¹⁰ Narsey, W. (2012). *Poverty in Fiji: Changes 2002–2003 to 2008–2009 and Policy Implications*. Suva: Fiji Islands Bureau of Statistics.

- Urban poverty declined between 2002 / 2003 and 2008 / 2009 (28–18%), while rural poverty increased (40–43%)¹¹
- All Divisions evidenced some reduction in poverty, with Northern Division being the poorest Division (47% overall, 50% for rural households)
- The incidence and reduction of poverty were generally evenly distributed (35%) across the two main ethnic groups (*iTaukei* and Indo–Fijian)
- Changes in incomes were driven primarily by increased earnings from wages and salaries
- There has been a significant increase in international remittance income of 134%
- There is a positive relationship between household size and secondary education rates, and the likelihood of the household being poor

Narsey provided a useful summary of the difference in poverty estimation between the methodologies used by the World Bank and his study. The differences are captured in Table 2:

Table 2: Comparison of Poverty Analysis Methodologies

	Narsey (2012)	World Bank (2011)
Methodology	Income based Argument: In Fiji income and expenditure well correlated	Expenditure based Argument: Expenditure more reliable when high levels of informal income
BNPL and FPL calculation	2002–2003 values adjusted forward to 2008–2009	2008–2009 values adjusted backward to 2002–2003
BNPL values 2008–2009 (pAE) Per week	Rural: \$40.82 Urban: \$46.10	Rural: \$35.19 Urban: \$45.17
Estimates of poverty 2008–2009	Rural: 42.5% Urban: 18.0%	Rural: 44.0% Urban: 26.2%
Change in poverty incidence: 2002–2003 to 2008–2009	6% worsening rural areas 34% reduction urban areas	No change rural areas 24% reduction urban areas

The Financial Competence of Low-Income Households in Fiji

In 2011, the Pacific Financial Inclusion Programme, in conjunction with the Reserve Bank of Fiji undertook a study of the financial behaviour of low-income households in Fiji.¹² The study sampled *iTaukei* and Indo–Fijian households from income deciles 1–4 (typically those that fall below the poverty line) across Viti Levu and Vanua Levu, drawing from households which had participated in the 2008–2009 HIES (n=400). Both the female and the male who make most financial decisions on behalf of the household were interviewed, and these interviews were conducted separately. The primary purpose of the survey was to develop an understanding of the financial behaviour of low-income households, including the development of an understanding of location, gender and ethnic differences in financial behaviour. Data was collected on the range of livelihoods in the household, the number of sources of income in the household, use of financial services and mobile telephone and ability to communicate in English. Selected findings from the survey are incorporated in the sub-section below that describes the characteristics of low-income households.

¹¹ Our findings indicated that rural HHs were supporting children to get educated and find better jobs (usually in urban areas) and therefore this finding may not accurately represent the HH pathway out of poverty. Details below.

¹² Sibley, J. E. (In press). *The Financial Competence of Low Income Households in Fiji*. Suva: United Nations Capital Development Fund.

2013–2014 Household Income and Expenditure Survey

Data collection for the 2013–2014 HIES is in preparation, and has yet to commence. It is not expected preliminary data will be available until late 2014 and full data until 2015.

Poverty Measurement using Poverty Lines

The Basic Needs Poverty Line

The basic needs poverty line (BNPL) is an attempt to estimate (using either income or consumption) the income required to provide for household basic needs. The BNPL is usually calculated on a Per Adult Equivalent (pAE) basis, whereby adults equal 1 and children (in the case of Fiji below 14) equal 0.5. The poverty line usually has two components: the food poverty line and the non-food poverty line.

The Food Poverty Line

The food poverty line (FPL) is an estimate of the income required to meet minimum calorie requirements and is calculated using in-country food and nutrition data in respect to items consumed. These items are then priced to give total FPL values. Separate values are constructed for rural and urban households due to rural households typically having greater food production capability (and therefore a lower FPL). The non-food poverty line (NFPL) is an estimate of the cost of other household expenses incurred to maintain basic needs. Calculation methodologies vary considerably, but are often referenced to the Consumer Price Index (Narsey¹³ used the non-food component of the CPI to calculate the BNPL). It is important to note that the FPL and the BNPL are estimates based on standardised consumption baskets using standardised prices. They are therefore only relevant at the highest level of disaggregation (in the case of Fiji this is rural and urban).

The basic needs poverty line calculations provided background for this study, but were qualified by our field research and assessment of individual household economies.

Limitations of Poverty Lines

In addition to standardisation noted above, the inherent limitations of poverty lines – particularly for household level qualitative research are:

- **Per Adult Equivalent Basis:** The unit measurement for the poverty line is adult equivalent members of the household (note that children under 14 = 0.5 adult), which assumes standard consumption requirements. For example, manual workers are assumed to have the same calorie requirement as office workers, men as women, adolescents as toddlers. While this may be appropriate at an aggregate level, it is not as accurate for analysis at the level of the individual household. Our qualitative research therefore, while adhering to the per adult equivalent rate when assessing income against the poverty line, provides a more nuanced view of poverty within individual households based on expenditures, assets and upward mobility of the household.
- **Ageing of Studies:** All HIES studies represent a point in time and therefore the studies and findings age. Further, the consumption basket and prices are usually assumed to be the same over time and across regions. The recent cyclone is an extreme example of how expenditures can change dramatically in a short period of time: for example, in our study we learned that as a result

¹³ Narsey, W. (2012). Poverty in Fiji: Changes 2002–2003 to 2008–2009 and Policy Implications. Suva: Fiji Islands Bureau of Statistics.

of the recent cyclone, failed crops have meant greater reliance on purchased food with potential increased prices in recent years, while incomes have often been reduced at the same time.

- **Granularity:** The poverty line is an estimate based on data that are statistically relevant at a national level. As discussed above, the World Bank has noted that the 2008–2009 HIES data can only be disaggregated to the rural and urban level and must assume commonality of all rural communities and urban communities. The poverty line, therefore, has less relevance in a specific community or household, and needs to be used with caution in qualitative household-level research such as the current study.
- **Gender Bias:** The Fiji HIES (as with most HIES studies) is referenced to the household head. In both *iTaukei* and Indo–Fijian households, the household head is usually male and therefore begins with a gender bias. Referencing the HIES to the senior male in the household masks the economic activity of women (unless a woman is the household head), and does not take adequate account of the multiple sources of income in low-income households, including that of women. In our qualitative study, we interviewed both women and men about their roles and controls, and discussed income of all contributing members as well as expenses of each (for example school and tuition fees of all children, both boys and girls) of any given household. Further, in our research, we realised that the head of household is not always clear – in extended households there may be a titular head (retired father of adult children living at home) and the function head (the one who earns income and manages finances) creating a generational bias as well as a gender bias in HIES studies.
- **Limited Household Record Keeping:** Most low-income households do not know their household income or their household expenditure. Further, few households have a budget and many households do not know how much money the household spent the previous week.¹⁴ Most HIES data is therefore based on recorded (but not priced) economic activity, which is then priced using standard measures. To overcome this tendency in our qualitative research, we asked multiple staged questions to determine individual and household income and expenditures (for example, in horticulture we asked about the sales and costs of specific crops, other household income and expenditures and so on). We found, for example, that households were quite consistent in estimating weekly or monthly expenses for rent, school fees, food staples, community and church obligations, and utilities. We could calculate the overall household financial situation based on such targeted questions.

Recalculation of Poverty Line

Recalculating the basic needs poverty line to account for regional variances or changes over time is not feasible. Recalculating the poverty line at a local level requires a recalculation of the basket to allow for local consumption, and then the determination of prices, many of which would need to be seasonally adjusted. The cost of developing multiple, localised poverty lines are beyond the scope of this study due to the very large-scale sampling required. Our representative sampling of households and workers, and exploration of income, expenditures, education and other indicators of poverty and well-being (see next section) provided an up-to-date picture of the situation

¹⁴ Sibley, J. E. (In press). *The Financial Competence of Low Income Households in Fiji*. Suva: United Nations Capital Development Fund.

Poverty Calculations in this Study

For our poverty calculations in this document, we use the per Adult Equivalent (pAE) income for the household. Narsey states in his analysis of the HIES 2008–2009 ‘For those who may need to make international comparisons, a population weighted [urban and rural distribution] BNPL for all of Fiji is estimated to be about \$175 per week in 2008–2009 for a household of 4 Adult Equivalents.’¹⁵ This would mean \$9100 for four, or very roughly \$2275 pAE (recognising that larger and smaller houses will have different economies of scale).

The majority of farming and farm labour households that we met fell below this line, while tourism households tended to be on or above the line. Note also that our data was collected for children under 18 years old, and our pAE is based on this. Although this may mean somewhat skewed results, particularly for those that fall on or around the poverty line, overall this does not affect the findings of our qualitative research study.

In addition to those who fall under the BNPL in Fiji (approximately 35%) there is also a significant percentage of people who are at or only somewhat above the BNPL and are therefore considered vulnerable – with the possibility of descending into poverty as a consequence of economic shocks, health issues or unexpected expenses. The World Bank calculates that the percentage of the population in Fiji who are marginally above the poverty line is between 13% and 23%, depending on the actual calculation used.¹⁶

Characteristics of Low-Income Households

Although the poverty line may have moved since calculation using 2008–2009 HIES data, the characteristics of households close to and below the poverty line (‘low-income households’) is unlikely to have changed significantly since data was collected in 2008–2009. Identification of low-income households and their characteristics were extracted from the HIES data. These variables are compared according to rural and urban locations as well as *iTaukei* and Indo–Fijian ethnicity. Our understanding of these characteristics guided the preparation of research instruments and analysis of the data and information collected.

The Basic Needs Poverty Line¹⁷ is located within, or proximate to, decile four. Therefore, for the purpose of this study, data has been extracted from the HIES for households in deciles two to four. Households in decile one have been excluded as these households are likely to be destitute and outside the scope of activity undertaken by the Market Development Facility. A review of the characteristics of households in deciles two through four provide a general descriptor of households which are likely to be poor, and were used in the current study’s planning, research and analysis.

The analysis of the HIES data has been augmented by an analysis of data from households that participated in the study of the financial competence of low-income households in Fiji.¹⁸ The survey explored additional aspects of household income and interviewed both men and women in the household.

¹⁵ Narsey, W., Raikoti, T., & Waqavonovono. (2010). *Preliminary Report: Poverty and Household Incomes in Fiji in 2008-09 (2008-09 Household Income and Expenditure Survey Results)*. Suva: Fiji Islands Bureau of Statistics. P.10.

¹⁶ World Bank (2011) Report No. 63568-FJ *Assessment of the Social Protection System in Fiji and Recommendations for Policy Changes*, Human Development Sector Unit, Pacific Islands Operations, East Asia and Pacific Region.

¹⁷ World Bank, & FIBOS. (2011). *Republic of Fiji: Poverty Trends, Profiles and Small Area estimation (Poverty Maps) in Republic of Fiji (2003-2009)*. Washington: The World Bank & Fiji Islands Bureau of Statistics.

¹⁸ Sibley, J. E. (In press). *The Financial Competence of Low Income Households in Fiji*. Suva: United Nations Capital Development Fund.

The key variables for characterising low-income households are described in detail in Annex Two and are summarised in the following table. Note that this table does not compare the wealth of *iTaukei* and Indo-Fijian households, but rather illustrates that the characteristics that enable us to assess the level of poverty is different across locations and ethnicities. For example, a more affluent *iTaukei* is still less likely to have electricity than a poorer Indo-Fijian HH – possibly a function of the fact that many *iTaukei* live in more remote villages without access to public utilities and follow a more traditional lifestyle.

We included questions on each of these characteristics in the semi-structured household questionnaire allowing us to determine poverty status of households above and beyond income measurement.

Table 3: Characteristics of Low-Income Households in Deciles 2 to 4

Characteristic of Low-Income Households in Deciles 2-4	Comments	Rural		Urban	
		<i>iTaukei</i>	Indo-Fijian	<i>iTaukei</i>	Indo-Fijian
Household composition Average size of Households	Larger households tend to be poorer, and HH size decreases as HHs move up from decile 2 to 4; note that even in deciles 2-4, Indo-Fijian households are smaller.	3.6 > 14 years 2.2 < 14 years Total avg: 5.8	3.8 > 14 years 1.2 < 14 years Total avg: 5	3.9 > 14 years 2 < 14 years Total avg: 5.9	3.5 > 14 years 0.9 < 14 years Total avg: 4.4
HH Head Unemployment Percentage of HH with HH head unemployment	There is significant unemployment in the lower deciles among HH heads. Unemployment is greater in Indo-Fijian households at the same decile level as <i>iTaukei</i> , but this may be a factor of the elder male being the titular head with adult working sons.	18%	30%	17%	34%
Livelihood Percentage of HH that earn income from wages or salary	The likelihood that the head of HH earns from wages or salary increases as HHs move up the deciles; the differential between urban and rural <i>iTaukei</i> is significant and may relate to the 'income' poverty of rural HHs who own land, houses and produce food.	24%	46%	67%	53%
Education Percent of HH reaching secondary or post-secondary levels of education	There are fairly strong education levels across deciles with Indo-Fijian HHs somewhat less educated in rural areas.	Secondary 85% Post-Sec 13% Total 98%	Secondary 70% Post-Sec 23% Total 93%	Secondary 63% Post-Sec 36% Total 96%	Secondary 63% Post-Sec 32% Total 95%
Dwelling Percentage of HH which own housing and live in self-built housing	In lower deciles there is still fairly strong house ownership; self-built (usually tin) houses are noticeably higher for Indo-Fijians in urban settings suggesting domicile in 'squatter settlements'.	Ownership 94% Self-built 75%	Ownership 82% Self-built 86%	Ownership 56% Self-built 52%	Ownership 69% Self-built 78%
Access to electricity Percentage of HH with access to electricity	Access increases as HH move up deciles in rural areas and there is a high level of access by all in urban settings. <i>iTaukei</i> are less likely to have electricity in more remote villages without this being an indicator of a lower decile.	57%	81%	95%	95%

Our study revealed other characteristics relating to poverty assessment that have not been represented in the literature. They are outlined in the next paragraphs and were incorporated into our planning and analysis.

First, a critical finding of our study that is not represented in the HIES and other studies is that migration of household members from rural to urban areas, or a shift from farming to wage or salaried employment – whether or not the migrating member sends remittances back – demonstrates a movement out of poverty for the *household*. Those who are left behind have often supported others to leave, and are continuing to support the next generation to get an education and leave the farm. Parents or siblings who remain behind, therefore, may live in deeper poverty as they assist their family to get an education and leave the household. Our study undertook a more nuanced exploration of education and migration to understand this overall rural household trend of apparent increased poverty that ignores the extended (ex-loci) household and the support to members to move out of poverty. Again and again, we heard of parents and siblings making sacrifices to educate family members, enabling them to get better jobs and in many cases to migrate. These are represented in our mini cases in the sector sections of this document and in the Annexes. Further, our household surveys found that 36 out of 54 households considered education to be one of the top three poverty reduction strategies.

Second, the desire to educate children and enable them to move into wage or salaried employment brings to light another form of poverty – opportunity poverty. Nearly all families talked about the expense of educating children. For rural households, even secondary education may be costly if there is no school in the area and a child must be boarded. Regardless of the education level of the heads of household, most households aspired to post-secondary education and indeed many had achieved this for at least some children (but often at a sacrifice as described above). A household that is unable to educate its children may not seem poor in other ways – and indeed are not considered by their neighbours or themselves – but the inability to fulfil aspirations is a form of poverty.

Third, the poverty studies do not capture the makeup and dynamics of households- the titular versus de facto head of household; the movement of people in and out of households; the dependency of adult children over 18 who do not live at home; the (perhaps occasional) remittances provided by those who have migrated to urban centres or emigrated overseas, and so on. For example, we learned that in wage earning households, it may be a child who is the main wage earner and who therefore manages the household finances, often saving money in their own account for their future needs. Or as noted in the table above, an unemployed ‘head of household’ in Indo-Fijian households may be the father of adult sons, and while he is no longer working, he may contribute to childcare or other household activities.

General Factors Contributing to Poverty in Fiji

Fiji is classed as an upper middle-income country by the World Bank¹⁹ but all sources recognise significant levels of poverty and the subsistence nature of much of the population – pointing to the unequal distribution of wealth and opportunity.

In recent decades, a series of coups impacted the Fijian economy, contributing to reduced foreign investment, challenges in the tourism industry and the exodus of numerous skilled workers. In the

¹⁹http://econ.worldbank.org/WBSITE/EXTERNAL/DATASTATISTICS/0,,contentMDK:20421402~menuPK:64133156~pagePK:64133150~piPK:64133175~theSitePK:239419,00.html#Lower_middle_income

years following the coups of 1987 and 2000, Fiji's GDP contracted by 6.4% and 1.7% respectively.²⁰ However, the past seven years have been relatively stable creating a more conducive environment for economic growth.

The decline of the sugarcane and textile (apparel) industries, resulting largely from globalisation and less favourable tariffs, has also contributed to the loss of livelihoods for many of those at the lower end of the economic spectrum. However, renewed growth in the textile sector may hold promise for unemployed and underemployed individuals, particularly in the Suva-Nasinu area.

At the same time as the sugarcane industry was shrinking, a large percentage of land leases (typically held by Indo-Fijians) came due, and many were not renewed. This led to more farmers giving up sugarcane cultivation and moving to urban areas, contributing to the overall process of urbanisation. The proportion of people living in urban areas grew from 30% in 1960 to 49% in 2000 and is expected to reach 60% by 2015.²¹

High rates of urbanisation and the lack of jobs have meant that more people are living in sub-standard areas ('squatter settlements') with poor facilities, overcrowding and a lack of income generation. In 2007, 140,000 people were living in informal squatter settlements, with an additional 30,000 households expected in the next 15 years.²² Our research in urban settlements underlined the pervasiveness of under- and unemployment (as most are engaged in casual labour, part time work or unskilled jobs, and receive low wages), and the insecurity of people's lives in these urban neighbourhoods.

These topics are treated in greater detail in this section, but first we turn to an examination of the role of ethnicity in the development and decline of the economy.

Ethnicity – Two Histories

Poverty dynamics in Fiji cannot be separated out from the diverse histories and socio-cultural realities of the two main ethnic groups: *iTaukei* and Indo-Fijian.

Austronesian peoples are believed to have settled in the Fijian islands some 3500 years ago, with Melanesians following around a thousand years later. Archaeological evidence shows signs of settlement on Moturiki Island from 600 BC and possibly as far back as 900 BC. The descendants of these early settlers are known as *iTaukei* and are the 'native' people of Fiji.²³ Today, *iTaukei* make up over half of the overall population, of which 55% live in rural areas (see Table 2 below), and currently hold most positions in politics and government agencies.

The other main ethnic group – Indo-Fijians – first arrived in Fiji as indentured labour, brought by the British colonisers to work on sugarcane plantations. Between 1879–1916, 60,000 Indian labourers arrived in Fiji, and the majority of these migrants chose to remain in the country after the expiration of their five-year contracts. Their descendants constitute the bulk of the present Indo-Fijian population, the rest being mainly descendants of Gujarati traders and Punjabi agriculturalists who arrived in the 1920s.²⁴

²⁰ Wilson, C. (2009) *Land and Conflict in the Pacific Region* Land Management and Conflict Minimisation Sub-Project 1.1. The Pacific Islands Forum Secretariat.

²¹ Abbot, D. (2006) 'Poverty in the Pacific: Definitions, trends and Issues', Presentation, UNDP Pacific Sub Regional Centre, Suva. <http://www.undppc.org.fj/resources/articles/files/5.pdf>

²² McKinnon, J., Whitehead, S., Chung, M. & Taylor, L. (2007) Report of the Informal Settlements Scoping Mission. NZAID, Wellington.

²³ Wikipedia http://en.wikipedia.org/wiki/History_of_Fiji viewed March 28, 2013

²⁴ Lal, B. *Fiji Islands: From Immigration to Emigration*, The Australian National University <http://www.migrationinformation.org/Profiles/display.cfm?ID=110> viewed March 28, 2013

Table 4: Demographics on Rural / Urban and Ethnic populations

Geographic Sector	Ethnic Group	Population Size	
		1996	2007
Total Fiji	All	775,077	837,271
	Fijians	393,575	475,739
	Indians	338,818	313,798
	Others	42,684	47,734
Rural Sector	All	415,582	412,425
	Fijians	232,240	264,235
	Indians	170,783	135,918
	Others	12,559	12,272
Urban Sector	All	359,495	424,846
	Fijians	161,335	211,504
	Indians	168,035	177,880
	Others	30,125	35,462

Source: Fiji Bureau of Statistics²⁵

By the end of World War II, Indo-Fijians outnumbered *iTaukei* in the total population. However, since the end of land leases and political changes, emigration from Fiji has rapidly increased: between 1978 and 1986, 20,703 Fijian citizens emigrated at an annual average rate of 2300. Between 1987–1996, the number increased to 50,050 at an annual average rate of 5005. Between 1997–2000 alone, 16,825 people migrated. The bulk of the emigrants — about 90% — have been Indo-Fijians. In more recent years, educated and skilled *iTaukei* and other ethnic minority members of the middle class have begun leaving Fiji, but their numbers, while growing, are still small.²⁶ As of 2013, it is estimated that *iTaukei* make up 57% of the Fijian population and Indo-Fijians 38%.^{27,28}

Since 1987, political upheavals have been a source of instability in Fiji. However, there has been growing stability in recent years and free elections are planned for 2014. Previously strained relations with Australia and New Zealand have been lessened and diplomatic ties are being restored.²⁹

Land Ownership

Through our research, we learned that land ownership is a critical factor affecting the economic dynamics of Fijian households and communities – both *iTaukei* and Indo-Fijian – but with considerable differences between the two. This impacts both horticulture and tourism sectors, although in dissimilar ways as described in this section.

²⁵ Fiji Bureau of Statistics http://www.statsfiji.gov.fj/Census2007/census07_index2.htm viewed March 28, 2013

²⁶ Lal, B. *Fiji Islands: From Immigration to Emigration*, The Australian National University <http://www.migrationinformation.org/Profiles/display.cfm?ID=110> viewed March 28, 2013

²⁷ Latest FIBOS census data was in 2007.

²⁸ CIA World Factbook <https://www.cia.gov/library/publications/the-world-factbook/geos/fj.html> viewed March 29, 2013

²⁹ BBC World, Fiji Profile <http://www.bbc.co.uk/news/world-asia-pacific-14919067> viewed March 29, 2013

Virtually all *iTaukei* belong to a village and have a right to share in the lands belonging to their family or *mataqali* (clan) even when they have moved away from the village. Further, many *iTaukei* continue to have plots of land that they farm for own consumption when they are wage earners either nearby or elsewhere, or that they plan to return to when they retire. Indo-Fijian farmers either own freehold land, or more often lease or rent land when they live in rural areas, and usually do not have access to land when they move to urban areas. The following table drawn from our household questionnaires in horticulture households in Viti Levu and Vanua Levu illustrates that the predominant pattern of access to land is communal land for *iTaukei* and some form of leased or rented land for Indo-Fijian (with purchased freehold land also significant).

Table 5: Types of Land Accessed by Horticulture Households Surveyed (number of households accessing particular type of land)

Ethnicity of Household	Long Term Lease	Freehold Land	Village / Communal	Short Term Rent	Other (Crown-land)
Indian Househlds	10	6	0	5	2
iTaukei Households	2	1	10	0	1

Land in Fiji is managed through three complementary systems: native land, freehold land and crown land. Native land accounts for 83.8% of all land, freehold 8.1% and crown land 8.1%.³⁰ Native and crown land cannot be bought or sold but each is available on a leasehold basis, with leases often lasting up to 99 years. Freehold land can be bought and sold.³¹

In regards to native land, a portion of each area is set aside for a village site where the community builds its houses. The remainder is reserve land that can be developed by the community or can be made available to others through leasing arrangements.³² Many villages that we visited had divided arable land into household parcels – usually at 10 acres or more – a portion of which the family unit farmed for household consumption and sometimes income generation (and often with some lying fallow). Twenty years ago, it was noted by the Ministry of Lands and Mineral Resources that ‘native lands make up almost 84% of Fiji's total land area. However only about 31% of this is actually accessible cultivable land, which is already leased out as Native Leases ... This leaves the native Fijians with lands that are in difficult terrain, not easily accessible, and of lower quality.’³³ We learned that a significant portion of native lands around villages is not usable and in some cases prime tracts have been leased to a range of ventures from resorts to large commercial farms as well as Indo-Fijian smallholders.

For the households that participated in our survey, the following shows the average land holdings for horticultural households. Total average land size for all Horticulture households is **9.7 acres**. We see that *iTaukei* have access to slightly more land in general

³⁰ See MDF Fiji Horticulture Sector Assessment Report

³¹ See <http://www.townplanning.gov.fj/index.php/planning/planning-issues/land-tenure> for more detailed explanations.

³² <http://www.townplanning.gov.fj/index.php/planning/planning-issues/land-tenure>

³³ Department of Lands and Surveys, Ministry of Lands and Mineral Resources, Land Tenure Systems in Fiji, (circa 1992) p. 2 viewed at <http://www.lands.gov.fj/downloads/landtenuresystems.pdf>

Table 6: Average Land Size in Acres per Horticulture Household Surveyed

Ethnicity of Household	Long Term Lease	Freehold Land	Village / Share of Communal Land	Short Term Rent	Other
Indian	12.8	10.0	-	5.6	8.5
iTaukei	18.5	11.0	6.5	-	4

Indo-Fijian farmers have traditionally leased land for sugarcane production, but as the sugarcane industry has slowed (see below), and leases have come up for renewal, many of these households have lost access to this land. It is estimated that prior to 2000, the number of Indo-Fijian farmers was 26,000, most of whom had small farms of between 5 and 20 acres.³⁴ The rural population has decreased from approximately 171,000 to 136,000 between 1997 and 2007 with approximately 25% fewer Indo-Fijian farming households today.³⁵ While for many Indo-Fijians leases have not been renewed and there can be difficulty in finding land – we heard from many of those who have remained in the rural areas who appear to have adapted and accessed new lands.

Land ownership also has an impact on urban dwellers – and leads to insecurities for those in informal settlements. ‘Squatter’ settlements are found on both public (crown) and private land. In the case of private land, fees are paid. In one settlement near Lautoka, it can be up to \$5000 upfront and then \$300 annually. But this arrangement still does not offer long-term security as one member of the household is usually named as having right of use, and if this person passes away, other members (such as a widow or adult child) may be required to pay the initial upfront fees again or is asked to leave. In regards to public land, there are no fees paid, but there is also no security and households do not know if they will be asked to leave or ever have permanent access to the land. Life in the settlements is made more difficult by the fact that businesses are not legal in the settlements, so the main earning option is to leave each day for employment. This is particularly difficult for women with children and in settlements with high crime rates where breaking and enter is a chronic problem when tenants are absent from the premises. Finally, these informal settlements have constrained access to water and electricity, lines may or may not be shared, installation costs can be high, and damaged pipes and leakage are at the cost of the household buying the service. Informal settlements that are over 20 years old may still have households with no access to electricity (even shared options) – and the incentive to upgrade services is limited since there is no security of land tenure.

Decline of Textile and Sugarcane Industries

For many years, sugar and textile (apparel) exports drove Fiji's economy but neither of these two industries has been competing effectively in globalised markets. The end of preferential tariffs has been a significant factor in the decline of both of these key industries. This has contributed to increased unemployment and the growth of informal urban settlements along with loss of jobs in those same settlements. During our urban research, we heard from a number of people who used to be employed in garment factories or had farms in rural areas.

The sugarcane industry remains important to the Fijian economy, although reports vary on its actual contribution to GDP with estimates ranging from about 2% to 6% of GDP.³⁶ However, all agree that

³⁴ Blodgett, E. (2001) *Fijian Sugar Plantations and the Ethnic Battle to Govern an Island Nation*. TED Case Studies Number 621. Viewed at <http://www1.american.edu/ted/fiji.htm> March 29, 2013.

³⁵ It is unclear if those who left between 1997 and 2007 did so due to land constraints, other issues (political, migration for salaried jobs), or more likely, a combination of these.

³⁶ The Trade and Forfeiting Review states that sugarcane contributes 1.6% of GDP, generates around 6% of total exports and indirectly employing more than 200,000 people – consisting primarily of farmers and local cottage industries and small

the industry has been in decline for over a decade.³⁷ Today, Fiji's sugar industry suffers from quality concerns, poor administration, and the phasing out of a preferential price agreement with the European Union that led to sugar price reductions of 36%. In 2010, the Fiji Government began implementing industry reforms, but cane and sugar production levels have continued to decline.³⁸ Recent financing of the Fiji Sugar Corporation may mark a turnaround in Fiji's sugar exports and contribution to GDP but it is too early to assess what changes will occur, if any.³⁹

Another critical issue that has plagued the sugarcane industry in recent years is the end of sugarcane land leases and the migration of many farmers to urban centres in Fiji. This was discussed in the previous section on Land Ownership. Briefly – at least 25% of Indo-Fijian farming households have left the farms – some have migrated overseas, and others have settled in urban centres. Moreover, many of those who remain are converting to horticulture, which is considered by farmers to be more remunerative than sugarcane.

The textile industry's share of GDP grew from about one third of a per cent in 1986 to 11% by 1999 accounting for about 30% of Fiji's exports. In 2000, the industry employed nearly 20,000 people, more than 70% of them women, and made up two-thirds of all manufacturing jobs.⁴⁰ This rapid growth was driven largely by preferential trade agreements,⁴¹ and as a result, the industry plummeted in 2005 after the end of the quota system and full integration of textile into the World Trade Organization General Agreement on Tariffs and Trade.⁴² The income from apparel fell from 47% by 2005 and now accounts for around 9% of Fiji's exports.⁴³ An immediate negative impact on employment was estimated as a retrenchment of 6000 workers, predominantly women – many of whom live in informal settlements- therefore contributing to poverty levels in these areas. Interestingly, women in some settlements told us that apparel factory work is not appropriate for many of them – they like to be at home to make their children's breakfast and to see them off to school, and be home when they return (particularly if their settlement has high crime rates), while apparel factories require women to be there from about 7.00am to 4.00pm with no possibility of flex time. However for others it can provide a steady source of permanent employment which requires minimal skill and education levels to enter.

There are currently government efforts to revitalise the industry through trade negotiations to expand market access; incentives through a Duty Suspension Scheme; and marketing support to raise awareness of Fiji's textile industry in export markets as well as to develop and establish new markets. Further, there are discussions on providing training for fashion designers for the emerging fashion sector; and APTC and FNU both already have programs for this. The apparel sector is subject of a new MDF study, and recent updates on the growth of the industry can be found in the final report, currently pending.

commercial operators. The Fiji Sugarcane Growers' Council reports that it contributes 22% to GDP,³⁶ while the Fiji Sugar Corporation Ltd reports that as of 2005, the most recent period for which published data is available, sugar accounted for 6% of GDP and 26% of total merchandise exports (excluding re- exports).'

³⁷ The Food and Agriculture Organisation reports that sugarcane accounted for 9% of GDP in 2000³⁷ and the Fiji Sugar Corporation states that 'Sugarcane production peaked at 438 million tonnes in 1996 when it accounted for some 11% of GDP and some 37% of merchandise exports (measured net of re-exports).'

³⁸ Michigan State University (2013) 'Fiji Economy' Global Edge, Michigan State University. Viewed at <https://globaledge.msu.edu/countries/fiji/economy> April 10, 2013.

³⁹ TFR Deals Of The Year 2012 Winner: Fiji Sugar (2013) In Trade And Forfeiting Review – Feb 14, 2013 Viewed at <http://www.tfreview.com/awards/deals/tfr-deals-year-2012-winner-fiji-sugar> on April 5, 2013.

⁴⁰ Adhikari, R. and Yamamoto, Y. (2007) 'Textile And Clothing Industry: Adjusting To The Post-Quota World' in *Industrial Development for the 21st Century: Sustainable Development Perspectives*. New York, 2007. P. 12.

⁴¹ Fiji Bureau of Statistics, various sources, quoted in Storey, D. (2003) *The Fiji Garment Industry*. Oxfam. P.10.

⁴² The Agreement on Textiles and Clothing (ATC)

⁴³ Michigan State University (2013) 'Fiji Economy' Global Edge, Michigan State University. Viewed at <https://globaledge.msu.edu/countries/fiji/economy> April 10, 2013

Communal Responsibilities

Communal responsibilities are not often considered in economic studies. However, in the case of Fiji, financial obligations to one's community and church can be high and family commitments are also very strong. This demand on a household's limited surplus income can impact the household's ability to save and develop (for example, reducing the capacity to save for children's tertiary education or the purchase of land). The nature and extent of these obligations are covered in this section.

Social and family obligations

iTaukei interviewees reported significant contributions to their home villages, even when they have moved away. It is not unusual for low-income households to contribute several hundred dollars per year to funerals, weddings and other community events. This expense can be compounded if travel to the village is required, or if one is of a high-status family that requires more prominent contributions and attendance. This impacts not only cashflow but also investments in businesses, farming operations, and children's education. In tourism households in Viti Levu, for example, annual social contributions ranged from \$170 to \$1000, with the median at \$480.

The following box highlights research on the conflict between communal obligations and business practice in *iTaukei* communities, confirming the findings of our study.

Communal Obligations and Business Practice

A major dilemma facing Fijian *iTaukei* entrepreneurs is how to maintain a balance between good business practice, profit maximisation and fulfilling social and communal obligations. Since entrepreneurs rely on local communities for labour, access to land, marine resources and support, failure to accept traditional societal obligations can lead to alienation and social ostracism. The managers of resorts are accountable to the community. They are continually faced with balancing their financial revenue and expenses with requests from the community or their Chiefs for funds or resources (which can include labour) to fulfil cultural obligations. As long as funds for these obligations are available the resorts are considered to be successful. Profit maximisation is not the highest priority especially where clans have a responsibility to contribute to traditional obligations. These obligations are important to communities. Failure to meet these responsibilities can bring about a feeling of *madua* for all concerned. *Madua* is a feeling of shame and guilt and an emotional burden felt by indigenous Fijians when they are unable to fulfil their traditional / societal obligations. This feeling is strongly related to the *kerekere* system of borrowing from kinsmen, without repaying, that exists within Fijian communities. When someone is asked a 'favour' by a member of their community, it is virtually impossible to refuse. There are two traditional borrowing systems in Fiji – the *kerekere* system which is never repaid; and the *dinau* system which is a form of time payment. These systems can pose difficulties to the successful management of Fijian businesses due to an inability to separate business and personal spending, but this is not always the case.

Source: Dawn Gibson

Households that leave the village and set up in rural settlements or urban areas still often contribute to communal obligations but based on our focus group discussions, this appeared to be less. A number of households informed us that they had left the village to be closer to better schools – but one must wonder if reduced communal expectations also enables those who leave the village to expend more on education and a better future for their children.

Communal living does have its economic benefits for *iTaukei* households in the village. During times of crisis, the *kerekere* sharing system ensures that households can access food and other life necessities. On one island in the Yasawas particularly hard hit by the recent cyclone, we heard of how villagers supported one another with families sharing houses and food resulting in a general sense of

caring and well-being. *Mataqalis* or family groups will also often work together in business ventures – this is the case on Wayalilai where the *mataqali* owns the Wayqlailai Eco Haven resort, and family groups are opening other resorts on nearby islands, and also among the farmers' horticulture group in Mataso village, Ra, who work together to grow horticulture crops for sale. This same clan and family structure can be divisive in business situations through undercurrents of tension and potential competition, although workarounds are possible: in the case of the farmers' group in Mataso, they jointly farm three weeks per month, but each member of the group volunteers for one week per month on other villagers' farms to ensure broader communal obligations are satisfied.

We learned that communal obligations and land ownership come together to impact livelihoods in the tourism industry. As many resorts and hotels are owned by others (often foreign investors) and are situated on leased *mataqali* land (or in a few cases owned by the *mataqali* itself) *iTaukei* families belonging to the *mataqali* often receive preferential employment opportunities. In some cases entry-level positions in particular are offered to members of the *mataqali* first, and if there is no qualified person then the resort or hotel will advertise elsewhere. This latter occurrence is rare for the vast number of semi-skilled jobs that are available at entry levels – such as housekeepers, groundsmen, porters and waitresses. In these cases Managers must act carefully balancing peaceful relations with the community and resort / hotel operations.

This is not always the case, but in many instances, job openings are advertised only within the hotel amongst current employees so family and community networks strongly influence access to jobs in the resort or hotel. Sector-specific issues are dealt with further in the horticulture and tourism sections below.

Indo-Fijian households do not have the same communal obligations but rather extended household dynamics come into play. Many respondents told us that they had not moved away for better jobs, or had returned home to lower paying jobs because of the desire or need to be close to their family. This typically meant a man's (and occasionally a woman's) birth family would also return home whether married, single or separated / divorced. Underlying issues that also contribute to this decision are reduced costs in a shared household as opposed to extra living costs, such as rent, when working in another location, a less stressful work environment or feelings of alienation when far from home.

Another aspect of the Indo-Fijian extended family is land inheritance by the oldest son. At first this seems like the oldest son gains all while the sisters marry and younger brothers must fend for themselves. However, we learned of households where the oldest son left school very young, helped run the farm, and educated the younger siblings. For example, in the Sigatoka Valley, we spoke to a successful farmer who had left school at 10 years of age to work on the farm and contributed to the education of his younger siblings – one of his brothers is currently a doctor in Australia while his sister is a teacher in the USA. The elder brother did inherit the family farm so there is some equity in such arrangements. However not all family situations play out as evenly. Another very poor farmer that we interviewed was a sharecropper on his older brother's farm – that is, he farmed sugarcane for his brother who retained the earnings, and then was allowed to also grow food for his own consumption. The elder brother had been educated while the parents were alive and left the farm to find work in an urban area, but they passed away before the younger son was educated. The land was still inherited by the firstborn son who decided not to assist the younger brother in a more effective way.

Church Obligations

Many of our *iTaukei* interviewees tithe 10% of their income to the church, and often give more for special fundraising drives for renovations and other expenses. This places a significant burden on households that are cash poor, particularly when it is in addition to communal obligations noted

above. People who leave the village and live in rural settlements or urban areas appear to tithe less and so their expenditure on church obligations is lower. Of the tourism households that were surveyed in Viti Levu, annual church givings ranged from \$170 to \$500 with a median amount of \$350.

Our findings match those of other researchers across sectors in Fiji, as noted in the following example from three fishing villages.

Example of Church and Social Obligations for Poor Households in Fiji

The average daily income per person per day was FJ\$1.49, or FJ\$550 per year. Broken down by village, this comes to Dravo FJ\$2.27 per day, Naisogovau FJ\$0.43 per day, and Namuka FJ\$1.76 per day. Naisogovau had the highest number of people working, yet the lowest average income. A possible reason for this is that the average wage for people is low. For example, a security guard with a family of 7 had an income of FJ\$40 a week. Major items of household expenditure were by order: foodstuffs and water, school fees, church tithes and transport. Church tithes were high, from FJ\$50 to FJ\$250 per household per year. Village fees and functions (soli) averaged FJ\$60 per year.

Source: S. Zann and L. Zann, 2008

There is not an equivalent financial burden of regular church obligations for Indo-Fijians of different religions.

Economic Challenges in Informal Urban Settlements

Urban poverty, with a focus on informal settlements, is covered in Part Three with a background paper included as Annex Two. In this section, we briefly introduce the general economic challenges—which are further elaborated in Part Three – faced by households in informal urban settlements that make up a significant number of the poor in Fiji.

Through our urban research, we learned that families who live in urban settlements are often caught in a poverty trap due to the following factors:

- Under- and unemployment is widespread and individuals are unable to secure better jobs
- Even those with more regular or permanent jobs are often earning the minimum wage
- Households often only have one income earner
- Those who stay home rarely start small businesses as this is illegal
- There is a rising cost of food without a comparable rise in incomes
- The high cost of living as compared to incomes means that families have difficulty saving for their children's tertiary education
- There are school fees for even primary and secondary school
- Insecure land tenure means that land and houses cannot serve as collateral for loans

Part Three and Annex Two elaborate further on informal settlements, urban poverty, opportunities and barriers.

Gender Dynamics – Roles and Controls

The situation for women and men is not the same, and there are differences with regard to the roles and controls of *iTaukei* versus Indo-Fijian households. This section examines gender dynamics through gender and ethnicity, enabling environment, education, employment, agriculture and specific poverty indicators.

Gender and Ethnicity

The roles and controls of women are impacted by ethnicity, although the findings below are tendencies, and households within ethnicities vary. It should be noted that male-dominated hierarchies are common regardless of ethnicity which has compromised women's roles in society in general, while increasing education and changing norms are reflected in both groups.

iTaukei culture places considerable emphasis on communal values, respect for the authority of chiefs, who are predominantly male, and the precedence of men before women.⁴⁴ Gender dynamics are influenced by these traditional values that allow women few if any rights to inherit land or formally own property, or to take part in public decision-making. However, *iTaukei* cultural norms do not place restrictions on women's mobility or on most types of economic participation. As greater numbers of *iTaukei* move into the urban middle class, gender values are becoming more liberal while differences remain more pronounced in rural areas.

Increasingly *iTaukei* value secondary and higher education – for both girls and boys – as a means of social and economic mobility. As our research corroborated, *iTaukei* women are active in informal small-scale fisheries, food production, and produce marketing, and also in formal commercial agriculture and agricultural processing, the hospitality and tourism sector, and other occupations in the paid labour force.⁴⁵ Further, we often heard of *iTaukei* women managing household finances and in some cases that *iTaukei* men are comfortable in accepting woman's authority which is not always the case amongst Indo-Fijians.

Indo-Fijian society is more culturally diverse than *iTaukei* society, as Indo-Fijians originate from many different parts of the Indian subcontinent and gender relations are influenced by various traditional cultural values.⁴⁶ Most belong to various Hindu denominations, but there is also a minority of Muslims and Christians of various denominations. Patriarchal ideology emphasises formal male authority in decision-making and over property ownership. Most Indo-Fijians with land practice father-to-son inheritance. The predominance of men on smallholdings as titleholders to land leases and cane contracts and the lack of women in this role reflects gendered notions of ownership, the control of land and the commercial production of cane.⁴⁷ A woman not having her name on the lease title legally means she has no right of ownership and effectively control and use of the land has to be negotiated within the farming family.⁴⁸ Secondary sources report and our research found that education and employment for women have become increasingly valued, especially in socially acceptable occupations, such as professional and clerical work. For example, in the tourism sector Indo-Fijian women work more in administration and technical fields rather than as housekeepers.

⁴⁴ Asian Development Bank, *Country Gender Assessment: The Republic of Fiji Islands*, (Manila, Philippines: ADB, 2006)

⁴⁵ Asian Development Bank, *Country Gender Assessment: The Republic of Fiji Islands*, (Manila, Philippines: ADB, 2006)

⁴⁶ Chatter Priya, 'Gender, Survival and Self-respect: Dimensions of Agency for Women within a Poor Rural Indo-Fijian Community' (PhD diss., The Australian National University, 2008).

⁴⁷ Carswell Sue, 'A family business: women, children and smallholder sugarcane farming in Fiji', *Asia Pacific Viewpoint*, Vol. 44.no.2 (2003): 131-148.

⁴⁸ Carswell Sue, 'A family business: women, children and smallholder sugarcane farming in Fiji', *Asia Pacific Viewpoint*, Vol. 44.no.2 (2003): 131-148.

Some Indo-Fijian communities place restrictions on women's mobility and rural communities particularly consider it more socially acceptable or prestigious for women to work only in the home and family compound,⁴⁹ as we observed in many horticulture households. However, among the urban middle class, gender values have become more liberal.⁵⁰

Enabling Environment for Gender Equality

There has been significant progress in the march for women's rights, with better outcomes in a few domains – both in absolute terms and relative to men. The Gender-related Development Index of Fiji is 0.757, with a ranking of 82nd in the world.⁵¹ With the efforts of the national machinery for gender in Fiji, gender mainstreaming and women's involvement in political, social and economic activities has been promoted. This has been made possible through many international and regional gender equality commitments of Fiji government. For instance, the Government of Fiji ratified the *Convention on the Elimination of All Forms of Discrimination against Women* (CEDAW) in 1995. Other than CEDAW, the regional gender-specific dialogues were committed, such as *Convention on the Rights of the Child* (1993), *Pacific Platform for Action* (1994), the *Jakarta Declaration for the Advancement of Women in Asia and the Pacific* (1994) and the *Platform for Action and Beijing Declaration* (1995), *Millennium Development Goals* (2000). Finally, the 1998 Constitution includes the statement that all people in Fiji have equal right and status.

Following the 4th UN World Conference on Women in Beijing in 1995, the government formulated the *National Women's Plan of Action 1999–2008* in 1998.⁵² The Plan consists of the five actions:

1. mainstreaming women and gender concerns;
2. women and the law;
3. micro-enterprise development;
4. balancing gender in decision-making; and
5. violence against women and children.

For each action, a task force was established and the task forces have consisted of various relevant organisations. In terms of gender related laws and regulations, as of March 2006, the following laws and policy have been enacted: Penal Code, No Drop Policy, Family Law Act and the National Policy on Sexual Harassment in the Workplace in 2008.

A few women's civil society organisations such as Fiji Women's Rights Movement and Fiji Women's Crisis Centre have been particularly instrumental in getting policies and laws in place for women's rights and gender justice in Fiji. The new legislations are the result of civil society determination to advance women's rights, and strong cooperation between the Government and non-government agencies.⁵³ The positive impact of such enabling environment can be witnessed in some of the gender equality outcomes noted below.

⁴⁹ World Bank, *World Development Report 2012: Gender Equality and Development*, (Washington D.C.: World Bank, 2012).

⁵⁰ Asian Development Bank, *Country Gender Assessment: The Republic of Fiji Islands*, (Manila, Philippines: ADB, 2006)

⁵¹ United Nations Development Program, *2007/2008 Human Development Report*, (New York, USA: UNDP, 2008).

⁵² Japan International Cooperation Agency, *Fiji Country Gender Profile* (Suva, Fiji: Public Policy Department, JICA, 2009).

⁵³ Jalal Imrana, *Law for Pacific Women: A Legal Rights Handbook*, (Suva: Fiji Women's Rights Movement, 1998).

Women's Education

Fiji has achieved gender parity in primary and secondary education, and is close to the same in tertiary institutions. In year 2000, at the age of six (primary education) 97.5% of females and 97.6% of males attended school in Fiji. By 2006, the rate fell to 91.1% for female enrolment and 91.4% for male enrolment.⁵⁴ Women are less likely than men to enrol in tertiary education programmes even though more girls are now able to complete secondary schools.⁵⁵ However, female enrolment is 7% higher than males at ages 23–34, usually the ages of young career development.

There are ethnic differences in female–male enrolment ratios at the national level. Indo–Fijian females have a higher school attendance over Indo–Fijian males at both junior and senior secondary school ages (by 5% and 14% respectively). While *iTaukei* females exhibit enrolment rates of 10% less than *iTaukei* males at tertiary ages, Indo–Fijian females have a rate 3% higher than their male counterparts.⁵⁶ Both *iTaukei* and Indo–Fijian females have an advantage at the career development ages of 23 to 34, with the latter group having a large 18% advantage. This is the age when females decide to go back to studies after marriage and raising children.

Gender differences are somewhat different between rural and urban areas as well. In rural areas, females have a higher participation rate at junior secondary (12–15) and senior secondary ages (16–18) but considerably lower at tertiary levels (by 27%) and at young adult levels (23–34) by 16%.⁵⁷ In urban areas, however, females have an advantage over males at all age levels. The urban enrolments at the pre-school ages (2–5) for both males and females are double that in the rural areas. Similarly, the enrolment at senior secondary ages (16–18) are also much higher in the urban areas, for both females and males.

Women's Employment

Female labour force participation has grown with expanding economic opportunities drawing large numbers of new female workers into the market. The female labour force participation rate increased from 29.1% in 1990 to 39.2% in 2007, while for males this rate actually declined from 83.6% in 1990 to 78.8% in 2007.⁵⁸ The gender gap narrowed, with the labour force participation rate increasing for women with some levels of education.⁵⁹

In the private formal sector, women's employment is concentrated in manufacturing, particularly in the fish processing and garment industries, and in hotel and related hospitality services.⁶⁰ Women in the private sector are likely to be on wages rather than salaries, in junior positions and non-unionised.⁶¹ Though women have a slightly higher share of employment in retail and wholesale trade, hotels, and restaurants than men do, it is mainly in low-wage positions. Employment is likely to grow in tourism-related industries in the immediate future with increased investment in the tourism sector.

The informal economy remains a flexible and important source of economic opportunity for women. According to the 1989–1990 HIES, 78% of all informal economic activity was in agriculture, forestry, and fishing, with another 18% classified as manufacturing.⁶² Typical informal activities are town

⁵⁴ Fiji Ministry of National Planning, *Millennium Development Goals: 2nd Report 1990–2009 for Fiji Islands* (Suva: Ministry of National Planning, 2010).

⁵⁵ Fiji Bureau of Statistics, *2007 Census of Population and Housing*, (Suva: Fiji Bureau of Statistics, 2008).

⁵⁶ *Ibid.*

⁵⁷ *Ibid.*

⁵⁸ Fiji Ministry of National Planning, *Millennium Development Goals*.

⁵⁹ Wadan Narsey, *Gender Issues in Employment, Unemployment and Incomes in Fiji* (Suva, Fiji: Vanuavou, 2007).

⁶⁰ Asian Development Bank, *Country Gender Assessment: The Republic of Fiji Islands*, (Manila, Philippines: ADB, 2006)

⁶¹ Wadan Narsey, *Gender Issues in Employment, Unemployment and Incomes in Fiji* (Suva, Fiji: Vanuavou, 2007).

⁶² Fiji Bureau of Statistics, *1989–1990 Household Income and Expenditure Survey*, (Suva, Fiji: FIBOS, 1990).

market and roadside stalls selling fish, fruit, vegetables, cooked food, handicrafts, and second-hand clothes. A study of 150 informal businesses conducted in 2003, indicated that 28% of those directly involved were women.⁶³

There are also ethnic differences in female labour force participation rates (LFPR) which help to give rise to the lower aggregate Female LFPR for Fiji. While *iTaukei* females had a LFPR of 44% (for those aged 15–64), Indo–Fijian females had a considerably lower rate of 29%, thus also having the largest gender gap with Indo–Fijian males.⁶⁴ This was most evidenced in our research by the low numbers of Indo–Fijian women working outside the home unless in office or technical jobs.

Women in Agriculture

It has long been noted that women actively participate in almost all aspects of agricultural production in Fiji, including farming, marketing, food processing and distribution, and export processing.⁶⁵ Our study revealed that Indo–Fijian women are more likely to be unpaid household labour, while *iTaukei* women work both on the homestead and as labourers on farms and in processing plants. In fact, an earlier survey in the Sigatoka Valley found that *iTaukei* women do more routine agricultural work than men; their workloads included subsistence cultivation and market gardening, and collecting and selling shellfish from the river. *iTaukei* women – who do not have the same mobility issues as many Indo–Fijian women – also provided most of the intermittent and seasonal agricultural daily wage labour on nearby commercial farms⁶⁶ and we learned they are preferred by many farmers as more reliable workers.

The organisation of work within the farming household is mainly based around the married couple who negotiate work programs that are often separate but also shared.⁶⁷ There are normally two spheres of activity, ‘housework’ and ‘farm work’. Certain tasks on the farm are seen as more suitable for women, children or men. Women do house and farm work but do not plough or drive tractors, nor are they formally employed in cane harvesting gangs. However, women participate in all other activities involved with cane production such as planting, fertilising and weeding. Depending on the agricultural calendar a woman could spend anywhere from two to ten hours a day involved in agriculture.⁶⁸ Women generally work longer hours on the farm if other female householders, including daughters, were helping with the childcare and domestic work.

Incorporated into this daily routine are commitments of work for social, religious and community obligations. Men do not generally do the daily cooking, food processing, cleaning the house, washing dishes and clothes, or care for children, the elderly or the sick (Ibid.). Carswell (2003) noted that men in particular seemed very protective of their masculinity and status and would refuse to do what they regarded as ‘women’s work’. A differentiating characteristic of the way women’s and men’s work is organised in that much of men’s work can be clearly located in time and place as farm work. Men finished harvesting or working on the farm for the day and could relax at home in the evenings while women continued working into the night processing and cooking food, caring for children and other household members, sewing, and weaving mats and baskets. That is not to say men are not involved in tasks too, but generally they have much more time to pursue leisure activities such as sport or to

⁶³ Chandra Dharma and Lewai Vasemaca, *Women and Men of Fiji Islands: Gender Statistics and Trends* (Suva, Fiji: University of the South Pacific, 2005).

⁶⁴ Wadan Narsey, *Gender Issues in Employment, Unemployment and Incomes in Fiji* (Suva, Fiji: Vanuavou, 2007).

⁶⁵ M. (1980). *Food in Fiji: The Produce and Processed Foods Distribution Systems*. Canberra: Australian National University.

⁶⁶ Schoeffel, Moce, and Makasiale 2005).

⁶⁷ Carswell Sue, ‘A family business: women, children and smallholder sugarcane farming in Fiji’, *Asia Pacific Viewpoint*, Vol. 44.no.2 (2003): 131-148.

⁶⁸ Ibid.

talanoa around a bowl or two of *kava* (grog). Some in the agriculture sector viewed opinions that grog is a contributing factor to men’s ‘laziness’ on the farm, although this could not be confirmed through this study.

Gender Findings from Fiji Financial Competence Study

Evidence from the Fiji Financial Competence Study,⁶⁹ suggests women in low income Indo–Fijian households are significantly less likely to be able to act independently than male counterparts in their households, as well as either men or women in low income *iTaukei* households.

This study highlights three factors which impact a person’s ability to act independently: earning their own income; being able to communicate in English; and owning or having access to a mobile phone.

Household members who do not earn their own income are dependent on household members who earn income. This potentially reduces the household member’s consumption choice set, and may reduce the household member’s ability to act independently of the principal income earner(s). While women generally were less likely to report earning their own income, as shown in Table 7, women in Indo–Fijian household are significantly less likely to report earning their own income. This was supported by our urban and rural research, although Indo–Fijian women reported that decision-making is shared and all family members benefit from increased income.

Table 7: Percent of Male and Females in Urban and Rural households who earn their own income

Ethnicity of Household	Gender	Urban	Rural
<i>iTaukei</i>	Male	81.8%	85.5%
	Female	60.0%	70.3%
Indo–Fijian	Male	84.6%	82.9%
	Female	21.4%	17.1%

Source: Fiji Financial Competence Study

English is the lingua Franca in Fiji, and the language used in official communication. Household members who cannot communicate in English are therefore less likely to be able to act independently outside the household. As shown in Table 8, overall most respondents reported they could communicate in English well enough to be able to deal on their own with a bank or a government department. However, rural Indo–Fijian women are less likely than any other group to be able to communicate independently in English. Our research found that while people could often communicate in English, they were sometimes not comfortable doing so.

⁶⁹ Sibley, J. E. (In press). *The Financial Competence of Low Income Households in Fiji*. Suva: United Nations Capital Development Fund.

Table 8: Percent of Male and Females in Urban and Rural households who can communicate in English

		Urban	Rural
<i>iTaukei</i>	Male	82%	73%
	Female	90%	92%
Indo-Fijian	Male	93%	83%
	Female	86%	69%

Source: *Fiji Financial Competence Study*

Most households do not have a landline and mobile phones provide independent access to the world outside the household. As shown in Table 10, that although overall levels of mobile phone ownership or access for members of low-income households in Fiji are high, women in rural Indo-Fijian households are relatively less likely to report ownership or access.

Table 9: Percent of Male and Females in Urban and Rural households who own or have access to Mobile Phone

		Urban	Rural
I-taukei	Male	81.8%	79.0%
	Female	80.0%	85.9%
Indo-Fijian	Male	100.0%	97.1%
	Female	92.9%	77.1%

Source: *Fiji Financial Competence Study*

Assessing Women’s Economic Empowerment in this Study

In this paper, we draw on the M4P conceptual framework for women’s economic empowerment (WEE) and key elements of the definition of WEE. In the sector chapters, we qualitatively assess women’s economic according to this definition, and compare the situation in horticulture to tourism and the case of Indo-Fijian women to that of *iTaukei* women.

M4P conceptual framework for women’s economic empowerment (WEE) and key elements of the definition of WEE:

- Economic advancement – increased income and return on labour
- Access to opportunities and life chances such as skills development or job openings
- Access to assets, services and needed supports to advance economically
- Decision-making authority in different spheres including household finances

Source: *Jones (2012)*

Pathways out of Poverty – General Strategies

The following describes the generalised strategies utilised by the households in our research to move out of poverty. These pathways are independent of sector, but incomes from the sectors of focus contribute to these more general pathways that are common in Fiji.

Education

We learned from our field research in both rural and urban settings that Fijians of both genders and ethnicities across regions and sectors place a high importance on education as a pathway to a better life. The current generation of parents is more educated than their own parents, and almost across the board, they are aiming for higher education for their own children. Moreover, we repeatedly heard from low-income households about the sacrifices they are making to send their children to secondary school and to provide some level of post-secondary training or education. When asked the best way to earn more or achieve greater financial stability in our HH questionnaire, ‘education’ was one of the top priorities commonly referenced – particularly in the tourism sector. Thirty-six of the 54 households in our study ranked education in the top three priorities for escaping poverty.

This is further evidenced by official country-wide statistics: secondary_schools statistics show that the male enrolment increased from 67.7% in 2000 to 74.1% in 2008, and female enrolment increased from 74.4 to 84.4% during the same period. In both primary and secondary schools, it is noted that females are enrolled in greater numbers than males.⁷⁰ Tertiary levels of education in Fiji have climbed from 0.7% in 1970 to 16.1% in 2005.⁷¹

More educated members of households are able to get jobs – both wage labour (such as in the tourism industry) and salaried employment. When both male and female head of household are earning wages or salaries (other than unskilled manual labour), the family is generally better off. And those who have skilled trades or professional qualifications are much more likely to earn well and / or to emigrate.

Urban Migration

Moving to urban centres, away from farming to wage or salaried employment, is also viewed as a pathway out of poverty for many Fijians. Our respondents in rural areas often spoke of family members (siblings, children) who had moved to urban centres – particularly after getting some level of education. Similarly, tourism respondents who already work in urban settings had frequently come to the city from a village or other rural location.

Countrywide, there has been a steady decline in the rural population since 1996 (see Table 6: Demographics below) and growth in the urban population with approximately 51% of population now in urban areas.⁷² UN Habitat reports that around 60% of Fiji’s GDP is produced in urban areas, and that cities and towns create the vast majority of formal sector jobs, including market support functions for the agricultural sector. However, urban employment creation is more likely in informal sector with 35–50% of Fiji’s urban population working there.⁷³

We learned from our urban respondents, including both tourism workers and those we met in informal settlements, that families move as a unit, or that single women or men move to urban centres for work. However, not all urban migration results in households being able to move out of poverty. In the informal settlements that we visited, while many women and men spoke of moving to the city to

⁷⁰ Government of Fiji, Ministry of National Planning (2010) *Millennium Development Goals: 2nd Report, 1990-2009 Report for the Fiji Islands* <http://www.undp.org/fj/pdf/Millennium%20%20Development%20Goals.pdf> viewed March 29, 2013

⁷¹ The data set 'School enrollment, tertiary (% gross)' for Fiji contains data from the year 1970 until 2005.

Definition: Gross enrolment ratio. Tertiary (ISCED 5 and 6). Total is the total enrollment in tertiary education (ISCED 5 and 6), regardless of age, expressed as a percentage of the total population of the five-year age group following on from secondary school leaving. (Source: Worldbank) <http://www.factfish.com/statistic-country/fiji/school%20enrollment.%20tertiary> viewed March 29, 2013

⁷² UN Habitat <http://www.unhabitat.org/content.asp?cid=8450&catid=44&typeid=70> viewed March 29, 2013

⁷³ UN Habitat <http://www.unhabitat.org/content.asp?cid=8450&catid=44&typeid=70> viewed March 29, 2013

find work and to educate their children, many were without full time or permanent jobs, lived in crowded and substandard housing, were frustrated by the rising cost of living, and did not have obvious opportunities to change their circumstances. Please refer to Part Three and Annex Two for more details on urban poverty.

Emigration and Remittances

Unfortunately for Fiji, a very high percentage of tertiary educated individuals emigrate from Fiji – calculated at about 62% in the year 2000⁷⁴ (by comparison, Tonga and Samoa were both over 75% while Papua New Guinea and the Solomon Islands were just over 25%).⁷⁵ Gender statistics are not available on migration. Emigration of household members overseas can be a pathway out of poverty for the individual as well as for the extended family back in Fiji. Index Mundi reports that the value for remittances to Fiji was US\$22,000,000 as of 2010. Over the past 31 years this indicator reached a maximum value of US\$44,298,870 in 2008 and a minimum value of US\$8150,583 in 1982.⁷⁶ Respondents in both horticulture and tourism sectors told of educated family members – both male and female – who had gone overseas to Australia, New Zealand and the United States and were working as labourers, teachers, doctors, nurses, and business people.

Access to Land

As we learned from our field research, access to land is seen as an important step forward by both rural and urban households – for rural households, it means greater income generating opportunities while for urban households, it results in improved living conditions and greater stability for the whole household. Title of land is typically (but not always) in the male's name or part of *mataqali* land. While general household decisions are usually jointly made, in Indo-Fijian families, men make the farming decisions. This appears to be more mixed in *iTaukei* households.

As described in an earlier section, land ownership is a complex issue in Fiji. It appears that the system is becoming more regulated with boards for managing native and crown lands, and new long-term leases being granted. Without the longer-term option, it is not feasible for farmers to invest in upgrading farmland, improving productivity and increasing household income. The latter particularly affects Indo-Fijian households who do not have access to *Mataqaliland*. Although the reverse is true for *iTaukei*, and they have access to communal land, their efforts to upgrade are hampered by other reasons. Also, the land reserved for farming can be in remote locations while the better farm land has been leased to commercial farmers or to resorts. In fact, some *iTaukei* farmers are renting or leasing land away from their own village in order to engage in more commercial agriculture. Sorting out of land access issues is critical to reducing rural poverty. Further, although *iTaukei* have communal land this can hamper them since access to finance is provided to those with freehold or leased land. Also, communal land can be leased out for resource extraction or tourism development by the *mataqali*, and the average household does not necessarily benefit from earnings on the communal land. According to our respondents, this is because the lease income is so low that individual families do not receive significant direct benefits, or because the funds stay among the elite in the community, perhaps for communal events.

⁷⁴ (Source: Worldbank) <http://www.factfish.com/statistic-country/fiji/school%20enrollment,%20tertiary> viewed March 29, 2013

⁷⁵ Nation Master Immigration Statistics http://www.nationmaster.com/graph/imm_emi_rat_of_ter_edu_of_tot_ter_edu_pop-rate-tertiary-educated-total-population viewed March 29, 2013.

⁷⁶ <http://www.indexmundi.com/facts/fiji/workers'-remittances-and-compensation-of-employees> viewed March 30, 2013

PART TWO: SECTOR-SPECIFIC FINDINGS

The sector-specific qualitative field research study examined dimensions of poverty, gender and ethnicity in nine areas throughout Fiji: Viti Levu, including Sigatoka, Nadi, Ba, and Rakiraki; Vanua Levu, including Savusavu, Bua, and Labasa; the Yasawa islands; and Taveuni. This chapter reports on the findings for horticulture and tourism in Fiji across poverty, and gender dimensions and references contextual variations when appropriate. For example, the report includes context-specific observations such as: households have reduced access, fewer opportunities and lower incomes further up valleys in remote areas where *iTaukei* villages predominate. Ethnicity is regarded as a cross-cutting theme of poverty and gender, and is therefore not treated separately.

As noted earlier in the document, our poverty calculations use the per Adult Equivalent (pAE) income for the household. Narsey states in his analysis of the HIES 2008–2009 ‘for those who may need to make international comparisons, a population weighted [urban and rural] BNPL for all of Fiji is estimated to be about \$175 per week in 2008–2009 for a household of four Adult Equivalents.’⁷⁷ This would mean \$9100 for four, or very roughly \$2275 pAE (recognising that larger and smaller houses will have different economies of scale). Further, while the HIES collects data and calculates HIES for children under 14, our data was collected for under 18. In reality, if we used the HIES calculation, we would have more adult equivalents and therefore deeper poverty. This may mean some ‘error’ for households around the BNPL, but this does not affect our overall qualitative study findings.

Moreover, although a significant number of houses are above the BNPL, they are often marginally so and therefore are still vulnerable and at risk of falling into poverty if economic shocks or other factors impact their ability to earn. As noted earlier, the World Bank calculates that the percentage of the population in Fiji who are marginally above the poverty line is from 13% to 23% depending on the actual calculation used.⁷⁸

Our overall research findings reveal that horticulture households (including all sources of income) are generally poorer than tourism households with respective average pAEs of \$1967 and \$3683.

Households dependent on farm labour only are even poorer than farmers in our sample, at \$923 pAE on average, and our very small sample of agro-processing labour reveals that this form of wage labour leads to higher pAE than farming at \$2834 pAE⁷⁹, but lower than tourism – suggesting that wage labour in general leads to lower levels of poverty. Of the 52 households providing income information, 23 (15 horticulture; eight tourism) were above the BNPL and 29 below (26 horticulture; three tourism).

Table 10: Average pAE across All Households Surveyed

Main Occupation Type	Average of House hold Per adult equivalent (pAE) in FJ\$
Farm	1,967
Farm Labour	923
Farm Processing	2,834
Tourism	3,683
Overall Average	2,214

⁷⁷ Narsey, W., Raikoti, T., & Waqavonovono. (2010). *Preliminary Report: Poverty and Household Incomes in Fiji in 2008-09 (2008-09 Household Income and Expenditure Survey Results)*. Suva: Fiji Islands Bureau of Statistics. P.10.

⁷⁸ World Bank (2011) Report No. 63568-FJ *Assessment of the Social Protection System in Fiji and Recommendations for Policy Changes*, Human Development Sector Unit, Pacific Islands Operations, East Asia and Pacific Region.

⁷⁹ Processing labour only surveyed on Viti Levu.

Further, although the poorest households are in Vanua Levu and the most prosperous in Viti Levu, the average incomes and pAEs are slightly higher in Vanua Levu in both Horticulture and Tourism. Due to our low number of household questionnaires, these numbers are not statistically representative but based on our targeted selection of households- they are indicative. These findings suggest greater wealth disparity in Viti Levu as the economy develops. It should also be noted that the households earning income from Horticulture farming in Vanua Levu also had other non-farm sources of income more often than farming households in Viti Levu. Average net income from farming activities only was, in fact, higher for households in Viti Levu than in Vanua Levu; while average farm size was lower in Vanua Levu. This indicates that while average pAEs for horticulture households might be higher in Vanua Levu, these households are more reliant on diversified income sources than on farming alone. This is likely in part due to the limited markets on the island for agriculture, particularly horticulture, crops and difficulty accessing markets on other islands.

Table 11: Average pAE in Vanua Levu and Viti Levu in HHs Surveyed

HH Type	Average pAE Vanua Levu	Average pAE Viti Levu
Horticulture Households ⁸⁰	2,089	1,829
Tourism Households	3,691	3,679

Also as described earlier, we assess women’s economic empowerment based on the key elements outlined in the M4P conceptual framework for women’s economic empowerment (WEE):⁸¹

- Economic advancement – increased income and return on labour
- Access to opportunities and life chances such as skills development or job openings
- Access to assets, services and needed supports to advance economically
- Decision-making authority in different spheres including household finances

In summary, we find that women in the tourism sector have many opportunities for individual earning income and achieving greater financial return on labour than would otherwise be available to them, while women in horticulture are part of a household and tend to benefit jointly from increased household earning. Therefore tourism and horticulture both provide opportunities, for income increases, but horticulture is more constrained in regards to skills development or job openings (however that can be applicable for both genders). While women in tourism are more able to access services for training and jobs, women in horticulture are less involved in agriculture trainings, access to their own land and inputs, and access to finance. Women in both sectors reported joint decision making in the household, and indeed *iTaukei* women especially exhibited significant control with regard to household finances.

Horticulture sector Findings

Agriculture was once the cornerstone of Fiji’s economy but went into decline as the sugarcane industry suffered. In recent years, the contribution of the agriculture sector to GDP has continued to decrease from 12.3% in 2001 to 10.4% in 2008, 9.1% in 2009 and 8.9% in 2010. This decline has resulted from a combination of factors: vulnerability to natural disasters, minimal private investment

⁸⁰ Excluding farm labour, in order not to skew results, as data on households dependent on farm labour was not collected in Vanua Levu.

⁸¹ Jones, L. (2012) Jones, L. (2012) *Women’s Economic Empowerment Framework* M4P Hub paper for DFID, Sida and SDC.

in the sector, inadequate infrastructure, marketing and distribution deficiencies, soaring production costs due to high input costs, and last but not the least, the expiration or non-renewal of native land leases. Despite this decline, the sector is still the main source of employment across Fiji.⁸²

Within agriculture, horticulture is a growing sector and makes up approximately 47% of total Agriculture GDP. In 2010, Horticulture GDP contributed an estimated 3.7% of total GDP. Exports of fruit and vegetables alone grew by 18% in 2010, while overall exports of agricultural and prepared food items fell by 3%.⁸³ The markets for Fiji's horticulture sector are for local consumption, tourism, export of high value commodities and niche agricultural produce.

In the horticulture sector households tend to operate as a single unit, with much decision-making shared (although in Indo-Fijian households men may make more decisions about farming) and benefits also distributed throughout the family regardless of gender. For example, households which earn well aim to educate their children to the tertiary level regardless if they are male or female.

More detailed information on the horticulture sector is available in the MDF sector report. This section focuses on poverty and gender dimensions, with cross-cutting information on ethnicity.

Household and Regional Poverty Analysis

Although our study was qualitative, and did not elicit information from a statistically meaningful sample, some tendencies emerged from the data collected that support and supplement our qualitative findings. This information is presented here in tabular form to support our findings, but it is not necessarily statistical proof of a comprehensive trend.

The following table details the incomes of households surveyed in the horticulture sector. The majority of the households are low-income, and as we shall see later, almost two-thirds fall below the BNPL when number of adult equivalents is calculated.

Table 12: Summary of Net Income from all Household Sources in Horticulture HHs Surveyed

Indicators on Household Income (n=41)	All horticulture Households (Farmers and Labourers)		
	Indo-Fijian	iTaukei	Total / Avg
Number of Households	19	15	34
Average Total Annual HH income (FJ\$)	\$8366	\$9081	\$8672
Median Total HH Annual income (FJ\$)	\$8567	\$7802	\$8446
Average Annual HH income from farming (or farm labour) only (FJ\$)	\$5183	\$7216	\$6054
Median Annual HH income from farming (or farm labour) only (FJ\$)	\$6200	\$6523	\$6265
Highest Total Annual HH income (FJ\$)	\$22,154	\$24,505	\$24,505
Highest Annual HH income from farming (or farm labour) only (FJ\$)	\$13,890	\$24,505	\$24,505
Lowest Total Annual HH income	\$550	\$1488	\$550
Lowest Annual HH income from farming (or farm labour) only (FJ\$)	\$50	\$1488	\$50

⁸² MDF (2012) *Horticulture Sector Report*

⁸³ Investment Fiji (2012) Agriculture Industry <http://www.investmentfiji.org.fj/pages.cfm/for-investors/sector-industry-profiles/agriculture-industry.html> viewed March 29, 2013

Table 13: Summary of Net Income from all Household Sources in Farm Labour HHs Surveyed

Indicators on Household Income (n=41)	Farm Labour Households		
	Indo-Fijian	iTaukei	Total / Avg
Number of Households	4	3	7
Average Total Annual HH income (FJ\$)	\$2669	\$4700	\$3346
Average Annual HH income from farm labour only (FJ\$)	\$2235	\$6912	\$3989
Highest Annual HH income from farm labour only (FJ\$)	\$2928	\$11,336	\$11,336
Lowest Annual HH income from farming (or farm labour) only (FJ\$)	\$2548	\$3640	\$2548

Further, horticulture households are large (averaging 5.9 people) and show other characteristics of poorer households: the houses are more often made of inferior materials, and there are more households without indoor flush toilets, electricity or alternative cooking fuels to wood. The following tables summarise our findings in the sector from HH Questionnaires.

Table 14: Summary of Housing Conditions in Horticulture Sector for HHs Surveyed

Household poverty Indicators (n=43 households)	Indo-Fijian	iTaukei	Total
Average HH Size	5.1	7.0	5.9
Number of HH living in houses made of Thatch	0	2	2
Number of HH living in houses made of Tin / Old Wood	21	15	36
Number of HH living in houses made of New Wood	0	1	1
Number of HH living in houses made of Concrete	2	1	3
Average Number of Rooms in House	3.8	2.3	3.1
Number of HH with an indoor flush toilet	15	12	27
Number of HH without electricity (i.e. using kerosene lamps only)	2	6	8
Number of HH which use only wood for cooking fuel	10	14	24

While *iTaukei* households have the advantage of access to a share of *Mataqali* (village) land for which they do not need to pay a lease or rent, as noted above, their allotments are often of lower quality than leased-out land, and their villages may be more remote from main roads, middlemen and markets. *iTaukei* households are more likely to be subsistence farmers or grow root crops for consumption and sales, although we learned from key informants and *iTaukei* respondents that many are shifting from root crops to horticulture. Also, Indo-Fijians have a longer history of ‘commercial’ farming – that is earning an income as farm labour, operating their own farm for sales of production, or a combination of the two. They often live in land closer to main markets, and are not as burdened by village and church obligations – which take both money and time. While they do often lease land, the leases are normally 30–20099 years in length, and provide a secure livelihood opportunity.

We cannot separate out the poverty of men and women because farming households are an economic unit. According to our research, all household members benefit as income increases – for example, we witnessed an equal commitment to educate boys and girls even up to the tertiary level (reflecting the

national statistics provided above). Other gender dynamics such as control over finances and decision-making are treated in the section on gender that follows.

The following table breaks down horticulture income by region. Although the sample size was too small to indicate relative poverty between regions, this table does reflect the generally greater wealth in horticulture and opportunity (access to markets) of the Sigatoka Valley versus other regions, while at the same time illustrating the region's greater reliance on farming. In Savusavu, on the other hand, while the overall income of horticulture households is almost as high there is much lower reliance on horticulture alone.

Table 15: Average Net Incomes (\$FJ\$) in Horticulture HHs Surveyed by Region

Region	Average of Total HH Net income (FJ\$)	Average of Net income from own farm (FJ\$)	Average of Income from Farm Labour or Processing Labour wages (FJ\$)
Ba	9,097	6,479	2,928
Bua	4,558	125	
Labasa	9,812	7,932	
Macuata / Bua	8,901	3,356	
Nadarivatu	12,117	10,217	
Nadarivatu / Naitasiri	6,523	6,523	
Navua (Export Processing labour)	11,336	-	6,760
Ra	1,894	1,894	
RakiRaki	9,963	6,764	3,640
Savusavu	13,404	5,069	
Seaqaqa	5,209	3,909	
Sigatoka (all areas)	8,524	8,342	3,830
Sigatoka (lower west valley only)	14,160	14,160	
Tavua	8,281	9,859	2,548

In addition to farm labourers and farming households, we explored the situation of workers in processing plants. According to our small sample size, these workers have higher incomes as wage earners than their farming counterparts. Agro-processing workers who were interviewed in Viti Levu had an average pAE of \$2834, a pAE that is both above the poverty line and significantly higher than the average among farmers and farm labourers.

The table below shows the number of households in each area which are above or below the poverty line using pAE and total household income.

Table 16: Households poverty distribution by area (based on pAE from total household income)

Location	Number of HH Above Poverty Line	Number of HH Below Poverty Line
Viti Levu	7	16
Ba	2	3
Nadarivatu / Naitasiri	1	1
Navua	1	0
Ra	0	1

Location	Number of HH Above Poverty Line	Number of HH Below Poverty Line
RakiRaki	1	3
Sigatoka	1	5
Tavua	1	3
Vanua Levu	8	10
Labasa	3	3
Macuata / Bua	2	4
Seaqaqa	0	2
Savusavu	3	1

As mentioned previously, the households in Vanua Levu also had other non-farm sources of income more often than farming households in Viti Levu did, leading to a larger portion of households above the poverty line. In fact, net income from farming activities is only higher for households in Viti Levu than in Vanua Levu, while average farm size was lower in Vanua Levu. This indicates that while horticulture households in Vanua Levu are more reliant on diversified income sources rather than on farming alone. This strategy helps increase household incomes and is likely in part due to the limited markets on the island for agriculture, particularly horticulture, crops and difficulty accessing markets on other islands.

Who is Poor in the Horticulture Sector and Why

This section describes the main groupings of the poor in the horticulture sector to help target interventions for poverty reduction. As our study is qualitative and not statistically representative, we are making generalisations. Further, poverty is multi-dimensional, so there may be contributing or mitigating factors that push a household into or brings them out of poverty. This section discusses who is poor and why they are poor, and then details a range of factors that contribute to poverty.

Twenty-six (26) of the 41 horticulture households providing income information in Viti Levu and Vanua Levu are living below the BNPL. The household is considered as a unit – not disaggregating gender – since male and females contribute paid and unpaid labour, make many decisions jointly, and benefit from increased incomes.

Table 17: Summary of Poverty in Horticulture Households

Horticulture Household Summary	
Number of Households used in calculations	41
Number of Households below the poverty line	26
Basic Needs Poverty Line (pAE) used for calculations	\$2275
Average pAE of farming households	\$1967
Average pAE of farm-labour households	\$923
Average Total Net Income for all Horticulture Households (all income sources)	\$8672
Average Net Farm income for all Horticulture Households (farm income only)	\$6054

Our study found that horticulture households – whether *iTaukei* or Indo-Fijian – are more likely to be poor if they fall into one of the following categories:

- Farm labour households
- Farming households with small plots of land and less crop diversity
- Farming households without additional off-farm income

Each of these categories is elaborated in the following with a household profile to illustrate their situation. Additional profiles are found in Annex Three.

Farm labour households

Farm labour households are poor because farm wages are low – averaging about \$15 per day regardless of gender – and labourers do not often work consistently throughout the year. Even if a farm labourer were fortunate enough to work 300 days per year (earning \$4500), a household of two adults, or one adult and two children, would fall below the poverty line. Generally, however, they work much less (are underemployed) and the farm labour households that we interviewed earn on average \$3086 per year from farm labour. Of the farm labour households interviewed,⁸⁴ all of them were below the poverty line. Half of the households were entirely dependent on farm labour. From the small sample, for those households with other sources of income, income from farm labour made up at least 72% of total household income – making them very dependent on the income from farm labour, with other sources only minor supplementary sources. Each of these households had no land of their own (communal, freehold or leased). Farm labourers could earn more if they had access to land and could farm in their own right, but land access – as we discuss elsewhere in this document – is a challenge due to availability and finance.

Farm Labour Household Profile: In Viti Levu, the household with the lowest gross income of \$2548 (Ref:H07) is an Indo-Fijian nuclear family of six with two adults and four children near Tavua. Both the husband and wife are wage labourers: the former earns \$2088 per year from farm labour and the latter \$360 from working as a maid. They often have to borrow money from family or friends to cover basic needs and schooling, and sometimes they are refused. The husband is a child from his father's second marriage, and there were already five sons from the first marriage. The other sons left the parental home to work elsewhere, and he remained to look after his father and mother, and so the land and house were left to him. Animosity between brothers led to a land dispute, and the household was left without land. In the recent cyclone their house was blown away and the family came for shelter at a church community hall for refuge. The church members are now asking them to leave the church hall, but they have nowhere to go. Although this family is very poor, living a hand to mouth existence, they are working hard to make a future for their kids through education. They believe that while education will improve their children's opportunities, the household's current need is for a house and a small piece of land to secure a sustainable livelihood.

Income Calculation: \$2548 per 4 adult equivalents = \$637 pAE per year.

Other indicators: no land, no house

⁸⁴ A total of six farm labour households were interviewed, however samples chosen are not necessarily statistically representative.

Farming households with small plots of land and less crop diversity

Farming households with small plots of land and less crop diversity (in this case we are referring to horticulture, root crops or sugarcane) do not usually make enough money to rise above the poverty line in the households that we surveyed. Of the households reliant on farm-income only (n=11), nine are below the poverty level and have an average land size of about eight acres. These households either grow horticulture only or a combination of horticulture and rootcrops. The two households above the poverty line have five acres (growing horticulture and sugarcane) and 21 acres (growing horticulture, rootcrops and sugarcane). While this makes conclusions about land size in relation to poverty levels difficult to verify, from this study's sample, land size appears to correlate with cropping patterns and cannot be disconnected. That is, those with the highest incomes have diversified cropping and larger plots of land, while those with the lowest incomes are focused on fewer crops and have smaller plot sizes. The average net income for the 13 single-crop households that we interviewed is \$3966, for the nine two-crop households it is \$6846 and for the two households that grow all three the net income reaches \$17,361. Their respective average land amounts for the three categories are: single crop – 5.7 acres, two crops – 12.9 acres, and three crops – 18.5 acres.

However there are some smaller farms that do well (see case below of farmer with 5 acres above the poverty line), and as noted in the following section there is a range of factors that contribute to poverty levels in horticulture households. This will be further analysed by MDF in planned future studies.

Table 16 shows the distribution of all households' land size in relation to those above or below the poverty line and the number of crops grown from this study. Initially there appears to be a trend between land size and whether a household falls above or below the poverty line, except for in the 10–14 range where more households fall below. As mentioned, the more specific relationship between poverty, land size, and cropping patterns will be further analysed by MDF in planned future studies. Nonetheless, the results of this qualitative study indicate that those with less than eight acres are still more likely to be poor than not.

Table 18: Number of households per land size that are above / below poverty line and grow One, Two or Three crops

Households reliant on own-Farm income Only (n=31) ⁸⁵	0–4 acres	5–9 acres	10–14 acres	15–19 acres	20+ acres
Total number of Households with specified acreage	11	8	5	2	5
Number of Households above poverty line (using pAE)	4	4	1	1	4
Number of Households below poverty line (using pAE)	7	4	4	1	1
Number of Households growing One crop	8	3	1	1	0
Number of Households growing Two crops	3	5	4	0	5
Number of Households growing Three crops	0	0	0	1	0

Smallholder with Four Acres Profile: The lowest earning *iTaukei* household – and also the one with the lowest pAE – is a farming household in Saivou village, Seaqaqa, Macuata on the Suvasuva Road in Vanua Levu (Ref:H29). This *iTaukei* household includes 5 adults and two children, living in a one-room house, with a net annual income of \$1487 or \$248 pAE. This does not include an additional small pension of the head of the household that is unlikely to increase the pAE by a significant amount. They are much poorer than the poorest *iTaukei* household that we interviewed on Viti Levu

⁸⁵ Households for which accurate and reliable land size collected is 31. Some households for which income data was collected did not provide accurate or reliable land size data for use in analysis.

(see next case). The household mainly survives on income from selling pineapple by the roadside when they are in season (October –February). Other villagers and people from surrounding areas also sell pineapple on the roadside, so it is not always possible to sell all their produce. This is an average household in this particular village. Although their *mataqali* has 1000+ acres, most of it is leased to a forestry company that grows / exports pine. They do not receive much lease money from this lease, and on average the *mataqali* receives about \$700 every six months. The village is hopeful that the situation will improve as a company has restarted operations in Batiri and will be installing a plant for pineapple processing.

Income calculation: \$1487 per six adult equivalents = \$248 pAE per year, four acres of communal land.

Other indicators: small house

The profiles of those two households dependent on farm-income mentioned above are described below:

Smallholder with five acres of farming land, above the poverty line: This Indo–Fijian family (H.06) of six (husband, wife and four kids) have a 14.5 acres which is shared with his brother. This family farms on only five acres – with three acres of vegetables (rockmelon, eggplant, watermelon, okra, cowpeas and chilies) and two acres of sugarcane; although sugarcane is slowly decreasing because input costs are high and the income is minimal. The family has borrowed money multiple times: once from a wholesaler to buy a horse for ploughing; a second time from Bank of Baroda to buy the land and expand housing; and a third time from the Sugarcane Growers Support cover the remaining cost of the land. The loan is being paid off through sugarcane farming. All children are in school, with the eldest in Form 7; and all family members work on the farm part-time; with the head of household working full-time on his own farm. He also takes on share-cropping opportunities when they come up in the area as he cannot afford to purchase more land. For horticulture farming, inputs make up less than 10% of his total revenue; and he sells mostly to local markets and then exporters / wholesalers. He and his brother support their elderly father and their eldest brother who has a physical disability.

Income calculation: \$11,175 from horticulture and sugarcane farming per four adult equivalents = pAE \$2794 per year.

Other indicators: Concrete house with five rooms.

Large Landholder with multiple crops, above the poverty line: This Household (HE.27) located outside of Labasa in Vanua Levu earns over \$20,000 from farming. It is a household with a husband, wife and four children (two of which are adults and two are in school). They have a total of 21 acres of farm land, on which they are farming 15 in the current season. They grow fruits and vegetables on three acres (beans and watermelon), rootcrops (cassava) on five acres and sugarcane on seven acres. This household has borrowed money from both Fiji Development Bank (FDB) and Northern Development Program (NDP) to buy farm equipment, including water pumps and shade clothes, and to invest in land preparation. The bulk of their income comes from selling cassava to exporters located on Viti Levu. He has negotiated a back-loading arrangement to get the cassava over to Viti Levu. This is a recent arrangement and he is very happy with it – indicating that he will first increase production and then negotiates a higher price for his cassava or shop around for other buyers. As the son of the village chief, this family has high social obligations although their family home is outside of the village on their farm land.

Income Calculation: \$24,505 per five adult equivalents = \$4901 pAE per year.

Other Indicators: newer wood house with indoor-flush toilet.

Farming households without additional off-farm income

Among the households that we surveyed, those without additional off-farm income are much poorer than farming households with other earnings. Of the 14 households which lie above the poverty line – 12 had multiple sources of income (farm and off-farm). From our survey, 11 households out of 34 (or 35%) were entirely dependent on their own farm income. The average annual net income for all households surveyed was \$7337 for those reliant on farm income only; and \$10,744 for those with multiple sources. When we remove an outlier farmer who earns about \$25,000 per year, and also look at only farms less than 15 acres, the differential is even more stark: the farming-only households have a net income of \$4938 while the households with multiple sources earn \$9681 – and that this additional income comes from both male and female family members across generations. This translates into pAEs of \$1432 and \$2194 respectively. So, although both are below the BNPL, the farming-only households are very poor.

Farm-Income Only Profile (including some labour): (Ref:H16) This low-income Indo-Fijian household of four in the Sigatoka valley is 45 minutes from the main road. The husband and wife both farm their own land – he full-time and she seasonally – and he also works as a labourer on other farms. Their total annual income is \$2820, earning \$660 per year from their own half-acre land and the remainder from labour. After farming costs are deducted including an annual loan repayment on their share of the land, their net income from farming is only \$160. With labour on others' land, the total net is \$2320. Despite this low income and the fact that they earn during six months of the year and save for the rest, last year they managed to extend their house and pay for the electric hook-up.

Income calculation: \$2320 per three adult equivalents = \$773 pAE.

Other indicators: leased or mortgaged land – unclear, small house

Factors Influencing Poverty in the Horticulture Sector

Drawing on these identifiable categories of households in the horticulture sector, as well as the experience of other farmers, there are numerous factors that affect the poverty levels of horticulture households:

Access to finance: In focus group discussions, farmers explained that there is a need to access finance to purchase land or to upgrade existing land. This is a 'catch-22' for farm labourers since land, whether owned or leased, can be used as collateral, but without land, they do not have collateral for finance. A farmers group in Ba explained that as soon as they acquired long-term leases, they were able to apply for bank loans for building houses or expanding farming activities. Interestingly, *iTaukei* cannot use communal land as collateral for finance which other farmers are able to do with leased or freehold land. Interviewees discussed the lack of finance and were not aware of other types of finance for disadvantaged borrowers. As land is usually in the name of men, collateral-based access to finance would be for male family members although women share in decision-making. Only 14 respondents had ever borrowed money; and of that only three had borrowed from a bank; two from FDB; and two from the Sugarcane Growers Fund. Eight households had borrowed from family, friends, or farm employers (in the case of farm labourers).

Single source of income: households that only farm are at a disadvantage to those that augment their income from other non-farm sources. That implies that even with increased unpaid farm labour, and regardless of the farm size (0–15 acres), having external sources of income is beneficial to the household. This may be in part because farming incomes can be unreliable and subject to weather, disease, flooding, and other natural forces. Households with single sources of income mean that both

husband and wife are often working on the land together, although men will often do more farm work while women are responsible for the household.

Mono-cropping: from our research, it appears that mono-cropping is not as profitable as diversified cropping. However, this may be a result of land size and crop choices as much as diversification. Further, these farms may be inefficient, lacking improved production values, access to quality inputs, knowledge of post-harvest handling and good market linkages. Additional research may determine that a small well-run horticulture or root crop operation can be more profitable than a large farm with diverse crops, but that is not the evidence for the farming households in their current state. Further research will be done by MDF in this area.

Poor markets access / undeveloped market linkages: farmers that do not have access to markets – in particular, in the *iTaukei* villages up the valleys – expressed barriers related to market access. They have more land, and stated they would be willing to grow more horticulture crops but that they are far from markets. They explained that this means fewer traders reach them and taking goods to market would result in high transportation costs. According to our analysis, this suggests that currently, the incentives to increase horticulture production for less accessible markets are not strong enough. In Vanua Levu, there are no markets other than the local market and therefore there are fewer horticulture farmers. Further, buyers and traders are developing outreach channels but much of this is in the early stage and requires time and experience to create strong market linkages.

Lack of information and knowledge / poor extension and networks: farmers identified that they did not always have a good understanding of how to grow horticulture crops and increase quality, yields and revenues. This was corroborated by an input supplier who explained that many farmers are new to horticulture and need enhanced knowledge on the use of chemicals and farming methods to increase yields and improve quality. Key informants such as buyers – hotels, exporters, local traders – also told us that quality and consistency are critical concerns, and that farmers need to improve their outputs in order to increase sales. Farmers indicated that knowledge is not always available through the MPIs (mixed reviews during focus group discussions) and there is not a strong network of information among lead farmers or across farmer groups.

Irrigation, drainage and other constraints for more regular production: irrigation can lengthen the season and allow for more year round cultivation of crops. Some farms are not well drained so suffer in the rainy season when others are planting their horticulture crops. This was identified by several farmers as an impediment to increased income.

Cost and / or knowledge of inputs: many farmers complained about the cost of inputs. It is unclear whether the costs of inputs are high relative to other places (comparative analysis needs to be conducted) or whether low results and therefore reduced profitability relates to lack of knowledge. From our study, on average, farmers indicated they spend roughly \$845 per year on inputs for horticulture crops only. Households above the poverty line spend, on average, nearly twice as much on inputs for horticultural farming (chemicals, fertilizers, equipment and seeds) than those below the poverty line. Certainly, some farms lose money or break even when cost of inputs is subtracted from gross incomes. Many horticulture farmers continue to cultivate a certain level of sugarcane as this offers them access to subsidised inputs. Without this subsidy, we were told that the cost is quite prohibitive. Access to inputs is not generally viewed as a problem – people are able to get around sufficiently, and there are certified input dealers within reach – but cost is considered problematic. Inputs are usually men's domain in Indo-Fijian households, although our findings are less clear for *iTaukei* families.

Lack of land / land ownership systems: farm labourers with no land and farmers with very small plots of land are usually the poorest households. As explained above, the larger the plot size, the more likely it is that a household can diversify crops, realise greater volumes, and therefore earn higher income. The poorest in the farming community had difficulties accessing (more) land to increase cultivation. Although land had been lost when long terms leases ended 5–10 years ago, when probed, some farming households indicated that they could find land if they had financing for long-term leases. Nevertheless, the overall land tenure system is not conducive to farmers wishing to acquire more land.

Many of these factors reflect the priority constraints identified by farmers in our qualitative field research. We asked each farming household to rank their top three concerns and these are reflected in the following table.

Table 19: Priority Constraints Identified for Farming HHs Surveyed

Priority Constraint Ranked	1st	2nd	3rd	Total
Land Related				
More Land	6	6	1	13
Drainage	2	1	0	3
Irrigation	2	1	1	4
Production				
Knowledge	1	2	1	4
Increase Production	6	2	1	9
Marketing				
Better Market Access	3	1	1	5

Gender Roles and Dynamics

Our study supports the statement made many years ago by Baxter (1980) that ‘women actively participate in almost all aspects of agricultural production in Fiji, including farming, marketing, food processing and distribution, and export processing.’⁸⁶ However, the roles of women in horticulture are different depending on factors such as ethnicity: Indo–Fijian women are much more likely to be unpaid household labour and do not usually work on others’ farms. *iTaukei* women, on the other hand, work on their own farms and for farm wages and are often preferred by farmers to men labourers – in focus group discussions and key informant interviewers, we were told that they were more ‘trustworthy’ and ‘careful’. Further, there is a general perception that *iTaukei* women are quite strong, and can handle almost all aspects of horticulture labour, although men usually do the ploughing. *iTaukei* women are also the market vendors – up to 80% of all vendors⁸⁷ – and are comfortable taking on such public roles. Indo–Fijian women may be market vendors but it is much less common.

The following table provides information on gender perception and controls vis-a-vis of who works longer hours and who manages household finances. It is interesting that in Indian households the

⁸⁶ Baxter, M. (1980). *Food in Fiji: The Produce and Processed Foods Distribution Systems*. Canberra: Australian National University.

⁸⁷ UN Women (2012) Women market vendors in Fiji.

perception is fairly evenly split, whereas in *iTaukei* households there tends to be the perception that men work longer hours. There is definitely a stronger perception that *iTaukei* women handle finances more than men, whereas it is more evenly balanced in Indo-Fijian households with ‘both’ the most common answer.

Table 20: Summary of Gender Dynamics in Horticulture HHs Surveyed

According to respondents: who works longer?	Both	Men	Woman	Total
Total	12	24	28	64
Indian	9	11	20	40
<i>iTaukei</i>	3	13	8	24
According to respondents: who manages the income?	Both	Men	Woman	Total
Total	27	12	27	66
Indian	17	8	16	41
<i>iTaukei</i>	10	4	11	25

Women's Economic Empowerment

In addition to the direct survey questions, we qualitatively assessed women’s empowerment according to the M4P framework outlined above. The following table describes women’s empowerment in Indo-Fijian and *iTaukei* households in the horticulture sector according to the key elements of that definition.

Table 21: Women’s Economic Empowerment in Horticulture (Qualitative Findings)

Elements of M4P WEE Definition	Indo-Fijian Women in Horticulture	<i>iTaukei</i> Women in Horticulture
Economic advancement – increased income and return on labour	Women are part of the household unit, contributing and benefiting from increased household income, however, they do not typically work in horticulture off their own farm and do not earn their own income. An exception to this is wage labour in horticulture processing. Return on labour in farming is variable as described in the poverty section.	Although women are part of the household unit, contributing and benefiting from increased household income, they have more opportunities to work off their own farm in labour or run their farm, as well as in horticulture processing. As with Indo-Fijian women, return on labour in farming is variable as described in the poverty section.
Access to opportunities and life chances such as skills development or job openings	Indo-Fijian did not appear to be engaged with skills development activities for farming, such as MPI extension services; and other than processing do not access jobs off the farm.	There seems to be greater equality for <i>iTaukei</i> women to engage with MPI and benefit from agricultural-related trainings. They also have more opportunities to pursue jobs off their own family farm.
Access to assets, services and needed supports to advance economically	As land is usually owned by men (in actuality even if not always on paper) women do not have individual access to this key asset which also affects access to finance and economic advancement. However, as described, horticulture households typically act as a single unit for economic advancement and decision making. Men are more involved in accessing and utilising inputs and therefore have more knowledge and skills than women.	<i>iTaukei</i> land is inherited by men, and married women move to their husbands’ villages. Land does not offer the same collateral to <i>iTaukei</i> households as it does to Indo-Fijian and affects both genders. Like Indo-Fijian households, families typically operate as an economic unit. It is not clear if <i>iTaukei</i> women have less access to inputs and knowledge than men in horticulture, although in root crops, men use traditional approaches and are the main farmers in the household.
Decision-making authority in different spheres including household finances	Women and men both indicated that there is shared decision-making in the household. However, for larger farm purchases, a husband will consult with his wife, but he will normally make the final decision (e.g., tractor purchase).	Women and men both indicated that there is shared decision-making in the household with regard to finances. In fact, <i>iTaukei</i> women are often the managers of the money while decisions are taken jointly about spending.

Gender Outcomes

Overall, farming and even farm labour households appear to be very integrated and it is difficult to separate women out from the household dynamic. Indo-Fijian and *iTaukei* women both contribute to income generation by participating in farming – Indo-Fijian on the family farm and *iTaukei* women both on their own and on others' farms. While the activities might differ by gender, both men and women contribute to and benefit from increased household income. Not often do women manage and earn income off their own farm (outside of the household farm), for both ethnicities – and cultural and traditional factors seem to restrict women from holding a title to their own land (either leased or communal). In the horticulture sector, there are opportunities for women to earn their own income from wage labour – either as farm labourers (more often *iTaukei* women) or processing labour (both *iTaukei* and Indo-Fijian).

As the horticulture sector and agro-exports grow, both men and women will benefit equally from increased income from household farms, and new employment opportunities will be created both on and off-farm.

Pathways out of Poverty – Solutions to Increase Incomes of the Poor

The following pathways out of poverty for the horticulture sector in Fiji have been identified keeping in mind: i) the main constraints identified in the previous section; ii) solutions that would contribute to poverty alleviation for either / both ethnicities and across genders; and iii) the facilitation of services approached utilised by MDF.

Access to Finance: An underlying constraint for expanding landholdings as well as purchasing farm equipment and other inputs is access to finance. Access is virtually impossible for landless labourers or smallholder farmers who have little or no collateral. Once a farming household has a long-term lease, they can borrow against this for purchasing housing materials or expanding farming operations. Further, with access to land on a long-term basis and consequently finance, farm families would potentially be able to upgrade their land through improved drainage and irrigation, followed by appropriate inputs for improving the soil and crop rotation patterns. Access to low-cost micro-irrigation technologies could reduce the financing burden, but knowledge transfer remains an issue without a strong MPI system or lead farmer / farmer group networks. Although we did not assess the financial system in Fiji, it appears that there are microfinance and rural schemes supported by the government. Women are especially constrained to access finance as individuals since they tend not to hold land title. However, in farming households, access to finance is a household endeavour and consequent improvements benefit all household members.

Access to Non-Farm Jobs: Access to non-farm jobs greatly increases the economic well-being of farming households. Unfortunately, there is a shortage of jobs all over Fiji, and farming households, often without other skills and sometimes far from urban areas, are not in the best situation to acquire a second source of income. Nevertheless, greater awareness of the impact of non-farm income on a household budget may encourage those who can to seek such employment. In developing the horticulture sector, other job opportunities may emerge as well: grading and sorting sheds, packers, drivers for transport, and so on. MDF can consider the multiplier effect of horticulture development and how such additional jobs could be developed through the growth of its partners. In Indo-Fijian households, women are less likely to work outside the home, but will take appropriate jobs when available.

Agricultural Extension Services: Farmers are in need of responsive and comprehensive agricultural extension services – whether rich or poor. The services that are provided by MPI are not always

reliable or thorough, and these could be upgraded. Further, there are examples of buyers and input suppliers providing agricultural extension services relating to use of inputs, type of crop, production, and post-harvest handling (grading). These services could be expanded to emphasise the value in diversification, improved farming techniques and the proper usage of chemicals and other inputs. Further, extension services need to be gender-aware. Given the extent to which women work on their own and others' farms, learning firsthand about improved techniques and technologies would be beneficial to the farm and empowering for women. Outreach methodologies and services should be designed to reach and benefit more remote and smaller farmers – including women (ideally a percentage of female agents would promote more inclusive horticulture development). This would involve business modelling and return on investment analysis for actors involved – buyers, buyer agents, lead farmers, smallholder farmers – to determine the most cost-effective and sustainable method for developing embedded services.

Market Access: Market access and consolidating production are pressing issues that need to be addressed, particularly for more remote farmers. Given that buyers are not able to meet export demand for horticulture products and root crops, there is an opportunity to take advantage of this situation and to enable more farmers to reach markets with more products. MDF supports partners to develop their outreach models to farming households, particularly those that are more remote but have access to land that could be expanded for horticulture production.

Cold Chain: Refrigerated trucks and facilities are few and far between in Fiji. As such, fruits and vegetables are often spoiled (as well as certain root crops) before they reach their destination for consumption, processing or export. The development of a cold chain would greatly advance the horticulture sector in Fiji. Although this may be some time down the road, once products are more consistent in terms of quality and volumes, advance planning will be useful in preparing for the launch of cold chain services. This will enable partners to achieve greater outreach to more remote areas and to integrate farmers into the value chain.

Local Input Supply Chains: Input supply chains are not well developed with few consistent, affordable and reliable options for farmers to purchase seeds, fertilisers and agro-chemicals. Even formalised input providers do not (according to interviews) have reliable seeds or cost-effective fertilisers and agro-chemicals. Many farmers currently rely on government-sponsored agro-chemical subsidies for sugarcane production that is not a sustainable option for horticulture production over the long term. MPI is a provider of seeds, but there are issues regarding availability of seeds when needed. Other seeds that are provided may be disease-prone or of low quality. Reputable input suppliers should develop the local supply of inputs including a cost-effective fertilisers as well as seeds and agro-chemicals. University departments of agriculture or similar institutions could contribute to testing of local seeds and agro-chemicals, and lead farmers might be able to develop seed banks (certification may not be possible). Seed banks are often managed by women in other contexts, and this could be an interesting option for enhanced empowerment of women in horticulture in Fiji.

Product Quality, Volumes and Consistency for Tourist and Export Markets: Product quality, volumes and consistency will improve as input supply chains and agricultural extension are upgraded – particularly if the context and roles of both women and men are understood and taken into consideration in design phases. Post-harvest handling and order management are other aspects of quality, volume and consistency that need to be addressed, particularly for less advanced farmers or those who are converting from root crops or sugarcane to fruits and vegetables. Grading post-harvest is an area where women are typically involved and preferred by many employers, so may be a natural fit for improving women's roles in the value chain. Buyers could train agents on post-harvest

handling– whether lead farmers or traders – so that farmers (or agents themselves) are better organised in delivering the right volumes and quality of product on time.

Land Tenure – Access and Awareness: The land tenure system appears to be normalising for farmers with clearer options for access to land. Constraints for farmers to buy or lease land are financial (see access to finance) and may also be informational. If farmers or landless labourers have knowledge about available land and how to access it, they may be able to increase their landholdings. This pathway might be supported by traders / wholesalers / exporters of horticulture products who are attempting to expand their network of farm suppliers as buyers are an appropriate entry point for knowledge transfer to farmers. For example, a basic step-by-step fact sheet could be developed assisting farmers to walk through the land leasing process. This will be especially useful for less-informed and poorer farmers who are transitioning into commercial / semi-commercial horticulture production and may not understand the system as well as more sophisticated commercial farmers. The fact sheet could be especially useful if it included information for women who are seeking land – although this may be rare in the current socio-cultural environment (as described above). While we did hear cases of women running farms, specific information for women and their rights and necessary processes would be helpful. Further, the native and crown land boards could be third party providers of information who may have a vested interest in ensuring that accurate information on land acquisition is available to farmers in print and other media.

Gendered Control of Funds: Farming households appear to be very integrated and it is difficult to separate women out from the household dynamic. Men tend to have greater control over decisions and money regarding the farm in Indo–Fijian households (less so in *iTaukei* households) and so will have more control over farming activities, their growth and expansion; although many households told us that other decisions around money are often shared. However, there is a strong interest in educating both male and female children in Indo–Fijian and *iTaukei* households, and support for sisters and daughters who are employed off the farm in the cities or overseas. As the household income improves, women of the household will have greater educational opportunities and the chance to improve their lives through non-farm activities. *iTaukei* women are often the ones who manage household finances, although the decisions about how money is spent appear to be joint much of the time. This means that as household income increases, women in these households will be more likely to benefit from increased decision-making and contributions to household well-being.

Women’s Workload: Indo–Fijian and *iTaukei* women both provide farm labour – Indo–Fijian on the family farm and *iTaukei* women both on their own and on others’ farms. As both sets of women are also busy with the household and children, the availability and introduction of labour saving techniques and technologies could have a positive impact on the lives of these women. MDF could consider partnering with an agency that works for women’s empowerment and has knowledge of labour saving approaches. Additionally, if the homes have greater access to finance, improved farm equipment (such as tractors rather than bullocks) and household appliances (such as washer / dryer) this will contribute to the reduction in time overall and could contribute to a reduced workload for women.

A Nexus of Services: Key partners with whom MDF is collaborating in the horticulture sector are positioned to take on a significant role in its overall development. These entrepreneurs can be scaled up and upgraded to reach a larger number of farmers through their agent or lead farmer networks, and to provide a greater range of services in a systematic way. MDF is well positioned to develop a model for working with partners and to enhance their support to farmers through these networks, providing a package of services from production advice through market access. These buyers, wholesalers and traders formed into an association or better organised for cooperation could potentially create the

foundation for a strong industry – setting standards, branding products, promoting Fiji horticulture, networking and learning, bringing in industry experts and so on. MDF has begun to bring intermediaries together – as these business people begin to see the value in cooperation, they will be better able to work together for change.

Conclusions

The horticulture sector while facing challenges offers significant opportunities for increased incomes and poverty reduction. Through development of the sector, both women and men, iTaukei and Indo-Fijian, can benefit from increased and improved production, better market access, less spoilage and higher prices for improved products. If constraints relating to finance, off-farm jobs and land tenure can also be addressed, even greater benefits can be realised for poorer households.

Tourism Sector Findings

This qualitative research study examines dimensions of poverty, gender and ethnicity in five tourism areas of Viti Levu and Vanua Levu: Coral Coast, Nadi / Denarau, Yasawa Islands, Savusavu and Taveuni. The following sections report on the findings for tourism in Fiji related to poverty and tourism (with ethnicity incorporated as cross-cutting) and they reference contextual variations when appropriate. For example, the report includes context-specific observations such as: employment in upscale resorts on Denarau is generally more formal and with higher pay while more remote island locations in the Yasawas largely rely on local village labour and offer lower wages and fewer benefits such as training.

Even the poorest households who work in tourism – at least those amongst whom we conducted a household questionnaire – are usually better off than the horticultural households with which we met. First, income from wage labour is often (but not always) more consistent than from farming or farm labour. Second, working in the tourism industry does not require significant financial investments as in horticulture with the result that gross and net income are much more equivalent. Finally, other members of the household are often earning from other sources that offer considerable augmentation to overall household income.

This report covers two different aspects of the tourism sector: hotels and resorts, and small and medium enterprises (SMEs) that serve the tourism industry including activity providers, restaurants, retail and entertainment. Our most comprehensive area of research was in hotel and resort workers, and we are able to conduct less analysis on SME employees as will be referenced below.

The tourism sector work of MDF also incorporates various supply chains that are not examined in here: fish, meat, processed food, furniture and handicraft production. The fish supply chain and handicraft production will be investigated further as part of future research of importance to the tourism sector; meat has been investigated elsewhere,⁸⁸ and other processed inputs and furniture will not be a focus of further poverty and gender analysis at this time. Also note that while we did not examine village-based tourism as part of our SME research, this is a topic that can be the subject of future MDF research.

Horticulture is critical for the tourism sector, and the tourism team has been actively involved in horticulture research and the establishment of relationships that develop this supply chain of fresh and processed produce to hotels, resorts and restaurants. Therefore the findings from the Horticulture

⁸⁸ MDF Report: Identification of a Livestock Support Project for Fiji based on M4P Methodology, February 2012.

section of this document are relevant to this particular supply chain as it applies to tourism. Those findings will not be repeated here, but please refer to the previous section of this document for detailed information about poverty, gender and ethnicity in the horticulture supply chain.

Ethnicity is regarded as a cross-cutting theme of poverty and gender, and is therefore mainstreamed throughout this section. By way of background, *iTaukei* predominate in the tourism sector in specific geographic regions (such as Yasawa Islands and Coral Coast) where they secure the entry level jobs because of the connection between the resort and the land ownership. Many resorts in these areas have been developed on native land leased from a *mataqali* and village-members on whose land the resort is built are typically given preference for entry level jobs. Further, many entry level positions are female dominated (housekeeping, waitressing), and these are jobs not typically held by Indo-Fijian women due to socio-cultural preferences. As one examines jobs that require more training and less public interaction – back office staff, various levels of chef, hotel management, food inspectors, engineers, technicians – we see that Indo-Fijians (both men and women) are more prevalent in many resorts / hotels.

Information on the tourism sector is available in the MDF sector report. This section focuses on poverty and gender dimensions, with cross-cutting information on ethnicity.

Household and Regional Poverty Analysis

In addition to 11 household questionnaires, we conducted 31 tourism worker interviews – not including senior managers with whom we carried out key informant interviews. This included unskilled or semi-skilled staff such as housekeepers, waitresses, gardeners and porters as well as supervisors, chefs, technicians and managers. They ranged in type of establishment from mainland high-end resorts and smaller hotels to outer island workers in locally-owned and upscale establishments. Although much of the tabular data reported here is from the household surveys, our comments are also based on the tourism worker interviews.

We see from the following table that according to our sample, the average tourism household is significantly better off than an average horticulture household.

Table 22: Summary of Income in Tourism HHs Surveyed

Income Indicators	Indo-Fijian HH	iTaukei HH	Total / Average
Number of Households	2	9	11
Average Total Annual HH income (FJ\$)	\$11,800	\$14,935	\$14,366
Average Annual HH income from tourism only (FJ\$)	\$11,800	\$10,768	\$10,956
Median Total HH Annual income (FJ\$)	\$11,800	\$12,432	\$12,432
Median Annual HH income from tourism only (FJ\$)	\$11,800	\$9,432	\$9,600
Highest Total Annual HH income (FJ\$)	\$14,000	\$27,308	\$27,308
Highest Annual HH income from tourism only (FJ\$)	\$9,600	\$6,200	\$20,800
Lowest Total Annual HH income (FJ\$)	\$9,600	\$6,200	\$6,200
Lowest Annual HH income from tourism only (FJ\$)	\$9,600	\$1,260	\$1,260

Further, tourism households are smaller than horticulture households (5.5 to 5.9) and even more so for *iTaukei* (5.2 to 7.0) and fare much better in regards to other poverty indicators: the houses are more often made of concrete or new wood, and there are many more households with indoor flush toilets, electricity or alternative cooking fuels to wood. The following tables summarise our findings in the sector from HH Questionnaires.

Table 23: Poverty Indicators in Tourism HHs Surveyed

Poverty Indicators	Indo-Fijian	<i>iTaukei</i>	Tota / Avg
Average HH Size	5.9	5.2	5.5
Number of HH made of Thatch	1.0	1.0	9%
Number of HH made of Tin / Old Wood	3.0	3.0	27%
Number of HH made of New Wood	3.0	4.0	36%
Number of HH made of Concrete	3.0	4.0	36%
Average Number of Rooms	3.3	3.4	
Number of HH with indoor flush toilet	8.0	10.0	91%
Number of HH without electricity (i.e. using kerosene lamps only)	0.0	0.0	0%
Number of HH which use only wood for cooking fuel	1.0	1.0	9%

As the following table illustrates, the regional variations are not as stark for tourism as for horticulture, and many tourism households have other significant sources of income. Given that these households are more likely located near urban centres, other job opportunities are available to members of the household helping to augment total household income.

Table 24: Regional Variation in Tourism Net Incomes in Households Surveyed

Region	Average of Total HH Net income (FJ\$)	Average of Income from Tourism only (FJ\$)
Nadi	\$20,654	\$10,900
Naviti Island	\$26,166	\$19,926
Savusavu	\$12,268	\$12,268
Sigatoka	\$9960	\$8460
Taveuni	\$10,032	\$10,032
Waya Island	\$20,800	\$20,800
Wayalailai Island	\$7630	\$3250

Who is Poor in the Tourism Sector and Why

This section describes the main groupings of people who are more likely to be poor in the tourism sector in order to help target poverty reduction interventions. As our study is qualitative and not statistically representative, we are making generalisations. Further, poverty is multi-dimensional, so there may be contributing or mitigating factors that push a household into- or brings them out of- poverty. It is therefore important to recognise that these interventions will benefit rather than harm any others impacted by the intervention.

This section discusses who is poor and why they are poor, and then details a range of factors that contribute to poverty.

Only three of the eleven households that we surveyed fall under the BNPL once pAE is calculated. These households are not suffering from the same low levels of net income as horticulture households. However, many households are vulnerable (only somewhat above the poverty line) and will benefit from increased income and opportunities. In addition to those surveyed, many of the other tourism workers that we interviewed would be classed as vulnerable or poor. Because we interviewed more workers on the job, we were not able to carry out complete household surveys with them.

Table 25: Poverty Summary for Tourism Households Surveyed

Poverty Summary for Tourism Households Surveyed	
Number of Households surveyed	11
Basic Needs Poverty Line (BNPL) used for analysis (pAE per year)	\$2,275
Average pAE of tourism households	\$3,683
Average Total HH Net Income for Tourism Households	\$14,366
Number of Households below the poverty line	3

Tourism households – whether *iTaukei* or Indo–Fijian – are more likely to be poor or vulnerable if they fall into one of the following categories, and do not have mitigating factors such as a second household income. Their level of poverty is gauged according to wages earned, and while many earn the minimum wage or higher, this is not enough to support a family – therefore, multiple income households and single individuals are less poor in these categories:

- Entry level positions at most resorts and hotels
- Most (non- upper management level) staff at smaller and budget resorts

An additional category could be employees of small or informal SMEs, however our research in this area proved inconclusive. A summary section on this area is provided below.

Of the tourism households surveyed, 3 out of the 11 or roughly 30% were dependent on only one source of income (from the tourism sector), meaning that over 70% of those surveyed had more than one source of income for the household. It is also interesting to note that six out of the 11 households (more than half) were entirely dependent on the tourism sector for income – whether from one or multiple sources.

Each of these categories is elaborated in the following with a household profile to illustrate their situation. Additional profiles are found in Annex Three.

Entry-level positions at most resorts and hotels

Entry-level positions typically pay the minimum wage at best. Workers who are engaged by the large resorts in Denarau have a better starting wage, followed by the Coral Coast and then smaller resorts both on the mainland and on the islands. This includes groundsman, housekeepers, maintenance men and waitresses. Gardeners and maintenance men typically earn the same or somewhat less than housekeepers. For example, at one resort in the Yasawas, seasoned gardeners work for \$120 per 40-hour work week (while a maintenance man can earn \$3.45 for 48 hours per week \$165.50 total) at a boutique resort on the Coral Coast. If a household of five people (two adults and three children) is

dependent on only one source of income from the tourism sector; and the income is less than \$150 per week, then the household would be below the poverty line. Many of the entry level jobs pay \$150 or less per week.

Out of the 11 households surveyed, three were below the poverty line, and the workers in these households held a wide-range of positions. The positions in these households included maintenance, part-time receptionist (with part-time activity guide), and chef.

However, if workers stay on, the large resorts have annual increments as well as opportunities to become supervisors and possibly managers. Larger resorts support this upward mobility through providing training and subsidising external training opportunities. Nevertheless, the hierarchy is very pyramid-shaped with only a few management positions and many jobs at the lower levels. Most of the highest level positions in management and kitchens appear to be held by men, suggesting that women do not always have the same advancement opportunities in every department. Smaller and budget resorts tend to have lower wages even for staff that have been with the resort for a long time (see section below).

Regardless, tourism does seem like a way for people with lower levels of education to gain access to full-time wage employment that will let them move up regardless of formal education.

For semi-skilled, skilled and professional staff, we see a greater range of jobs and higher salaries – chefs at different levels, front and back office staff, food inspectors, recreation specialists, supervisors and managers – and more diversity in income.

Entry Level Profile: Although not the lowest earning worker in tourism, a yard maintenance man at a resort on the Coral Coast definitely struck us as the head of one of the ‘poorest’ households (Ref:T01), and his family has a very low pAE. This man is the only working member of the three-adult and two-child household as his wife is pregnant and his brother-in-law is unemployed and looking for work. The annual household income from tourism is \$7488. The pAE income of the household is \$1872. The worker and his family live in a converted water tank for which they pay rent of \$150 per month, despite having a house and land in the village elsewhere. They do not grow much food since his wife became pregnant and they have to pay for groceries. He explained that they left the village so that their children could get a better education. Like many of the people we spoke to in tourism, education is highly valued.

Most staff at smaller and budget resorts

Smaller and budget resorts, particularly on the islands, are less financially secure and have to lay off workers or reduce hours during the low season (this happens at the large mainland resorts but not to the same extent). These smaller and budget resorts are subject to the same costs of licenses and transportation as the higher end resort, increasing costs. For example, a small 60-bed backpacker resort in the Yasawas pays the same liquor license as the large 200+ bed five-star resorts in Denarau. Further, they have to register with the Yasawa Flyer, which takes a percentage of each booking made by guests through the Flyer. Since the smaller resorts are an important part of the overall tourism industry, then such issues will need to be addressed to maintain a range of tourists. Smaller and budget resorts cannot afford the same level of pay for its staff if it wishes to remain competitive. An impression is that smaller resorts advance women as well as men into management and senior positions – although certain types of jobs (electrician, engineers) are still typically held by men, as they are throughout the industry. Higher end mainland resorts – such as those on Denarau – typically pay more, provide benefits and are clear on terms of employment. Smaller hotels and outer island resorts pay less and are not as consistent in terms of benefits, but staff commented on the more relaxed and collegial atmosphere that they enjoyed working there. The following profiles contrast the

situation for two housekeepers, both with 20 years' experience, at a small budget island resort versus a large mainland one.

Profile of Housekeeper at Small Budget Island Lodge: This respondent is both a housekeeper and housekeeping supervisor at a small community owned and operated lodge in the Yasawas. This lodge caters more to backpackers with two large dormitories as well as some private rooms. She has worked as a housekeeper for 20 years, and her pay goes up and down depending on business – but \$80 per week was typically the maximum. The respondent is a single mother of two children who lives in a large extended household in the nearby village where her brother and sister-in-law are also earning from tourism. With one brother unemployed, an adult daughter in college and a younger son, the pAE is under \$2000 per year. She has managed to send her daughter to teacher's college on the mainland and is saving for her son's education.

Compare this profile to a housekeeper of the same tenure at a large mainland resort.

Profile of Housekeeper at Four Star Mainland Resort: This woman has been a housekeeper at a four-star resort on the Coral Coast for over 20 years. She is a permanent employee who earns \$4.50 an hour working 48 hours a week (or 6 days a week) which means her annual income, works out to \$11,232. The respondent also receives 24 days paid vacation, sick leave and company-provided transportation from her village to work. She has two daughters who are casual workers in the hotel, a husband who farms for household consumption on village land and one son in school. Even if we assume that her daughters only work 10 hours per week each for six months of the year for \$3.00 an hour (very conservative assumption), then the household income would be about \$13,000 for 4.5 adult equivalents or \$2888 pAE.

Employees of small or informal SMEs

Staff of small and informal tourism SMEs in Nadi – both male and female – according to our limited research in this area, appear to earn somewhat above the minimum wage. Shop workers and waitresses, for example, reported earning \$3.50 per hour, and working around 45 hours per week. This means a weekly wage of almost \$160. If an individual lives in a household with other income earners, or only has to be concerned with their own support, then this is good wage – reaching a pAE of \$8000. Even a family of two adults and two children would be above the BNPL with a pAE of \$2667. However, our sense is that beyond the main tourism hub of Nadi and Denarau, it is likely that these wages drop (as they do for most hotel workers), and that employees of small or informal SMEs would not fare as well. This area could benefit from further targeted research.

Factors Influencing Poverty in the Tourism Sector

Building on these categories of poorer households in the tourism sector, as well as the experience of tourism workers, there are several factors that affect the poverty levels of tourism (or would-be tourism) households:

Limitations on Access to jobs: Even though entry level jobs are low-paying, they are often wage-earning opportunities that are not otherwise available to people, and they provide the opportunity for regular earnings and sometimes job advancement. Access to entry-level jobs however is not often available to everyone. In some cases it can be influenced by the relationship of the landowners to the resort / hotel owners. That is, if the land where the hotel is built is communal leased land, there is usually an agreement in place that stipulates that entry-level jobs go to members of the *Mataqali* or the village. This is not the case for skilled jobs (trades) and professional positions (engineers, managers) where credentials are more important. We saw a higher percentage of Indo-Fijian men

with jobs as electricians, engineers, chefs, and back office workers such as accountants. Women are in higher numbers than men in tourism, and are able to get many of these entry level jobs. However, Indo-Fijian women have a double limitation in accessing entry-level jobs in that even if more positions become available more generally, socio-cultural restrictions will not as easily permit them to take up jobs as waitresses and housekeepers. Although a shift is taking place, and some Indo-Fijian women are entering the tourism workforce, it would take time for them to benefit more fully. The influence of land ownership is only applicable in some cases, but in others, networks are still key which is covered below. In other cases there are just not enough jobs available for all seeking positions in the tourism sector. One international chain hotel in Denarau indicated that turnover rates are very low, some of the chain's lowest in the region, and many resorts can fill vacancies by advertising open positions internally to current employees and their family networks, without the need to go for external advertisement. Smaller island resorts actually reduce staff hours in order to hire new or maintain existing staff – indicating that there are more people dependent on these positions than there are positions available.

Poor networking skills / need to network: Over and over again, we heard from tourism workers of both genders that getting a job in the tourism sector or a promotion depends on whom you know. The big resorts told us that they do not advertise jobs, but post them internally and staff members bring forward recommendations. Young people would benefit from learning how to network – although realistically the way that networks operate in Fiji along familial lines, this may have limited benefits.

Impractical or Inadequate Training: We learned from hotel managers that even when people are trained, their training may not be practical or relevant. They felt there could be improvements to training so that course takers are better prepared for the workplace. Would-be workers or those who wanted to change positions – both male and female – also told us that it is very difficult to get the sought-after job without experience. It would be helpful for job seekers if more internships and practical / relevant training was offered.

Lack of on the job training and advancement in a lower end resorts: In contrast to the larger resorts / hotels that provide training opportunities, male and female workers at smaller hotels / resorts often stay in the same position for years if not decades. Those that get ahead usually self-fund a training program – for example, a young barman at one small resort told us about pursuing a food and beverage certificate on the mainland in order to move up the ladder as a skilled worker. The jobs that require greater skill levels, diplomas and degrees are dependent on education as well as experience, and are therefore open to those whose families have prioritised education (a growing emphasis as we have seen).

Inability of small and island resorts to be competitive: Small resorts / hotels, and particularly those on the islands are at a competitive disadvantage, which has a negative impact on wages and job security. Following the cyclone when many establishments were damaged and fewer tourists came to Fiji, the smaller resorts / hotels on the island were much more negatively impacted. We heard of reduced hours and wages, and in some cases temporary lay-offs. Further, small resorts / hotels have many of the same costs for themselves or their clients as the larger businesses – for example, liquor licenses have one flat fee for both small island lodges and large Denarau resorts. Transportation is costly to get to the islands, and transportation providers can take portions of the accommodation rate from the small lodges if booked through the provider. As yet, there is no association of smaller businesses that could benefit owners / operators, staff and clients alike.

Industries ability to attract more tourists of various types: Since the financial crisis and increasing competitiveness in the tourism industry, there is greater reliance on package tourists. Package tourism has the negative knock-on effect of reducing margins all around and creating wage freezes. Some

hotel workers told us that they had not had pay rises in years (although this was not the case at the larger resorts) while others spoke of lay-offs during the low season and reduced hours. Further, the industry appears to be driven by the large resorts and outbound tour operators are not aware of other options. For example, one couple in Australia was told ‘Fiji is full’ but this was obviously the resorts or packages offered by that operator. Other hotels and resorts that are targeted to tourists remain unbooked. This comes back to the need for smaller resorts and hotels to work together, upgrade and brand their product, and get on the radar of outbound tour operators in target countries or on internationally recognised travel websites such as Expedia or Booking.com. In addition, if the entire industry wishes to grow, more tourists of all kinds would benefit not only the small resorts but also SMEs, large resorts wishing to expand and supply chain businesses.

Off-season slumps: Related to the above is the industry’s low capacity to overcome seasonal slumps. Although these slumps do not last long in Fiji (often just January–February), workers are laid off and this reduces their annual earnings. If new markets were tapped, then seasonal slumps would be overcome. For example, January and February are months when ‘snowbirds’ escape the colder climes in northern US, Canada and Europe for weeks and months at a time.

Gender Roles and Dynamics

There is a much higher number of *iTaukei* women working in the tourism sector than Indo–Fijian women. This is for a number of reasons: *iTaukei* women are much more likely to take entry level jobs in hotels / resorts as housekeepers or waitresses – although while we did meet some Indo–Fijian who had taken on these roles, it is not the cultural norm. Further, even if Indo–Fijian women are interested in these jobs, many positions will go to members of the *Mataqali* that own the land on which the hotel / resort is built or to women who have networks with current staff (most of which are *iTaukei* in entry level positions). However, Indo–Fijian women are more likely to have skilled jobs such as food inspectors or back office jobs.

The following table provides information on gender perception and controls vis-a-vis of who works longer and who manages household finances – note that there are only two Indo–Fijian households. Although the responses are relatively evenly split on who works harder, many more people indicate that women manage the household finances.

Table 26: Summary of Gender Dynamics in Tourism HHs Surveyed

According to respondents – who works longer?				
	Both	Men	Woman	Grand Total
Tourism	3	4	5	12
Indian	1		3	4
<i>iTaukei</i>	2	4	2	8

According to respondents – who manages the income?				
	Both	Men	Woman	Grand Total
Tourism	5	1	8	14
Indian	3		1	4
iTaukei	2	1	7	10

Women's Economic Empowerment

In addition to the direct survey questions, we qualitatively assessed women's empowerment according to the M4P framework outlined above. The following table describes women's empowerment in Indo-Fijian and iTaukei households in the tourism sector according to the key elements of that definition.

Table 27: Women's Economic Empowerment in Tourism (Qualitative Findings)

Elements of M4P WEE Definition	Indo-Fijian Women in Tourism	iTaukei Women in Tourism
Economic advancement – increased income and return on labour	Due to a combination of socio-cultural factors and resort land ownership (<i>mataqali</i> or village in many cases) Indo-Fijian women are less likely to get entry level jobs in the tourism sector. However, as Indo-Fijian women get educated and take skilled jobs, they are often paid well above the minimum wage (variations dependent on the type of resort).	<i>iTaukei</i> women dominate in the tourism industry and particularly at entry level positions such as housekeepers and waitresses. This means that many are able to earn incomes that would otherwise not be available to them. Entry level positions are typically around minimum wage, but may be lower in small resorts as described in the poverty section.
Access to opportunities and life chances such as skills development or job openings	As households place a high value on education, Indo-Fijian women have opportunities to get trained and to seek jobs in tourism for skilled positions. We witnessed a growing number of younger Indo-Fijian women who were taking advantage of this opportunity and taking jobs such as back-office workers and food inspectors.	<i>iTaukei</i> women have access to entry level jobs but skills development is more dependent on the resort – larger resorts may train women. They are less likely to hold skilled jobs than Indo-Fijian women, but some are able to rise through the ranks as supervisors and managers. Some are beginning to get training (such as a short Food and Beverage course) to improve chances of advancement.
Access to assets, services and needed supports to advance economically	Access to assets is not as critical for tourism as for horticulture. Training and experience are key for economic advancement in tourism. Indo-Fijian women are taking advantage of training services to get better jobs. Experience is more challenging as this depends on networks, but as Indo-Fijian males often work in the back office and kitchens, this is providing networking opportunities for women.	Access to assets is not as critical for tourism as for horticulture. Networks are very important to obtain jobs and this benefits <i>iTaukei</i> women at entry level. Training and experience are key for <i>iTaukei</i> women's economic advancement. They are able to access experience on the job, but training services are dependent on the establishment. More women are seeking training from institutes as noted above.
Decision-making authority in different spheres including household finances	Women and men both indicated that there is shared decision-making in the household. However, those who earn the money in tourism often seem to manage it regardless of age or gender.	Women and men both indicated that there is shared decision-making in the household with regard to finances. In fact, <i>iTaukei</i> women are often the managers of the money while decisions are taken jointly about spending.

Gender Outcomes

The tourism sector, at all levels, provides a significant source of employment for women in Fiji, as women already dominate employment in the sector. While women typically work in certain types of positions and men in others, there are likely equal number of both entry-level positions and opportunities for advancement for women in these positions. As the tourism sector grows and more jobs are created, more women will have access to full-time and part-time employment. Emphasis can

be given to improving access for poorer Indo-Fijian women in the sector, however socio-cultural factors which are outside of MDF's control might make results in this area difficult.

Pathways out of Poverty – Solutions to Increase Incomes of the Poor

A number of the above constraints – such as *Mataqali* ownership of land and access to jobs, and Indo-Fijian women's socio-cultural constraints – are issues that cannot be handled within a market development program, but awareness of these issues enables implementers to reduce risks and to plan for workarounds. The following potential solutions for the Fiji tourism sector are based on: i) the main constraints that were expressed by tourism workers, managers and owners; ii) solutions that would contribute to strengthening certain areas of the sector and therefore positively impact workers of all kinds; and iii) the facilitation of services approached utilised by MDF that depends on sustainable third-party providers.

More Tourism Jobs: The tourism industry provides full-time employment to 45,000 people (the majority female),⁸⁹ as well as part-time work and indirect benefits to others. Although entry-level jobs are not high paying, they improve an individual's earning power and often provide a pathway to job advancement. Further, as frequently happens, with multiple people in a household working in the tourism industry, even entry-level jobs can serve households well. If tourism continues to grow in Fiji, more people will achieve full-time employment while greater numbers will find part-time work or jobs in related industries and supply chains. MDF and its partners can contribute to the strengthening and growth of the industry, which ultimately depends on customer satisfaction, good service from trained staff, effective supply chains, and the profile of Fiji in international markets.

This could include enhancing the Fiji Experience: MDF has identified Fiji cuisine as one way to boost interest in and successful visits of tourists to Fiji. This also goes beyond cuisine to include a clearer branding for Fiji tourism off the resort – village activities, made in Fiji handicrafts and so on. Although these opportunities exist, the overall branding is not strong and many tourists do not leave the resort or the resort shopping malls.

Broadening Fiji's tourism offerings: Outbound tour operators are typically focused on the package stays. Other opportunities may not be of interest to tour operators in terms of what they can sell, or the operators may lack knowledge of or confidence in the tourism experience in other venues. However, niche operators exist and could provide an excellent way to diversify and expand visitors to Fiji, and other operators or offerings can be developed further to create greater variety of products for a greater variety of tourists.

Job Readiness: Potential tourism staff could be better prepared to take up jobs through demand-driven course preparation (industry demand) and cooperative education programs whereby male and female students gain practical on the job experience before graduation in tourism related programs. Stakeholder meetings and workshops between training programs / institutions and hotels could result in mutual benefit: the hotels could provide feedback to the training institutions on what it needs from graduates, and the hotels could provide more internships at all levels that become part of the educational program.

Worker Advancement: Large resorts / hotels are able to offer much more competitive salaries, benefit plans and opportunities for advancement to staff, including onsite regular and subsidised training, and are considered prize jobs by many workers in the industry. More training and experience can help some to make the move to larger resorts, although networking remains a constraining factor.

⁸⁹ MDF Tourism Sector Report

This does not mean that all qualified staff would like to move to a large resort, as many appreciate working in a smaller place, closer to home, with less stress and a greater sense of belonging. Since workers at smaller resorts / hotels do not have the same subsidised training options as those at larger resorts / hotels, some save money to take courses so that they can upgrade. Smaller resorts might be able to access cost-effective training for staff by occasional onsite training, bundling for a group of smaller resorts together, or off-season workshops.

Small Resort / Hotel Owners: The small resorts / hotels share many of the same constraints – cost of licenses, access to qualified staff, inconsistent numbers of guests, transportation expenses, ability to lobby for favourable regulations, low profile with consumers and outbound tour operators – that could be alleviated if they worked together or had better connections to tourism circuits throughout Fiji. More established tourism industries in other island countries have developed to offer a range of tourism products – large resort experiences, B&Bs, homestays, and boutique hotels – and have advanced associations for the various types of business, such as the Mauritius Small and Medium Hotel Association or Hawaii Bed and Breakfast Association. MDF could support the development of an association of smaller tourism establishments, and thereby help diversify the industry in Fiji and attract different types of tourists to the country. MDF could also work with partners to develop local circuits and products which better integrate these small resorts and hotels into mainstream tourism in Fiji. Working to support the development of small resorts is an example of such systems change that can impact the entire market system and create opportunities for existing players as well as new entrants.

Access to Finance: An underlying constraint for developing small-scale and locally-owned tourism businesses (tourism SMEs such as restaurants, activities, entertainment) is access to finance. Without collateral, this makes it problematic for low-income households and individuals to begin a business – particularly with *iTaukei* who may not have leased or freehold land as security. Although we did not assess the financial system in Fiji, it appears that there are microfinance schemes supported by the government. As a next step, MDF should explore these further and to determine their role in facilitating linkages and access by households interested in small-scale tourism businesses, including the design of appropriate loan products.

Conclusions

The tourism sector offers job opportunities to large numbers of women and men, and will continue to do so for the foreseeable future. As some of the older workers retire, younger people will replace them; and as the industry shifts to match market demand, there is the potential to create new jobs. MDF can support the increase in jobs by working with partners for systems change within the tourism and sector and its supply chains.

Urban Poverty

The purpose of this aspect of the study was to gain a clearer picture of the urban poor, their opportunities for income generation and barriers to economic advancement. Qualitative field research in urban poverty focused on informal settlements where the majority of the urban poor reside. We conducted nine focus group discussions in five informal settlements in Lautoka, Nadi, Suva and Nasinu. The average attendance at each focus group discussion was at least 10 people, and we were therefore able to gain insights into the lives of 90 individuals and their households. Supporting

information has been taken from secondary sources that are summarised in Annex Four and referenced here.

In 2007, there were 140,000 individuals living in 190 informal settlements across Fiji, with most concentrated in the Suva–Nasouri area. Dwellers in informal settlements are often called ‘squatters’ and have been defined in Fiji as ‘a person who is in occupation of State, Freehold or Native land illegal or without any form of security of tenure or without any consent from the landowners.’⁹⁰ This means that the five informal settlements that we visited would all fall into this category, since although some households had a landlord and paid rent, they had no form of security or tenure. Others were living on crown or private land illegally and did not pay rent. Despite this insecurity and often illegality, a number of our respondents had lived in the same informal community for almost 30 years.

Systemic factors that have led to the growth of informal settlements are:

- Rural-urban migration (some resulting from land issues)
- Loss of jobs, for example in the garment sector and agriculture
- Poverty and underemployment
- High rents for housing in urban areas
- Shortage of alternative affordable housing
- Breakdown of family relationships and disputes.

These systemic issues are explained in further detail in Annex Four.

Who is Poor in Urban Settlements and Why?

The majority of households in informal settlements are poor. It should be noted, however, that not all dwellers in informal settlements are poor – some people stay there because this is the home where they grew up, while others wish to avoid paying rent or hope to acquire a block of land if the settlement is developed. And, among the poorer households, living ranges from destitute through poor and vulnerable to poverty.⁹¹

Households in informal settlements are poor if they:

- Do not have full-time permanent work in the household
- Have full-time work at the minimum wage but are a single income household.

These two scenarios are described below (household profiles are not available as we conducted focus group discussions and did not carry out individual household research).

Do not have full-time permanent work

Although there are exceptions, the majority of the respondents that we met across five settlements do not have full-time permanent work – and most work on a casual or temporary basis. Typical occupations for men are as day labourers (including carpenters), groundsman, taxi drivers, security guards and petty traders. Women tend to work much less often – some of those with children in particular stated that they preferred to stay home with the children and to take care of the house – but those who are employed are workers in garment factories, housekeepers, petty traders and security guards.

⁹⁰ Barr, K. (2007) *Squatters in Fiji: the need for an attitudinal change*. CCF Housing and Social Exclusion Policy Dialogue Paper, No. 1, 2007.

⁹¹ Barr, K. (2007) *Squatters in Fiji: the need for an attitudinal change*. CCF Housing and Social Exclusion Policy Dialogue Paper, No. 1, 2007.

Have full-time work at the minimum wage but are a single income household

Of the low percentage of households that do have full-time permanent work, they are still usually earning minimum wage. As it is normally the man who works and the woman who stays at home, this means that the household of two or more will fall below the BNPL. Further, as it is illegal to operate businesses in the settlements, it is difficult for households to augment income in the ways that the poor often do. Neither can grow crops be grown to supplement purchased groceries in many settlements as there is often little land along with the high potential for theft. Some women in Lautoka who have tried to begin small business activities despite its illegality (selling kava, ice-cream, vegetables or prepared food) struggled to earn any income as they typically sold items to neighbours which can only purchase items at the lowest possible cost (or on credit).

Factors Influencing Poverty in Urban Settlements

Through our urban research, we learned that families who live in urban settlements are often caught in a poverty trap due to the following factors:

Un- and underemployment is widespread: Underemployment is typically related to casual or part-time labour, the income from which can fluctuate from one week to the next. For example, families that rely on the income of a taxi driver may earn as little as \$50 per week or as much as \$150–170 – but usually it is around \$100–120. Unemployment is high and casual workers are employed for only short amounts of time – and are therefore dependent on sporadic jobs and income.

Lack of skills and experience: Individuals are unable to get secure better jobs since they lack skills, qualifications and experience. Education levels amongst the adults in the settlements are typically low and even unskilled formal jobs can require some proof of qualification through minimum levels of education. Seeking further qualifications or education is not an option due the costs involved, and the strong focus on educating children first, which itself can be a struggle.

Wages for employment: Even those with more regular or permanent jobs are often earning the minimum wage which is inadequate to keep a family out of poverty (see BNPL discussion below).

Single-income households: Households often only have one earner as women frequently stay home to take care of the children and house, or have difficulties finding jobs if they are seeking one. There also appears to be a lot of illness that prevents people from working on a regular basis, and many previously employed workers have become unemployed after uncompensated on-the-job related injuries.

Business activity is illegal: Those who stay home are not allowed to start small businesses as this is illegal in informal settlements –so any hope of augmenting incomes by even small% is not possible as in many other poor communities around the world.

Inflation: The rising cost of food, without a comparable rise in incomes, means that households are spending higher percentages of their income on food while cutting back on chicken, meat and other costly items – and sticking only with staples. As previously mentioned households in urban settlements can rarely grow their own food to supplement; and as a result spend most of their income on food for the household.

Saving capacity: The high cost of living as compared to incomes means that families have difficulty saving for their children's tertiary education; or even secondary in some cases. Those that are formally employed may borrow against their retirement savings (FNFP) leaving them vulnerable to deeper poverty when they retire.

School fees: There are school fees for even primary and secondary government schools with households paying from \$115 per child per year for the former and \$200 and up per child per year for

the latter. This includes not just fees, but other associated costs such as materials, computer class fees, and printing paper costs.

Access to finance: Insecure land tenure means that land and houses cannot serve as collateral for loans, and there is no safety net for unexpected emergencies.

Despite this financial hardship, many families are involved in savings schemes with People's Community Network⁹² for both children's education and the eventuality that their informal settlement (if on crown land) will be developed and they will be eligible to buy a block (usually 250–312m²).

Pathways out of Poverty – Solutions to Increase Incomes of the Poor

Many of the above constraints – such as insecure land tenure, school fees, and inflation – are issues that cannot be handled within a market development program, but awareness of these issues enables implementers to reduce risks and to plan for workarounds. The following solutions are ones that MDF might be able to consider now or in the future.

Access to Jobs: Employment is a huge issue in the informal urban settlements and a sector that creates employment for low-skilled men and women would help these settlements. Men and women both require suitable and accessible jobs in these settlements. Certain women – particularly pre-marriage, widowed, women whose children are older – will also be able to benefit from jobs. But women (between 20 and 40 on average) may be more reluctant to leave their children full time as they do not have reliable childcare and they place high value on their role as mothers and homemakers. If MDF develops the garment industry, there will be a sufficient number of women who are ready and willing to benefit from the jobs created.

Skills Training: One of the underlying causes of un- and underemployment in informal urban settlements is the lack of skills. Coming from poor households, or moving into the settlements from agricultural settings, men and women in the settlements do not have skills which allow them to take on semi-skilled or skilled work. Further, any funds that they have to spare are spent on children's education rather than upgrading their own capacities. If MDF were to partner with large employers (garments, construction, manufacturing) to provide on the job training for unskilled workers to become skilled or semi-skilled, this could potentially lead to greater job security. Exact needs and opportunities will be better determined in the sector specific research that MDF is currently conducting.

Home-based Businesses: Women are also interested in home-based work and small businesses and are interested in accessing business development training and support. However, due to the current illegality of operating businesses in settlements these are not short-term solutions. This could be supported if there could be an outsourcing element in the apparel or other manufacturing industry. As some settlements gain regularised status, these options would become more viable; or promotion of changes to this regulation can emphasise the economic benefits that would go to the households and the nation.

Conclusions

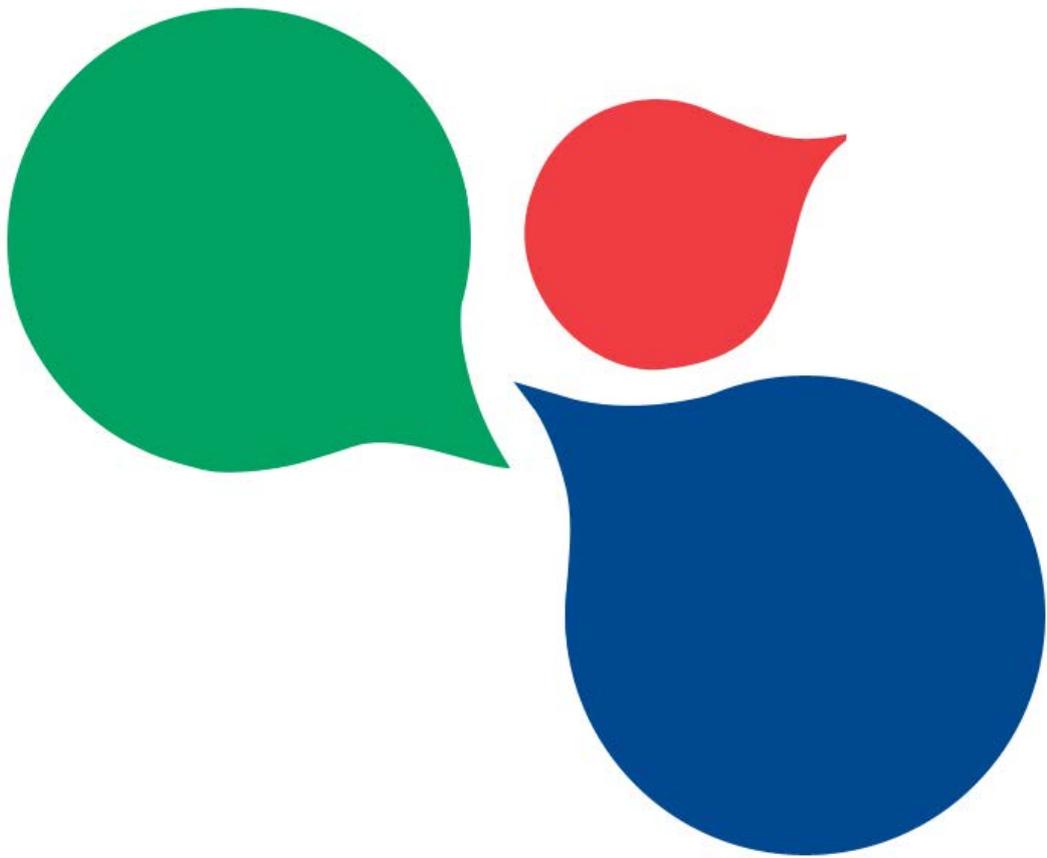
In informal urban settlements the challenges are greater for MDF because the issues are not sector specific. Certainly the development of urban sectors that offer job opportunities to men and women will contribute to poverty reduction in settlements. While MDF is not able to solve all of the problems in the settlements, a third sector selected with this perspective of reducing urban poverty will contribute to improved livelihoods of many thousands of urban households.

⁹² People's Community Network, headed by Father Barr, who coordinated our meetings in the settlements

CONCLUSIONS

Overall findings are extremely positive for MDF's potential contribution to horticulture and tourism in Fiji, and the integration and / or advancement of low-income women and men of *iTaukei* and Indo-Fijian backgrounds into the sectors. Horticulture and tourism are cornerstones of the Fijian economy, and offer employment and business opportunities as pathways out of poverty to large numbers of households and / or individuals within those households. The pathways out of poverty that result from participation within the sectors go beyond the sectors, as surplus income is utilised to educate members of the household (siblings and children) and to advance their economic well-being. In the case of urban poverty, the findings are preliminary and conclusions on suitable solutions for MDF will depend upon research being conducted for the third sector's focus.

ANNEX 1: DETAILED DESCRIPTION OF HOUSEHOLDS IN DECILES 2-4



Annex 1: Detailed Description of Households in Deciles Two to Four

The following sub-sections provide a description of households in deciles 2 to 4 according to urban *iTaukei*, urban Indo-Fijian, rural *iTaukei* and rural Indo-Fijian. Rural information is presented first as this covers not only farming households but also the majority of households with tourism workers who live in villages and settlements around tourism establishments. The exception to the latter is households in Nadi and Denarau, but even then some live in peri-urban settlements outside the main town limits.

Rural Households

Household size and composition

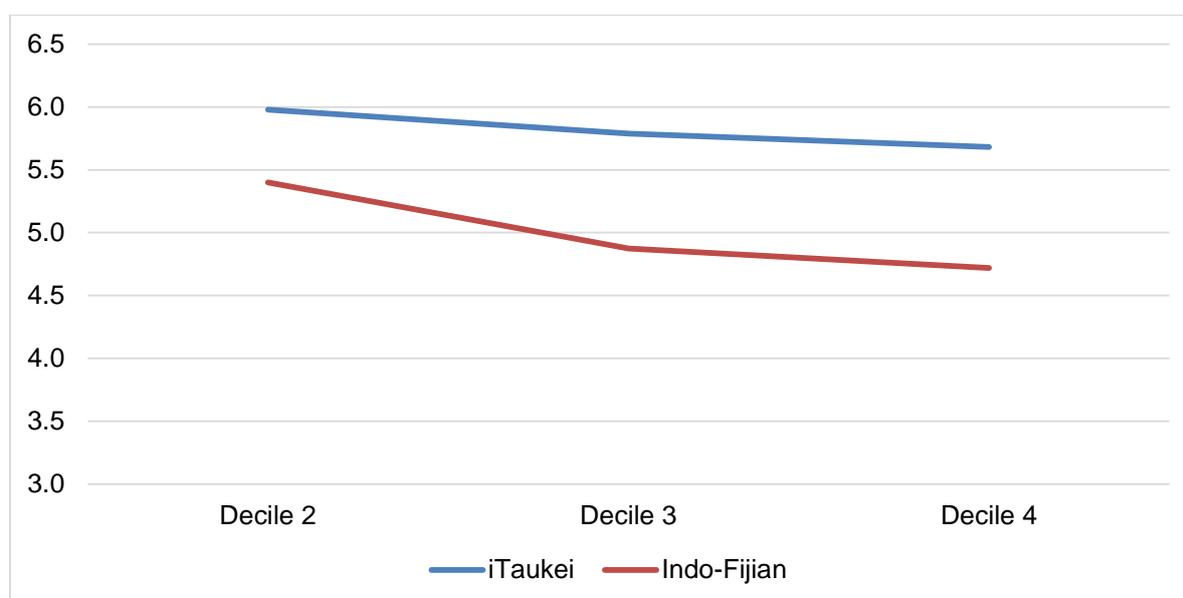
Typically, the larger the household, the higher the poverty.

iTaukei households tend to be larger than Indo-Fijian households, in respect to both the number of adults and the number of children.

The average *iTaukei* household size is 3.6 members over the age of 14 and 2.2 members under the age of 14. By contrast, the average Indo-Fijian household size is 3.8 members over the age of 14 and 1.2 members under 14. Overall, rural Indo-Fijian households are larger than urban Indo-Fijian households. This suggests a higher dependency ratio for rural *iTaukei* households and possibly a lower replacement rate for Indo-Fijian households.

As shown in Figure 1, average household size decreases across both *iTaukei* and Indo-Fijian rural households as household income increases (although at a lower rate than urban households).

Figure 1: Household Size – Rural



Livelihood

There are significant differences in the pattern of rural household head employment when examined by ethnicity. Indo-Fijian households are twice as likely to have a household head whose source of

income is wages/ salary (46% compared to 24%), and 2.5 times less likely than *iTaukei* households to have a household head who earns income from self-employment (20% compared to 50%).

Figure 2: *iTaukei* Employment of Household Head – Rural

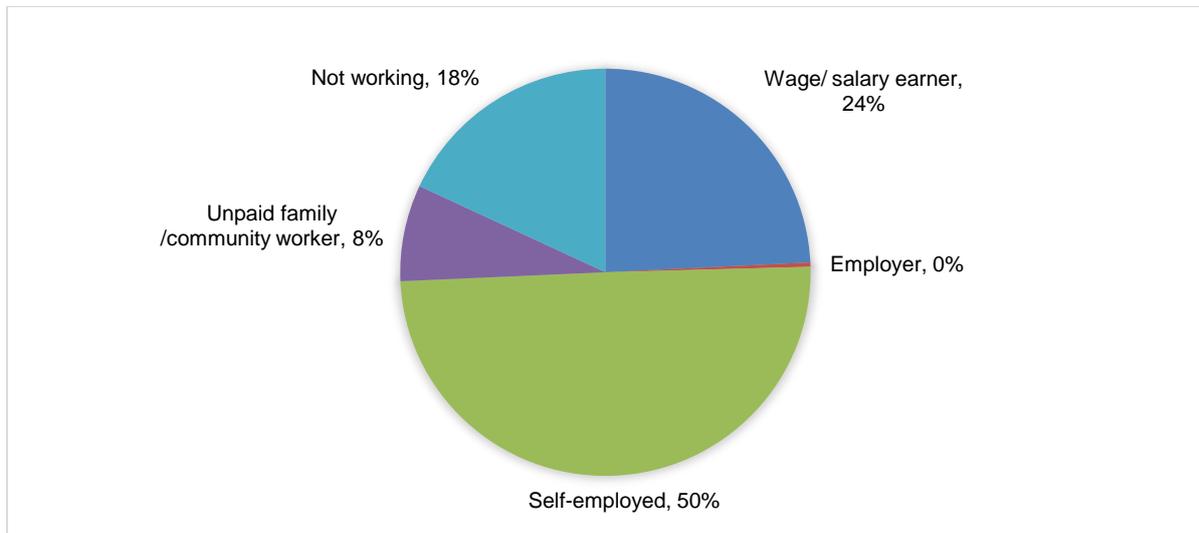
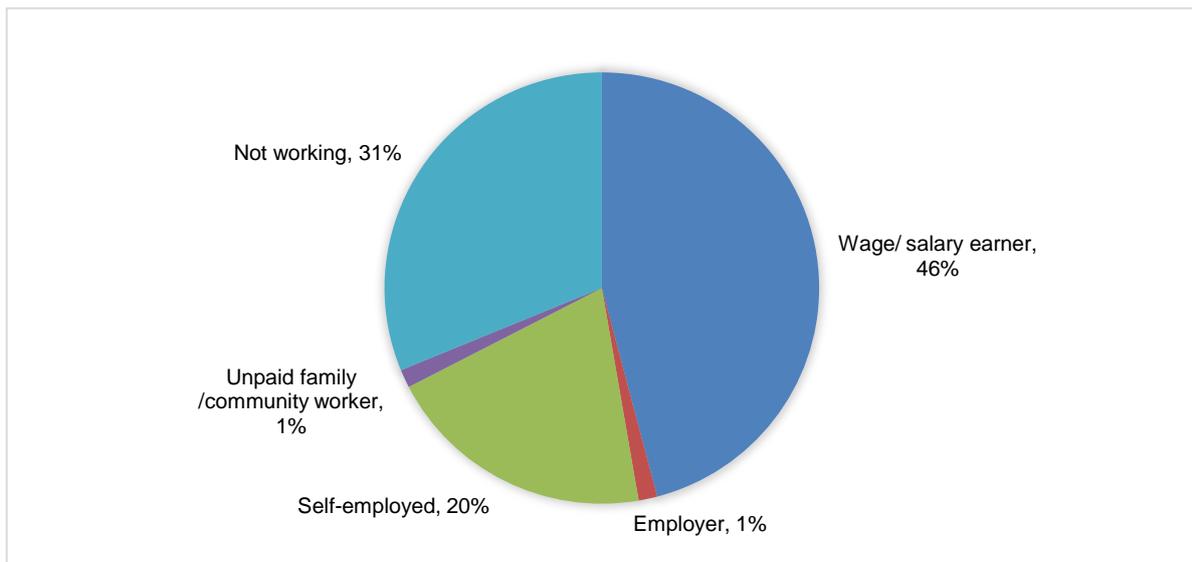


Figure 3: Indo-Fijian Employment of Household Head – Rural

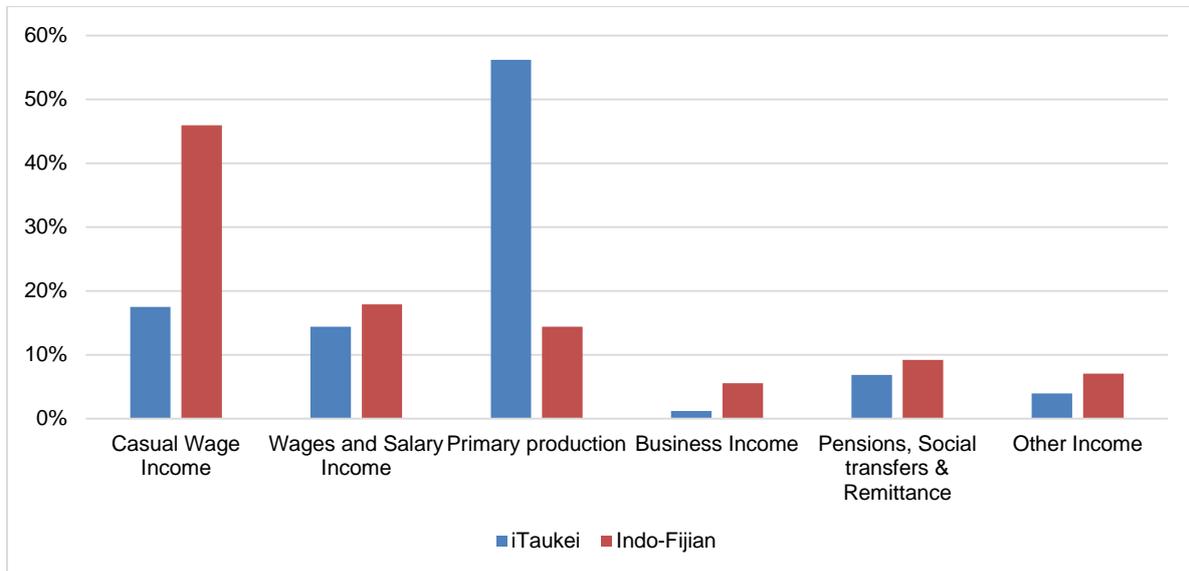


This pattern is consistent over deciles 2–4. Indo-Fijian household heads are also significantly more likely than *iTaukei* household heads to be not working (31% compared to 18%). This suggests significantly higher levels of income vulnerability in rural Indo-Fijian households, compared to both rural *iTaukei* households and urban Indo-Fijian households (see next section).

The potential income vulnerability of rural Indo-Fijian households is also evident in the main source of household income. As shown in Figure 3, in 46% of rural Indo-Fijian households in deciles 2–4, the main source of income is casual wages. By contrast, in 56% of *iTaukei* households the main source of household income is primary production. Primary production as the main source of income in Indo-Fijian households is consistent across deciles (14%). However, reliance on primary production decreases in *iTaukei* households (64% decile 2–53% decile 4) and is replaced by wage/salary income, in particular regular wage income which increases from 9% (decile 2) to 16% (decile

4). Regular wage/ salary income also increases across deciles for Indo-Fijian households (13% decile 2–25% decile 4).

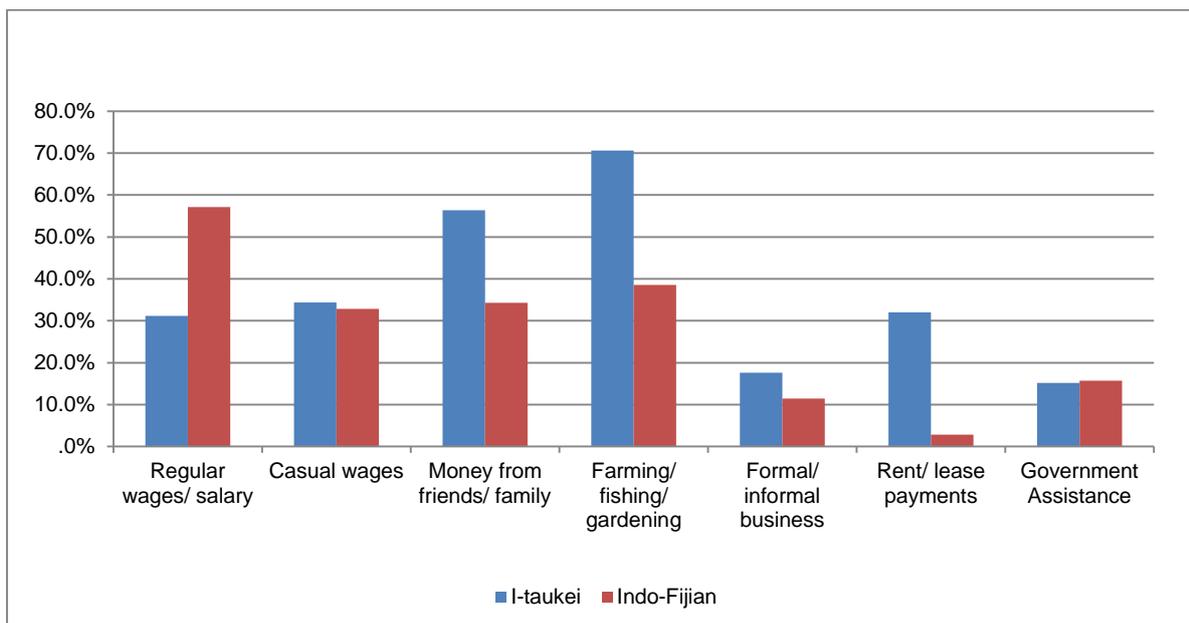
Figure 4: Main Source of Household Income – Rural



Data collected during from the *Fiji Financial Competence Study* indicates low-income rural households typically have at least two sources of income. As shown in Figure 13, iTaukei households typically have a greater number of sources of income (iTaukei average = 2.9, Indo-Fijian average = 2.0).

The additional source of income in rural iTaukei households is likely to be either income from primary production or rent/ lease income, which can be attributed to rents received from village or *matagali* land. iTaukei sources of income are biased toward primary production, or passive income from remittances or rents. Indo-Fijian households appear to be more reliant on wage / salary income, and are less likely to report household income from primary production or remittances. Not surprisingly income from rents is very low.

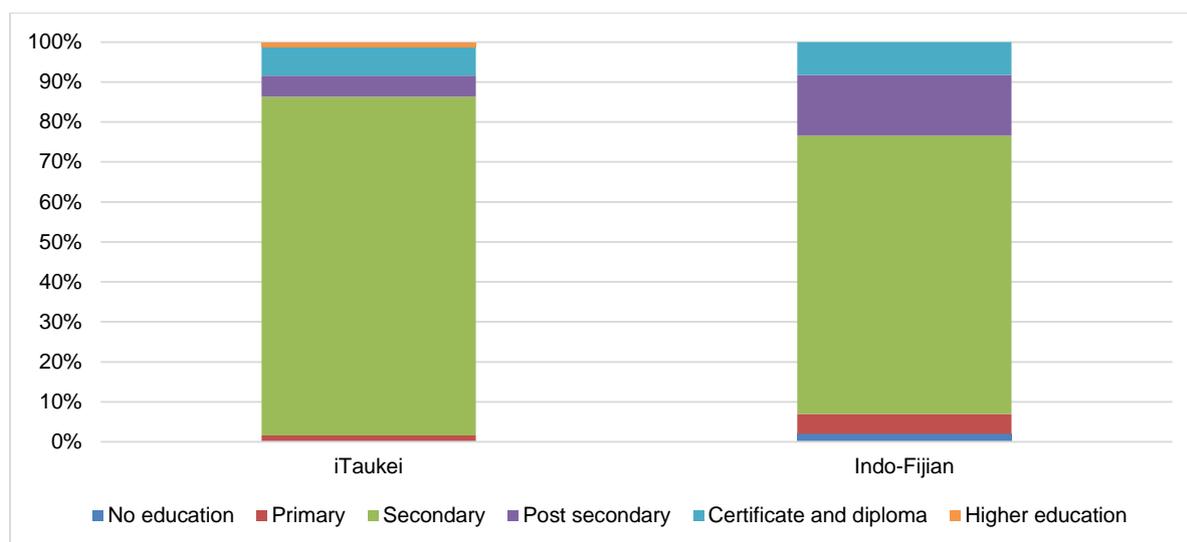
Figure 5: Percentage of Households Reporting Source of Income – Rural



Education

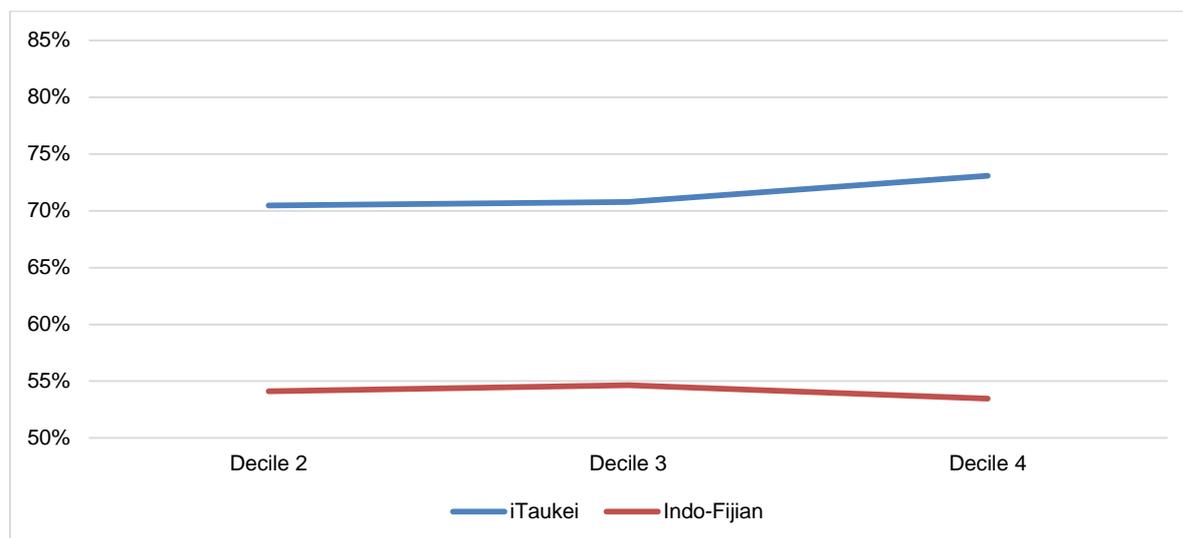
As shown in Figure 6, education patterns are broadly similar across *iTaukei* and Indo-Fijian households, although Indo-Fijian households are more likely to have members who have continued education in post-secondary school. Secondary education was the highest level of education in 85% of *iTaukei* households and 70% of Indo-Fijian households. Post-secondary certificate/ diploma was the highest level in 23% of Indo-Fijian households and 13% of *iTaukei* households.

Figure 6: Highest Level of Education in Household – Rural



The likelihood that the household head will have secondary education does not change significantly across deciles.

Figure 7: Household Head Achieving Secondary Education – Rural

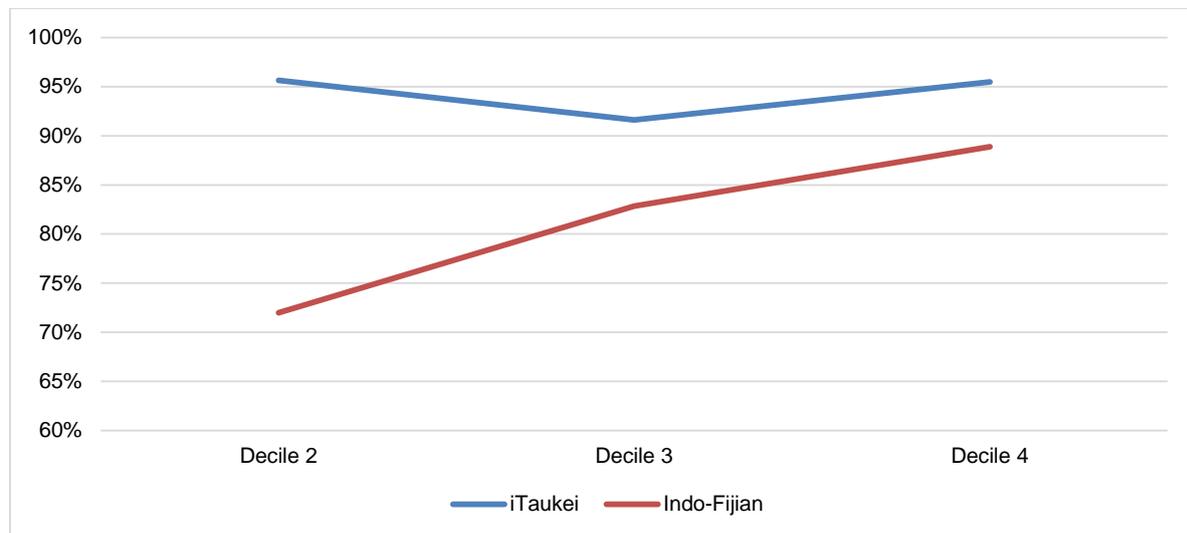


Dwelling

Levels of dwelling ownership are higher in rural households than urban households. Ninety-four percent (94%) of rural *iTaukei* households reported owning their own dwelling and 82% of Indo-Fijian households. Levels of renting are very low (3% – 6%). As shown in Figure 8, levels of dwelling

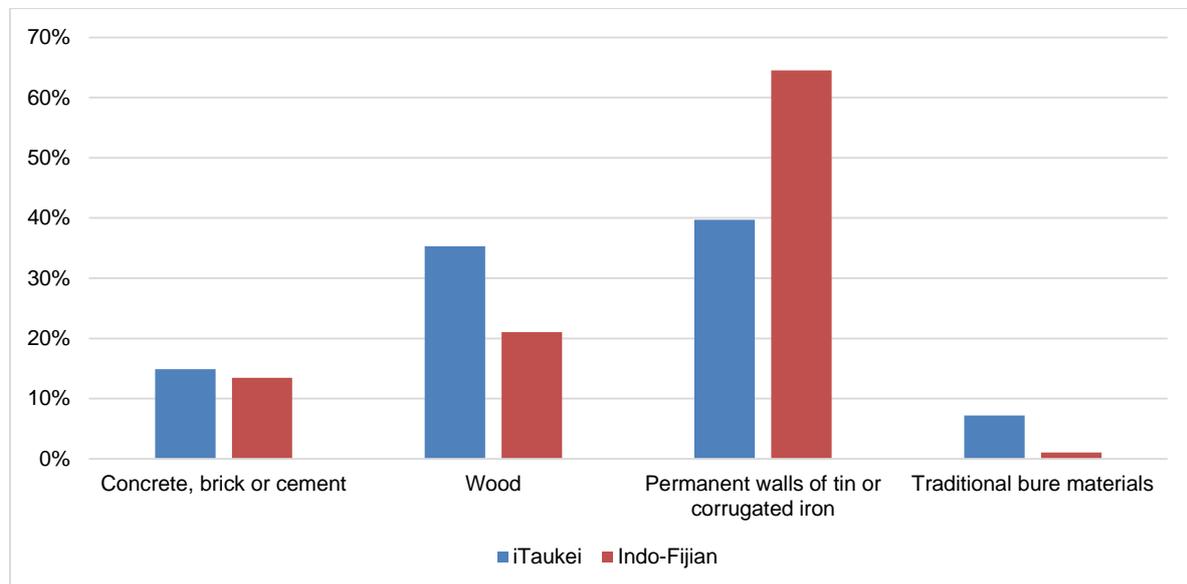
ownership are relatively consistent across deciles for *iTaukei* households. There is a significant increase in dwelling ownership in Indo-Fijian households as household income increases.

Figure 8: Own Household Dwelling



The predominance of wood and tin/ corrugated iron for the outer walls of the dwelling suggests a high level of self-building. However, as shown in Figure 9, levels of makeshift or improvised dwelling are very low (<1%). Most dwellings are permanent.

Figure 9: Construction of Outer Walls – Rural



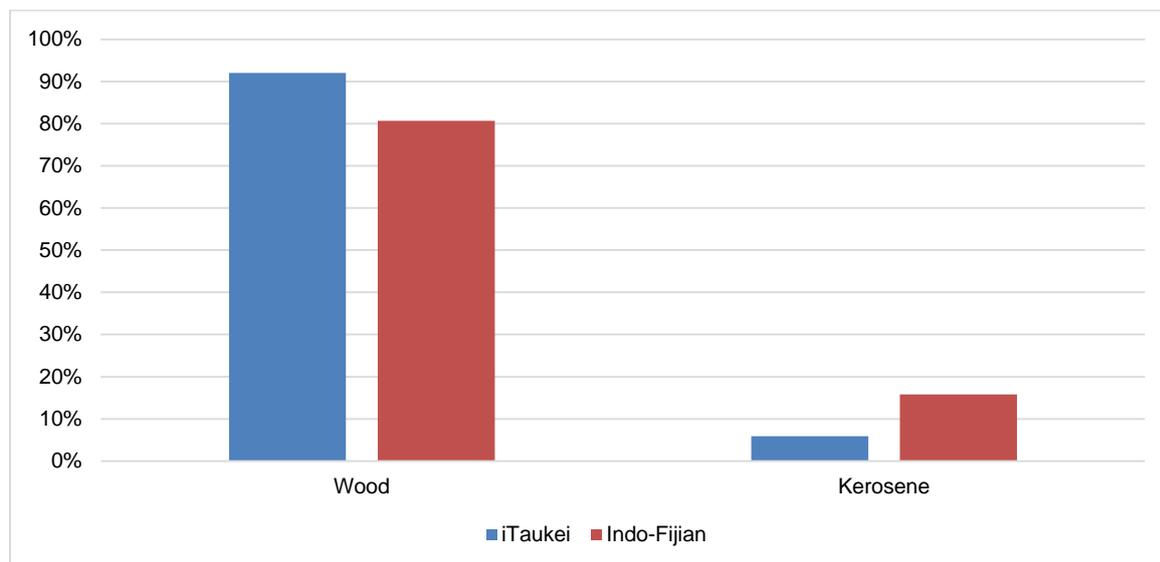
iTaukei dwellings are typically smaller than Indo-Fijian dwellings. *iTaukei* households have on average 2.28 rooms, compared to 3.49 rooms in Indo-Fijian dwellings. Dwelling size increases slightly across deciles 2–4.

There was a significant difference in access to electricity. Fifty seven percent (57%) of *iTaukei* households in deciles 2–4 had electricity compared to 81% of Indo-Fijian households. This may reflect location differences between rural Indo-Fijian and rural *iTaukei* communities. There is a greater likelihood of *iTaukei* communities living in remote rural villages that do not have access to

electricity. Access to electricity increases across deciles for both Indo–Fijian and *iTaukei* households. Use of electricity for lighting correlates closely with the household having access to electricity. Reliance on kerosene for lighting is inverse to the household’s access to electricity

As shown in Figure 10, wood is the predominant form of cooking. The use of wood for cooking is high across deciles.

Figure 10: Cooking – Rural



Durables

As shown in Table 28, there are significant differences in the pattern of durable goods ownership between Indo–Fijian and *iTaukei* households. These differences are likely to be reflective of the household’s access to electricity.

The higher level of ownership of a car by Indo–Fijian households may (as with urban Indo–Fijian households) be a consequence of higher levels of taxi ownership by Indo–Fijian households.

Table 28: Household Durables – Rural

	Car	Fridge	Computer	Television	Radio	Washing Machine	Telephone	Brush Cutter
<i>iTaukei</i>	0%	14%	1%	40%	75%	9%	21%	16%
Indo–Fijian	9%	57%	3%	70%	93%	22%	23%	23%

Durable goods ownership increases as income increases. For example:

- 31% of *iTaukei* and 60% of Indo–Fijian households in decile 2 reported owning a television. This increases to 47% and 80% respectively in decile 4.
- 6% of *iTaukei* and 43% of Indo–Fijian households in decile 2 reported owning a washing machine. This increases to 17% and 43% respectively in decile 4.

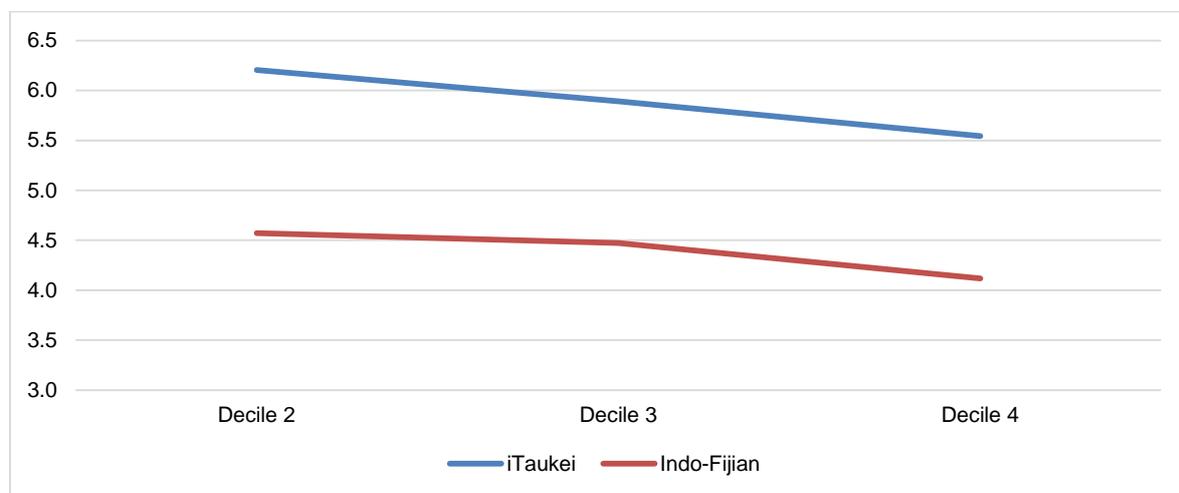
Urban Households

Household size and composition

iTaukei households tend to be larger than Indo-Fijian households, in respect to both the number of adults and the number of children. The average *iTaukei* household size is 3.9 members over the age of 14 and two members under the age of 14. By contrast, the average Indo-Fijian household size is 3.5 members over the age of 14 and 0.9 members under 14. This also suggests a higher dependency ratio for *iTaukei* households and, possibly, a lower replacement rate for Indo-Fijian households.

As shown in Figure 11, average household size decreases across both *iTaukei* and Indo-Fijian households as household income increases.

Figure 11: Household Size – Urban



Livelihood

As shown in Figure 12, rates of wage, salary income of the household head are higher in *iTaukei* households. By contrast levels of unemployment of the household head appear to be higher in Indo-Fijian households. Other categories of employment are broadly similar.

Figure 12: *iTaukei* Employment of the Household Head – Urban

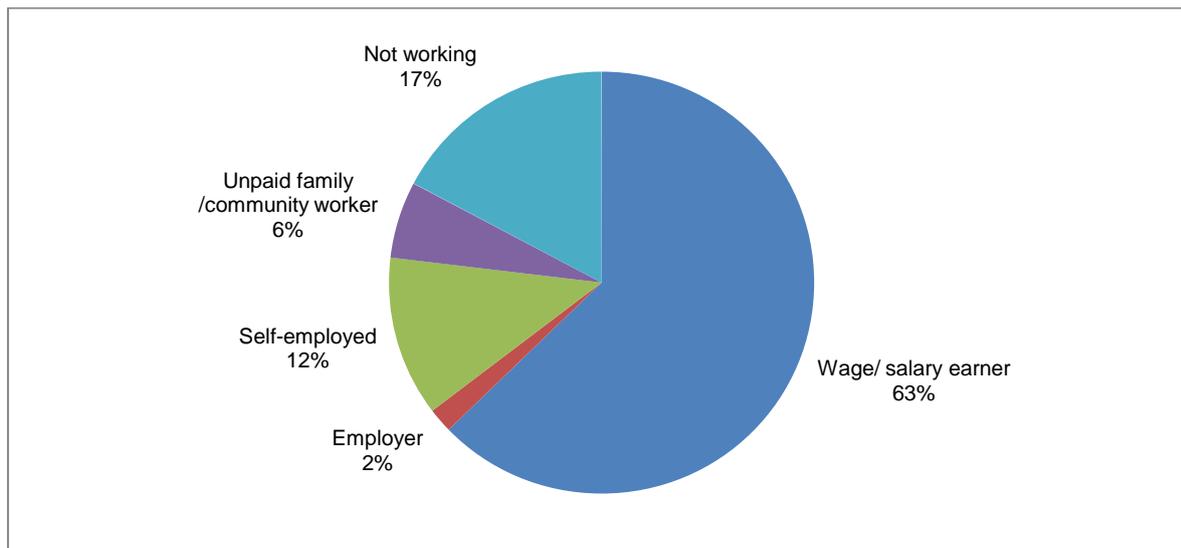
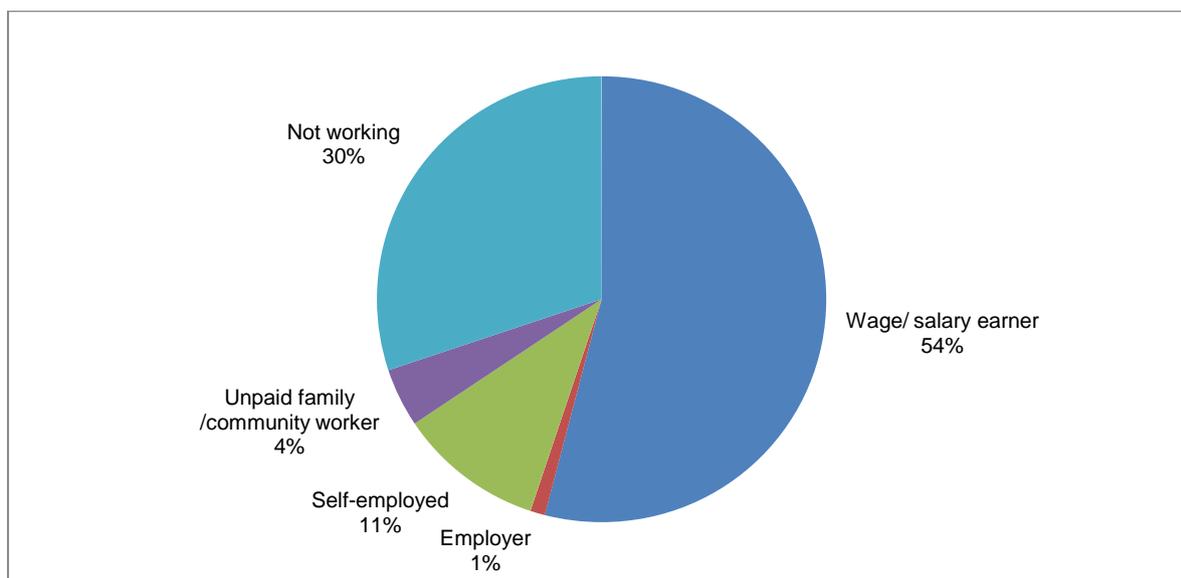


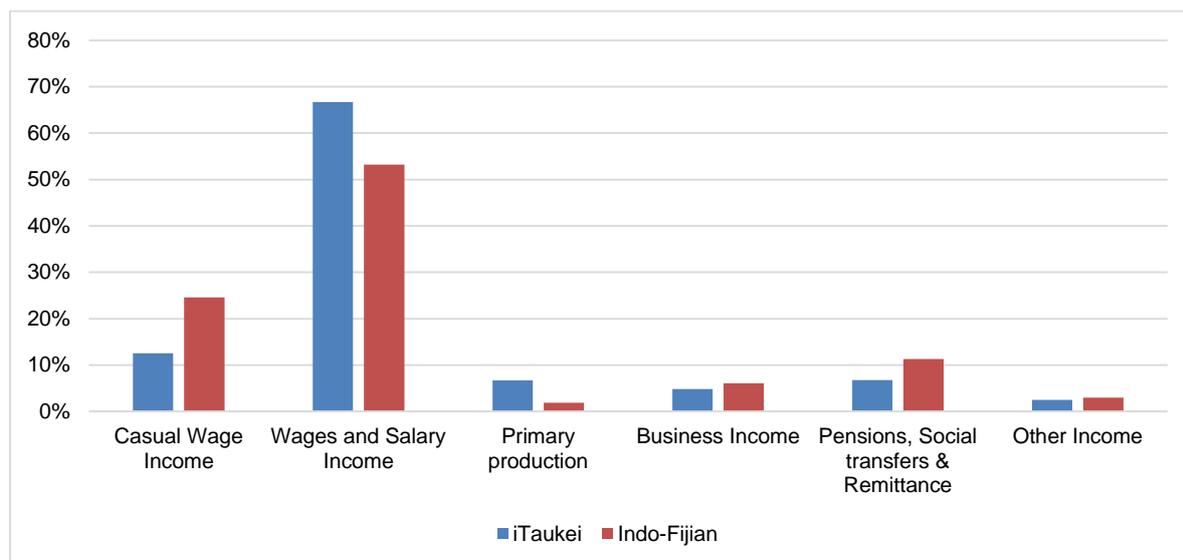
Figure 13: Indo-Fijian Employment of the Household Head – Urban



The likelihood of the household head earning wage or salary income increases as household income (decile level) increases (62% – 66% in *iTaukei* households and 53% – 56% in Indo Fijian households). Levels of self-employment reduce slightly.

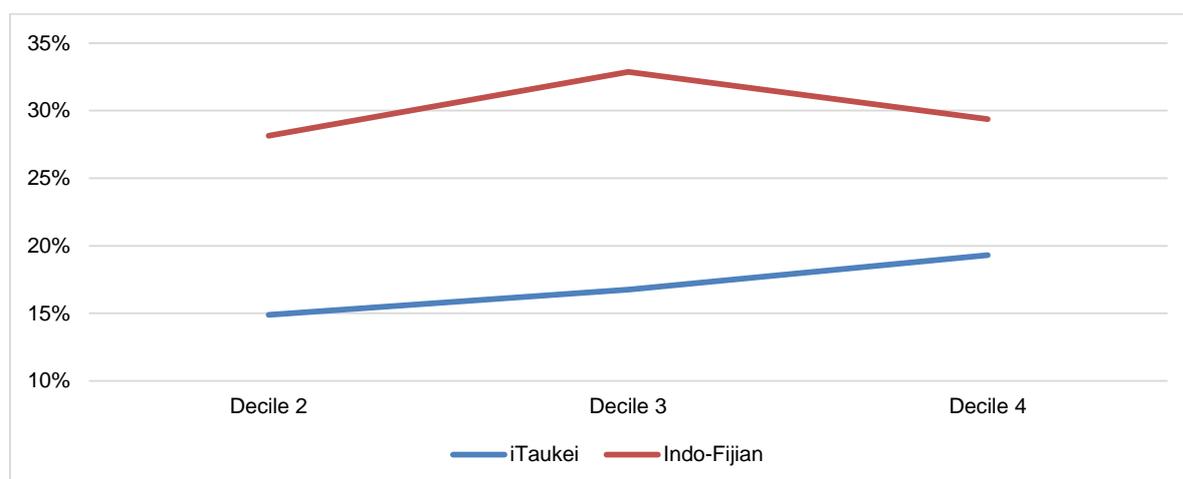
While there is a higher likelihood of the household head earning wages/ salaries in *iTaukei* households, as shown in Figure 14, overall the principal source of household income for both *iTaukei* and Indo-Fijian urban households is wage or salary income. *iTaukei* households appear slightly more likely to receive regular wage/ salary income. Overall, levels of self-generated income are very low.

Figure 14: Main Source of Household Income – Urban



Counter-intuitively, as shown in Figure 15, the likelihood the household head does not work increases as household income increases. This cannot be explained by reference to the main source of household income as there is no consistent pattern across decile and source of income.

Figure 15: Household Head Not Working

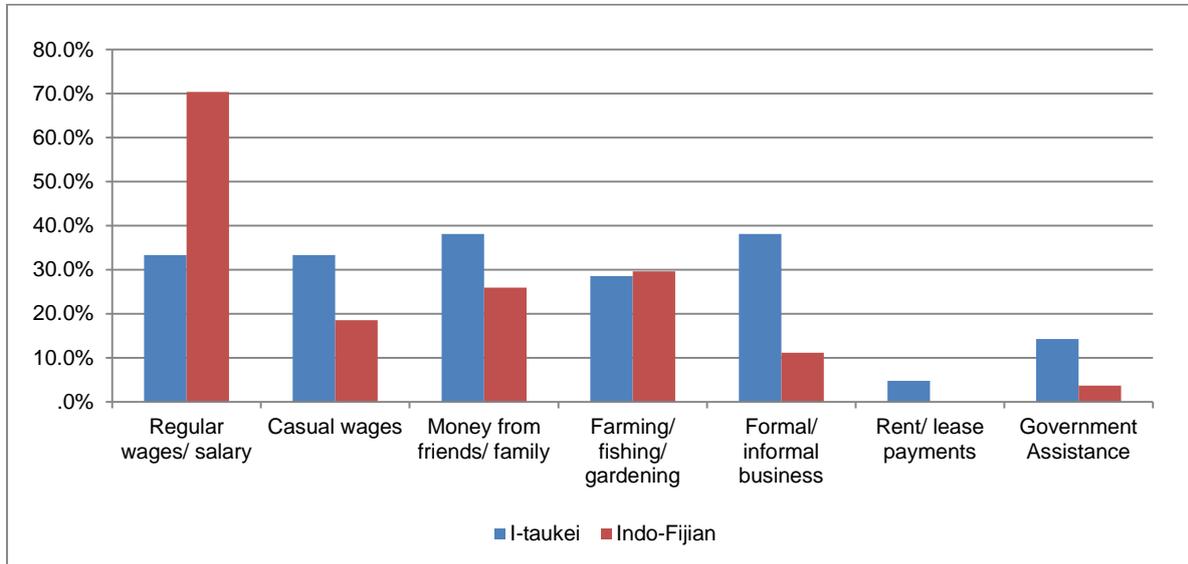


Data collected during from the Fiji Financial Competence Study indicates low income urban households typically have at least two sources of income. *iTaukei* households typically have a greater number of sources of income (*iTaukei* average = 2.3, Indo-Fijian average = 2.0). In rural areas, many *iTaukei* report receiving rent/ lease income (see below), which can be attributed to rents received from village or *matagali* land, in urban communities the income appears to be earned by a range of income generating activities.

The main source of household income in *iTaukei* and Indo-Fijian households is broadly similar. However, as shown in Figure 16, Indo-Fijian households are more likely to report regular wage/ salary income as one of the sources of household income than *iTaukei* households. Given the household head is less likely to earn wage/ salary income in urban Indo-Fijian households, wage or salary income received by the household is more likely to be earned by another member of the household. Gender cannot be inferred from the dataset. However, the size and structure of Indo-Fijian households, the frequency of receipt of wage/ salary income, and the gender of the household head

typically being male, combine to suggest that, in many low income urban Indo-Fijian households, wage or salary income is likely to be earned either by the wife, or by adult children still living at home. The pattern of income in *iTaukei* households appears to be more distributed than in Indo-Fijian households.

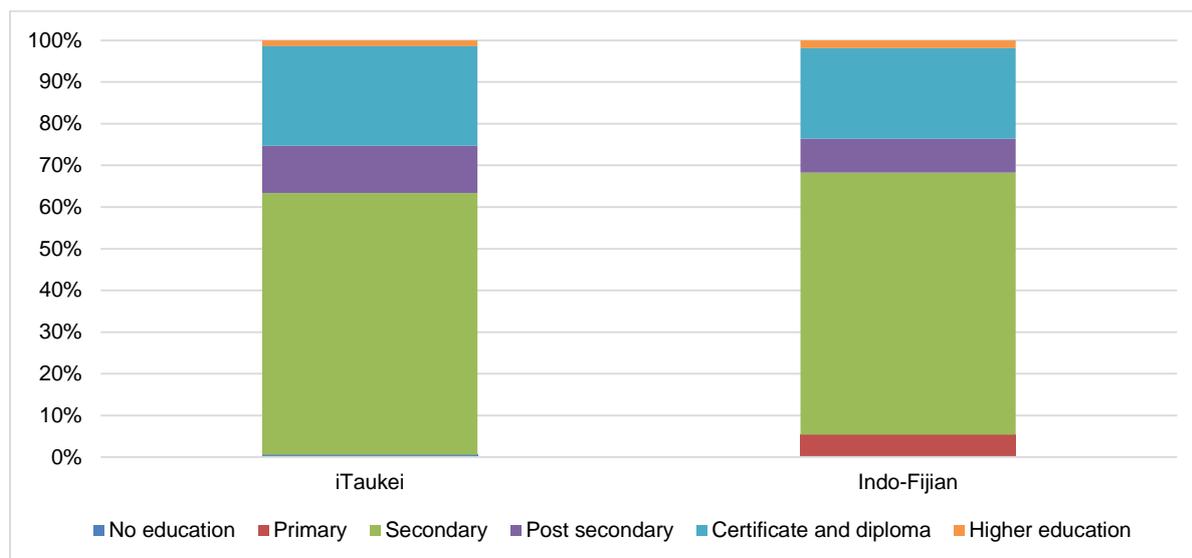
Figure 16: Percentage of Households Reporting Source of Income – Urban



Education

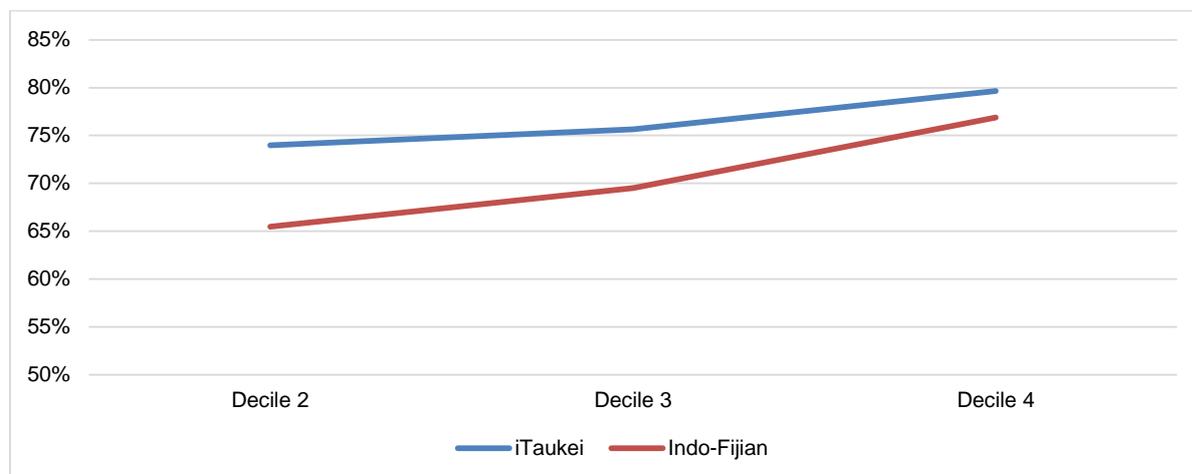
Education patterns are similar across *iTaukei* and Indo-Fijian households. As shown in Figure 15, Secondary education was the highest level of education in 63% of households. Post-secondary certificate or diploma was the highest level in 22–24% of households. The household head is not the highest educated member of the household in a significant percentage of households. Typically the education level of the household heads was secondary education in 70–77% of households. Levels of post-secondary education of the household head were low (<10%). Indo-Fijian household heads are more likely to only have primary education (23% of Indo-Fijian households compared to 9% of *iTaukei* households).

Figure 17: Highest Level of Education in Household – Urban



Consistent with the greater likelihood the household head will earn wage/ salary income, as shown in Figure 18, as household income increases, the likelihood that the household head will have secondary education also increases. This pattern is reflected across the highest education level in the household generally.

Figure 18: Household Head Highest Level of Education Secondary School – Urban

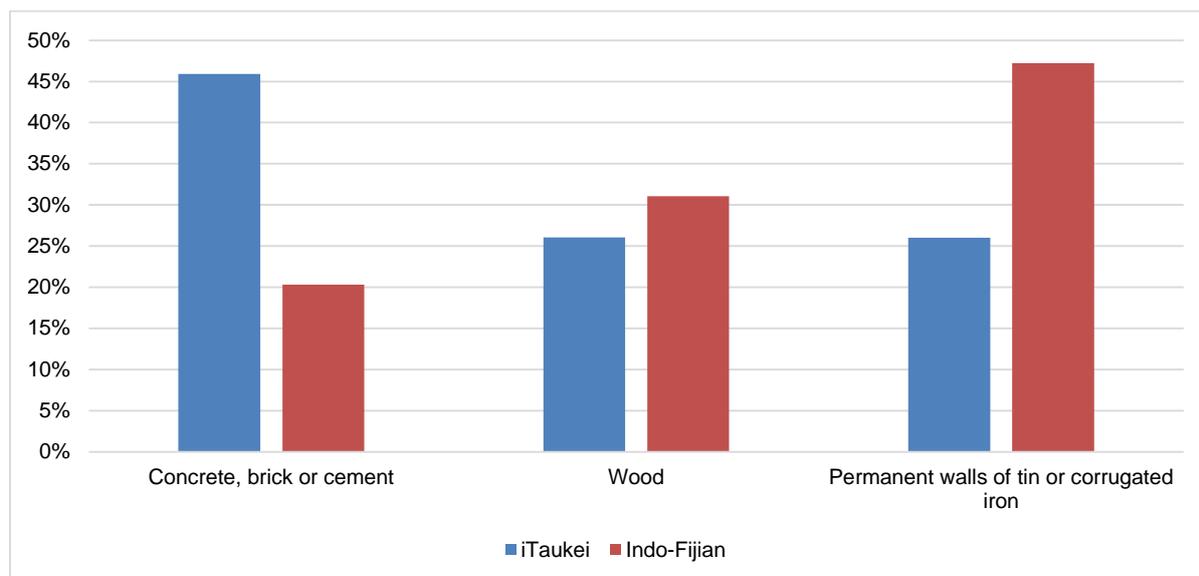


Dwelling

As shown in Figure 17, *iTaukei* households are more likely to rent their dwelling (33% of households, compared to 19% of Indo-Fijian households). By contrast 69% of Indo-Fijian households owned their dwelling, compared to 56% of *iTaukei* households. The average number of rooms in Indo-Fijian dwellings is slightly larger than *iTaukei* dwellings (3.7 rooms in Indo-Fijian dwellings, compared to 3.2 rooms in *iTaukei* dwellings).

However, the greater use of tin / corrugated iron for the outer walls of Indo-Fijian dwelling suggests the household is more likely to live in a self-build dwelling. This also suggests a larger percentage of Indo-Fijian households are likely to live in settlements rather than formal urban areas.

Figure 19: Construction of Outer Walls – Urban

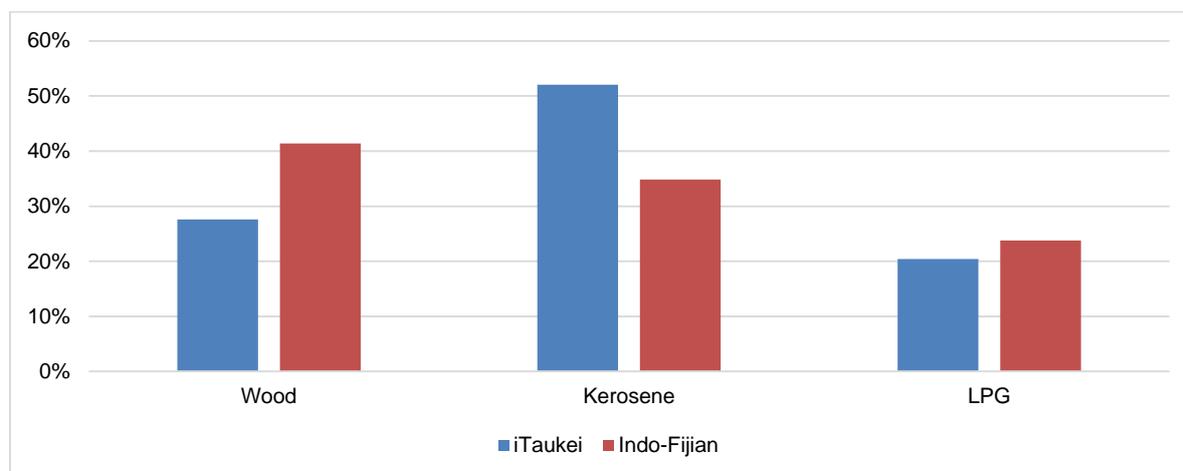


There is no consistent change in ownership or construction materials across deciles to indicate a change of dwelling type between deciles 2 and 4.

Most urban households (95%) in deciles 2–4 had access to electricity. In urban areas this is likely to be mains rather than generator. This is consistent across deciles. However the line may not be formal, in particular in squatter settlements. The use of electricity is reflected in electricity being the source of lighting in 95% of households.

Electricity is not, however, used for cooking. The greater use of wood (usually wood fire cooking takes place outside the roof-line of the dwelling) by Indo-Fijian households is also likely to be an indicator of residence in self-build dwellings in settlements. Conversely, the greater use of kerosene by *iTaukei* households (kerosene stoves are commonly used under the roof-line) is an indicator of residence in a formal dwelling. The use of wood for cooking reduces in Indo-Fijian households as income increases (52% decile 2 – 30% decile 4)

Figure 20: Cooking – Urban



Durables

Lack of ownership of durables may not be an (independent) indicator of deprivation in urban low-income households (deciles 2–4). As shown in Table 29, there are relatively high levels of electrical durables ownership (washing machine, television, radio). This is related to high levels of access to mains electricity.

The higher level of ownership of a car by Indo-Fijian households is likely to be a consequence of higher levels of taxi ownership by Indo-Fijian households.

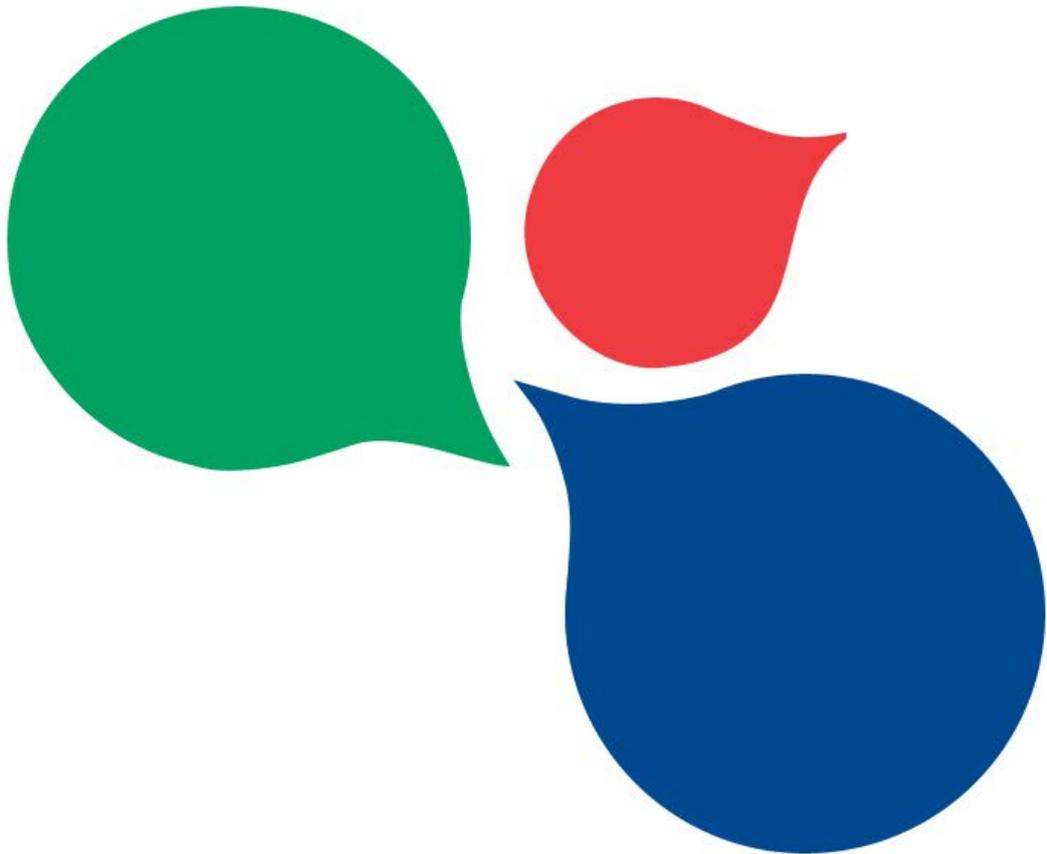
Table 29: Household Durables – Urban

Durables Owned by Household								
	Car	Fridge	Computer	Television	Radio	Washing Machine	Telephone	Brush Cutter
iTaukei	4%	70%	8%	86%	83%	53%	39%	11%
Indo-Fijian	15%	77%	12%	88%	94%	49%	41%	21%

Durable goods ownership increases as income increases. For example:

- 81% of iTaukei and 86% of Indo-Fijian households in decile 2 reported owning a television. This increases to 90% and 93% respectively in decile 4.
- 41% of iTaukei and 39% of Indo-Fijian households in decile 2 reported owning a washing machine. This increases to 60% and 54% respectively in decile 4.

ANNEX 2: RECENT HISTORY OF URBAN FIJI



Annex Two: Recent History of Urban Fiji

Urbanisation, poor urban conditions and urban poverty in Fiji is not a recent phenomenon⁹³ and some even date it back to the period of post-colonial economic change (Naidu 2005).⁹⁴

The Growth of Urban Settlements

Fiji has been urbanising rapidly. This rapid urbanisation has spurred the growth of informal settlements, which is a consequence and visible demonstration of poverty in Fiji.⁹⁵ The proportion of people living in urban areas increased from 30% in 1960 to 49% in 2000 and is expected to reach 60% by 2015.⁹⁶ Increased urbanisation has been accompanied by the mushrooming growth of people living in squatter settlements. A 2005 Report for the Ministry of Local Government, Housing, Squatter Settlement and Environment revealed that squatter population in Fiji has increased by 78% between 1999 and 2003 (Lingam 2005).⁹⁷ That report shows that there were 182 squatter settlements in the country with 13,725 squatter families and a population of 82,350.⁹⁸ Of the squatter population, more than 60% lived in the Suva–Nausori town corridor. On average, over 450 people per squatter settlement live in Fiji and in some squatter settlements such as Jittu Estate in Suva City for example, the density of population exceeds 6000 persons (Mohanty, 2006).⁹⁹

There is wide variation between ethnic groups living in urban settlements. Country wide, there were more Indo–Fijian squatters (53%) than indigenous Fijians (46%), but in Central Division, there were more indigenous Fijians (61%) in squatter settlements than Indo–Fijians (39%). The reverse is true in the Western and Northern Provinces (Lingam 2005). A later study in 2007 revealed that there are now more than 190 squatter settlements in Fiji housing somewhere around 140,000 people, with an additional 30,000 new houses anticipated in the next 15 years (McKinnon et.al. 2007).¹⁰⁰ The current trends indicate that with improving income opportunities in urban areas, the rural-urban drift has and will likely continue.

Poverty in urban settlements

Whatever the reasons for their growth, the current situation of people in the settlements is not any better and in many ways it has become worse as urban densities grow.

⁹³ Barr, K. (1990) *Poverty in Fiji*. Fiji Forum for Justice and Peace, Suva; Walsh, C. (1978) 'Squatting problem: Squatting, Housing and Urbanisation in Suva'. PhD Dissertation, Massey University, Palmerston North.

⁹⁴ Naidu, V. (2005) 'The state of the state in Fiji: some failings in the periphery', in Stuart Firth (ed.), *Globalisation and Governance in the Pacific Islandss*, pp. 297-325. ANU E-Press, Canberra.

⁹⁵ Connell, J. (2011) 'Elephants in the Pacific? Pacific Urbanisation and its Discontents', *Asia Pacific Viewpoint*, Vol. 52 (2), August 2011. Available from <http://onlinelibrary.wiley.com/doi/10.1111/j.1467-8373.2011.01445.x/pdf>

⁹⁶ Abbot, D. (2006) 'Poverty in the Pacific: Definitions, trends and Issues', Presentation, UNDP Pacific Sub Regional Centre, Suva. <http://www.undppc.org.fj/resources/articles/files/5.pdf>

⁹⁷ Lingam, D. (2005) 'The Squatter Situation in Fiji', Ministry of Local Government, Housing, Squatter Settlement and Environment, Suva- Fiji.

⁹⁸ Many settlements can be found on traditional coastal land, known as *Qoliqoli* coastal zone and there are increasing numbers of squatters⁹⁸ in the *qoliqoli*, largely as a result of existing of sugarcane leases⁹⁸ and other factors leading to urbanization. This will continue to put pressure on coastal areas. In Suva, where coastal settlements are expanding, there are some communities who have occupied the coastal areas for generations. Urban settlements in mangrove areas around Suva are now less secure, even where permission to build has been granted by *vakavanua* agreement with landowners through a *sevusevu*, or traditional presentation of *kava* (*yaqona*) or a *tabua* (whale's tooth).⁹⁸ Much of the current debate over land and land rights surround the expiry of agricultural leases and the consequences for sugarcane farmers including the migration of dispossessed farmers to urban areas and the impacts on land in these settlements.⁹⁸

⁹⁹ Mohanty, M. (2006) 'Urban squatters the informal sector and livelihood strategies of the poor in Fiji Islands'. Development Bulletin, No. 70 April: 65-68.

¹⁰⁰ McKinnon, J. Whitehead, S., Chung, M.

& Taylor, L. (2007) Report of the Informal Settlements Scoping Mission. NZAID, Wellington.

Table 1 indicates that the reduction in the incidence of poverty between 2002/2003 and 2008/2009 was not uniform throughout the country: in rural areas poverty increased slightly, while it decreased in urban areas.¹⁰¹ Using the basic needs poverty line (BNPL), and no matter which way Narsey (2008) broke down the figures, the poorest people lived in rural areas (with Indo–Fijian scoring higher). However within urban areas the proportion of people considered poor was also significant: 26 percent of Indo Fijians and 23 percent of indigenous Fijians, and living conditions are becoming difficult in both rural and urban areas.

Table 30: Incidence of Poverty in Rural and Urban areas (as percentage of population below the BNPL)

	2002–2003	2008–2009
Rural	40%	43%
Urban	28%	18%
All Fiji	35%	31%

Source: Narsey, 2012

Failure to improve the living standards and household incomes in rural areas, together with a continuation of poverty alleviation measures in the highly visible and easily accessible urban areas, can accelerate the rural-urban drift and increases pressure on basic services in urban areas. However, in rural areas, whether on their own land or on leasehold, most people are able to grow food and have access to a more nutritious diet, which protects them from hardship. Today, however, with changing attitudes to land, forced removal and the increasingly monetised economy, the need for cash is universal and is pushing people everywhere closer to poverty.

Urban poverty is very much driven by conditions in rural areas and vice versa. Out of the total population of close to 900,000, it is estimated that between 25% and 33% of the Fijian population live in poverty, and many of them live in the settlements. In addition, as many as 20% are living in unacceptable housing (Lingam, 2005),¹⁰² and at least 54,000 people are considered to lack basic food requirements, that is, they are suffering from food poverty (Narsey, 2008).¹⁰³ By 2007 about 12.5% of Fiji’s population was living in more than 200 squatter settlements around the country.¹⁰⁴

According to the survey conducted by Mohanty (2006),¹⁰⁵ a large proportion of squatter households (40%) in Suva City lived in absolute poverty and without assets of any kind. Nearly 47% of indigenous Fijians and 35% of Indo–Fijian squatter households were without assets. The concentration of poor and their degrees of vulnerability are location –specific and vary from one settlement to another within Suva city. According to Mohanty (2006) the proportions of poverty-stricken population were high in Howell road (46%), Flagstaff (44%), Wailea (41%) and Veidogo (36%).¹⁰⁶

¹⁰¹ Narsey, W. (2012) *Poverty in Fiji: Changes 2002-03 to 2008-09 and policy implications*, Fiji Islands Bureau of

¹⁰² Lingam, D. (2005) ‘The Squatter Situation in Fiji’, Ministry of Local Government, Housing, Squatter Settlement and Environment, Suva- Fiji.

¹⁰³ Narsey, W. (2008) *The Incidence of Poverty and the Poverty gap in Fiji: Ethnocentric Political Parties and Political Tragedy for the Poor*. School of Economics, The University of the South Pacific, Suva.

¹⁰⁴ Barr, K. (2007) ‘Fiji’s Current Poverty Situation’, *Fijian Studies: A Journal of Contemporary Fiji*, 5 (2): 205- 208.

¹⁰⁵ A survey was conducted by Mohanty in squatter settlements in Suva City in 2003. The samples were drawn randomly from the squatter areas in the City and altogether 290 squatter households were covered in the survey. The study covered 7 squatter areas in the City covering a population of over 1,500 in 137 Fijian, 147 Indo–Fijian and 6 other ethnic group households in the City (Mohanty, 2006).

¹⁰⁶ Mohanty, M. (2006) ‘Urban squatters the informal sector and livelihood strategies of the poor in Fiji Islands’. *Development Bulletin*, No. 70 April: 65-68.

It is important to point out that the concentration of populations on small areas of land is taking its toll on living conditions. More than a decade ago it was argued that the extent and intensity of urban poverty had been underestimated in Fiji and the Pacific (Bryant Tokalau, 1995).¹⁰⁷ Squatter settlements grow quickly, as the supply of land and formal housing is inadequate to meet the needs of new migrants. In Port Moresby, Papua New Guinea and Suva, Fiji, which are the two largest cities in the Pacific, settlements house more than half the urban population (Connell 2011).¹⁰⁸ Many of the urban poor that live in these settlements have little or no support from the rural economy and no opportunity to move amid growing poverty, rising unemployment, old age or social disorder (Connell 2011).

The struggles of living in urban settlements have not changed significantly over time. Recent interviews with settlers in Suva's squatter settlements, for example, raise the same issues noted in donor agency assessments and studies carried out in the 1980s and 1990s.¹⁰⁹ Little has changed except the worsening of urban living conditions, especially for the poor. Land is increasingly coming under pressure in many urban centres in Fiji as people move in search of new opportunities. Urban areas are generally growing at higher rates compared to 20 years ago and despite significant local attention to infrastructure, and planning management housing services continue to manifest conditions, which make life more difficult for poorer groups. The growth of squatter and informal settlements although previously acknowledged and recognised, is becoming a more pressing issue as governments and community groups struggle to provide improved services for the growing numbers of people living without adequate water, sewerage and housing. The implications of this urban growth for land, particularly coastal land near cities, (Bryant–Tokalau, 2012), and implications on housing, water, education and employment especially for youth (Vakaoti 2009), are becoming very clear.¹¹⁰

Contributing Factors to Growth of Urban Settlements

The major contributing factors for the growth of squatters in urban Fiji are rural-urban migration, poverty, unemployment, breakdown of family relationships / disputes (as discussed later), land insecurity, shortage of affordable housing and high housing rent. The non-renewal of farm leases has led to a large number of displaced people, who move to urban areas in search of a livelihood and alternative options, thus contributing to the number of squatters. An Asian Development Bank report (2003) shows that the highest squatter growth occurred among Indo–Fijians in the sugar belt of Western and Northern divisions.¹¹¹ This suggests that most Indian farmers who were displaced when their land leases expired ended up in these squatter settlements.

Profiles of households in urban settlements

There are at least four categories of people living in urban squatters in Suva City. They are:¹¹²

- The poorest people with absolute poverty, unemployed or survivors based on social welfare assistance or a pension;
- People with some skills, self-employed or largely engaged in informal activities;

¹⁰⁷ Bryant-Tokalau, J. (1995) 'The Myth Exploded: Urban Poverty in the Pacific', *Environment and Urbanisation*, Vol 7(2): 90-129.

¹⁰⁸ Connell, J. (2011) 'Elephants in the Pacific? Pacific Urbanisation and its Discontents', *Asia Pacific Viewpoint*, Vol. 52 (2), August 2011. Available from <http://onlinelibrary.wiley.com/doi/10.1111/j.1467-8373.2011.01445.x/pdf>

¹⁰⁹ Bryant-Tokalau, J. (2012) 'Twenty Years on Poverty and Hardship in Urban Fiji', *Bijdragen tot de Taal-, Land- en Volkenkunde*, Vol. 168 (No. 2/3): 195-218.

¹¹⁰ Bryant-Tokalau 2012 and Vakaoti, P. (2009) 'Researching street-frequenting young people in Suva: Ethical Considerations and their impacts', *Children's Geographies*, Vol 7(4): 435-50.

¹¹¹ Asian Development Bank (2003). 'Final Report: Alternative Livelihoods Project', July, ADB, Suva, Fiji.

¹¹² Mohanty, M. (2006) 'Urban squatters the informal sector and livelihood strategies of the poor in Fiji Islands'. *Development Bulletin*, No. 70 April: 65-68.

- People with formal employment / salary earners and with a relatively higher standard of living;
- Displaced farming families due to land expiry of their lease lands.

A bulk of migrant population into Suva's squatter settlements originated from the Central region (59%) followed by Western (15%), Eastern (11%) and Northern (8%) regions (Mohanty 2006). Migrants from Central region are mainly from Rewa, Naitasiri and Tailevu province. The other provinces from where migrants come to Suva squatters are Ba, Lau, Lomaiviti and Macuata. Migrants from other urban areas to Suva city came mainly from Ba, Labasa, Nausori, Navua, Tavua and Nadi (Mohanty, 2003).¹¹³

The reasons for migrating to squatter areas in Suva city as responded by the households were: better job opportunities (31%), owning a piece of land / house (20%), high house rent elsewhere (12%), family disputes (11%), easy access to children's education (8%), locational benefits (6%) and expiring land leases (2%).

While many in squatter settlements are poor, Mohanty's study also found that 7% of squatter households in Suva City had monthly incomes of more than FJ\$1000. So, people with formal employment and with higher standard of living also live in squatters to escape from the house rent in the City or to acquire a piece of land. The Ministry report (Lingam 2005:6)¹¹⁴ also confirms that '10% of squatters take advantage of free land and services to avoid payment of lease or rent'. According to the survey, the proportion of relatively higher income families in Suva squatters was marginally greater among *iTaukei* households (7%) than Indo-Fijians (5%). In terms of asset ownership, the study shows that about 79% had a radio, 63% a TV, 43% a fridge, 33% a telephone, 34% a LPG gas, 21% a washing machine and 5% a car (Mohanty 2003).¹¹⁵

Coping Strategies of Urban Poor

Labour is the most important asset of the poor. A vast majority of poor get absorbed in the urban informal sector, which provides livelihood for the poor. The sector provides employment (informal), helps the poor to make a living and builds up capital assets and thus helps alleviate poverty. The sector plays not only a supplementary role in providing employment and generating income but also plays a complementary role in the provision of goods and services. It allows the poor to earn a living and acquire assets/resources in a diverse way. According to a study in Fiji, urban households who became involved in informal sector activities increased their net income by 59% and value of assets by 159% (Reddy, Naidu and Mohanty, 2003).¹¹⁶

The growth of activities in the informal sector is directly linked to the growth of urban squatters. According to Mohanty's survey, high proportions (37%) of squatter dwellers were engaged in informal sector activities. Wide variations existed between the Indo-Fijian and *iTaukei* households. About 28% *iTaukei* and 43% Indo-Fijian squatter households were in informal sector activities. Some of the informal activities in which Suva squatter dwellers are engaged include: small carpentry, hair dressing, tailoring, baby-sitting, boat building, selling of goods (including grog, cloth, food, BBQ, fish, dalo, kite, fruit, crab, coconut, peanut), vegetable vending and many work as house girls,

¹¹³ Mohanty, M. (2003). A low-income squatter settlements in Suva City. Unpublished Report, Centre for Development Studies, University of the South Pacific, Suva, Fiji.

¹¹⁴ Lingam, D. (2005) 'The Squatter Situation in Fiji', Ministry of Local Government, Housing, Squatter Settlement and Environment, Suva- Fiji.

¹¹⁵ Mohanty, M. (2003). A low-income squatter settlements in Suva City. Unpublished Report, Centre for Development Studies, University of the South Pacific, Suva, Fiji.

¹¹⁶ Reddy, M. Naidu V. and Mohanty, M. (2003), 'The Urban Informal Sector in Fiji: Results from a Survey' in *Fiji Studies: A Journal of Contemporary Fiji*, Vol.1 (1), 127-54.

hawkers, mechanics, electrician, fishermen and plumbers (Mohanty, 2006).¹¹⁷ The informal sector participants in urban Fiji also involve family labour including women and children and they work on an average six days a week and about 10 hours a day (Reddy, Naidu and Mohanty, 2003).¹¹⁸

An analysis of employment status of household heads in the squatter settlements in Suva City reveals that about 48% were wage-earners such as casual labourers, 25% salary earners, 16% self-employed and 3% unemployed (ibid.). Another 3% of households were on social welfare assistance or were pensioners. While one-third of *iTaukei* household heads were salary earners, nearly one-fifth of Indo-Fijian household heads were self-employed. A majority of urban squatter households (55%) had a single livelihood earner and another 39% had two or more income earners (Mohanty, 2003).

There is no doubt that however difficult life becomes, people do often find new ways of coping, both by seeking new income-earning opportunities, by developing relationships, and forming new networks of communities.¹¹⁹ Many people do not simply wait for assistance and even when life is very hard they find something that they can do. These include obvious activities such as gardening and fishing but also creative pursuits, which can bring cash income. Popular activities include carving, making and painting flowerpots from a range of materials such as cans and bottles and growing flowers for sale in the market. People are also adept at identifying niche markets such as kava stalls, cell phone repairs or pirated DVDs. Such activities are not new of course, there has always been informal economic activity such as selling cooked food in the street or bottle collecting, but the extent of such activities has increased.¹²⁰ There is really no limit to what people will do in order to provide for themselves and the future of their children.

With limited financial, physical and human capital assets, the 'social capital' such as social networks and ties, and community/household relationships play a crucial role in reducing vulnerability of poor. It helps the poor to draw resources and make their living. Suva squatter settlements are marked by extended family structures especially, among the *iTaukei* households. The survey found more than one-fourth of households in Suva squatters had extended family structures and higher proportions (33%) of extended family structures existed in *iTaukei* households than Indo-Fijians (20%) (Mohanty, 2003).¹²¹ There is increasing reliance on the extended family support networks by these households. They rely on mutual help and support. Social networking greatly helps the urban poor households in Fiji to cope with their poverty conditions. Household and community relations thus act as 'safety nets' and as 'shock absorbers' and help reducing the vulnerability of poor.¹²² However, traditional and cultural networks and relationships are changing in urban areas as families in settlements focus less on cultural and traditional obligations and more on everyday concerns of simply getting by.

¹¹⁷ Mohanty, M. (2006) 'Urban squatters the informal sector and livelihood strategies of the poor in Fiji Islands'. *Development Bulletin*, No. 70 April: 65-68.

¹¹⁸ Reddy, M. Naidu V. and Mohanty, M. (2003), 'The Urban Informal Sector in Fiji: Results from a Survey' in *Fiji Studies: A Journal of Contemporary Fiji*, Vol.1 (1), 127-54.

¹¹⁹ Mohanty, M. (2006) 'Urban squatters the informal sector and livelihood strategies of the poor in Fiji Islands'. *Development Bulletin*, No. 70 April: 65-68.

¹²⁰ Barr, K. (2009) 'Urbanisation: fertility, housing, education, health, environment' in Narsey, W., Robertson, A., Prasad, B., Seniloli, K. et.al (eds.) *Population and Development in the Pacific islands: Accelerating the ICPD Programme of Action at 15. Proceedings of the Regional Symposium held at the University of the South Pacific 23-25 November, 2009*. UNFPA Pacific Regional Office, Suva. Pp. 312-316; McKinnon et.al (2007); Vakaoti (2009); Wood, T. & Naidu, V. (2008) 'A Slice of paradise? The Millenium Development Goals in the Pacific: Progress, Pitfalls and Potential Solutions', *Global Development Network*. <http://www.gdn-oceania.org/Portals/83/A%20SLICE%20OF%20PARADISE-MDGS%20IN%20THE%20PACIFIC.pdf> WoodandNaidu2008.

¹²¹ Mohanty, M. (2003). A low-income squatter settlements in Suva City. Unpublished Report, Centre for Development Studies, University of the South Pacific, Suva, Fiji.

¹²² Mohanty, M. (2006) 'Urban squatters the informal sector and livelihood strategies of the poor in Fiji Islands'. *Development Bulletin*, No. 70 April: 65-68.

Certain sections of populations are more susceptible to poverty than others, and women in all areas are increasingly vulnerable to poverty and the effects of poverty, as they have a higher risk of poverty linked to labor force discrimination, lack of property rights, and heavy responsibilities with regard to subsistence farming, the household and the community.¹²³ Much of women's work is in the informal sector, such as markets and roadside selling, which yields low returns, can often be unsafe and is unprotected by labor laws. Women's limited access to small loans for entrepreneurial activities, due to their lack of collateral such as land to secure a loan, is also a major constraint (ibid.). In the squatter settlements, women and families experience cash poverty/hardship as a result of unemployment and underemployment, while having little land for cultivation or access to fishing grounds (ibid.).

Concluding Comments

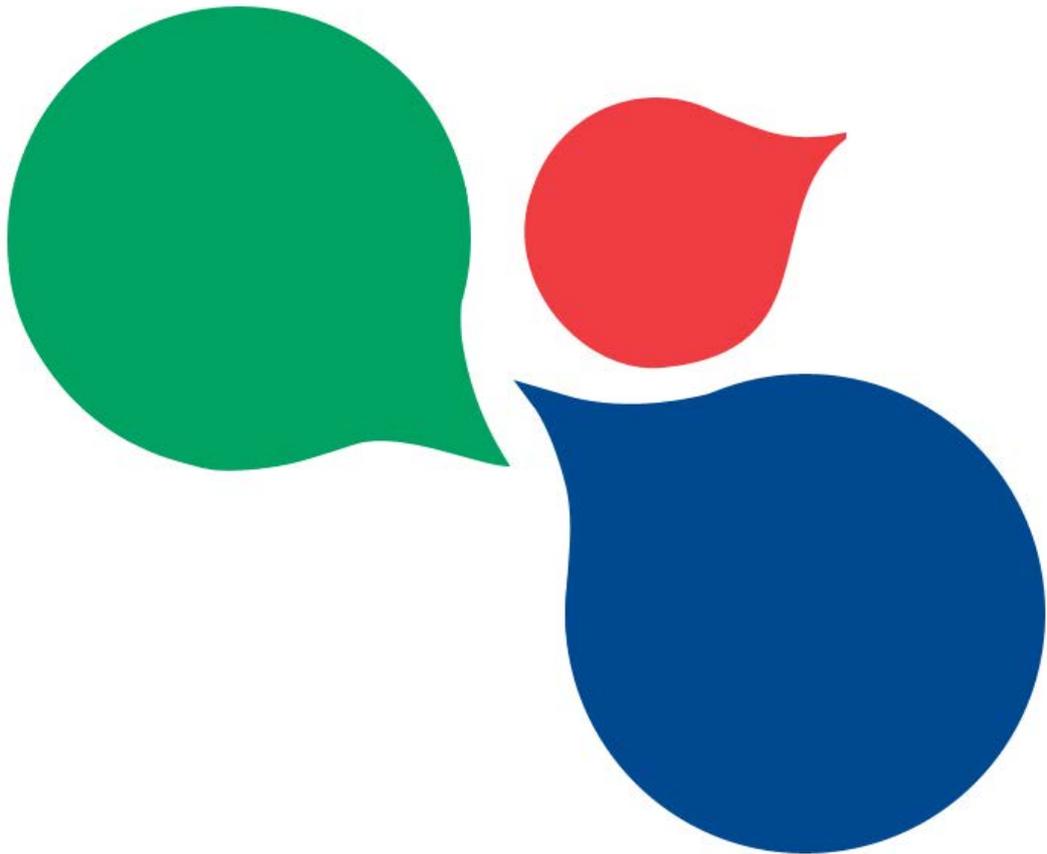
One of the most persistent commentators on social and political implications of urban growth has been Kevin Barr (1990; 2007).¹²⁴ Now and throughout the 1990s and 2000s, there has been more commentary on the experience of living in 'squatter' or informal settlements in Fiji and the impact on women, children, employment opportunities, loss of land and on the health and education implication of deteriorating urban conditions (ibid). With the expiry of sugarcane leases, political uncertainty and greater urban migration, there continues to be growing social inequalities and hardship.

The issues faced by squatter settlements are a significant socio-economic and developmental issue and are deep-rooted in poverty, unemployment, inequalities, and land tenure insecurities. Poverty is the root cause of the existence of these settlements, but the conditions in the settlements can also sometimes perpetuate that poverty. Some of these issues can be addressed through integrated planning and developmental policy and action programs towards poverty alleviation, provision of low-cost and affordable housing for the urban poor, and resolution of land tenure problems. Poverty in urban areas can also be addressed through promotion of informal sector for employment generation and above all sustained economic growth which creates more jobs and income opportunities.

¹²³ Secretariat of the Pacific Community, Human Development Programme (2010). Beijing +15: Review of Progress in Implementing the Beijing Platform for Action in Pacific Island Countries and Territories. Available from <http://www.ppdvp.org.nz/wp-content/media/2011/01/Final-web-Beijing+15-whole.pdf>

¹²⁴ Barr, K. (1990) *Poverty in Fiji*. Fiji Forum for Justice and Peace, Suva; Barr, K. (2007) 'Fiji's Current Poverty Situation', *Fijian Studies: A Journal of Contemporary Fiji*, 5 (2): 205- 208.

ANNEX 3: HORTICULTURE HOUSEHOLD PROFILES



Annex Three: Horticulture Household Profiles

This annex contains a selection of profiles of households which were interviewed as a part of MDF's poverty, gender and ethnicity study.

Overall Lowest-Earning Household in Horticulture – Former Farmers: The lowest earning in our study is an Indo–Fijian household in Bua area of Vanua Levu (Ref:H31). The household has both a much lower gross income and pAE than the poorest Indo–Fijian household in Viti Levu (see next case). The household with four adults earns \$1400 per year from backyard horticulture and \$500 in remittances – after deducting the cost of agricultural production this results in a pAE of just \$137. This household is an excellent example of education as a pathway out poverty for a family. Although the poorest house in terms of those who remain on the farm, the children of the household have moved out of poverty. There are three adult sons – one with a university degree who is a school teacher in Labasa and two with certificates working in private companies in Suva. The family is educating the fourth son using their savings. The older sons help out when they can, and their house was inherited from a relative, which their son helped them to extend to include a bathroom. Earlier, they had a bigger farm mostly used for rice farming and with that income they were able to educate their children. After the expiry of land leases, the family now owns just the plot for their house which they also use for some backyard gardening. The husband was injured years ago, and since then he has not been able to do hard work on the farm and the wife manages the vegetable farm and the poultry.

Income calculation: \$548 net income per four adult equivalents = \$137 pAE per year.
Other indicators: no land, house with flush toilet and pit latrine (inherited).

Lowest Earning Indo–Fijian Household in Horticulture in Viti Levu – Farm Labourers: In Viti Levu, the household with the lowest gross income of \$2548 (Ref:H07) is an Indo–Fijian family of six with two adults and four children living near Tavua. Both the husband and wife are wage labourers: the former earns \$2088 per year from farm labour and the latter \$360 from working as a maid. They often have to borrow money from family or friends to cover basic needs and school fees, and sometimes they are refused. The husband is one of six sons. The other sons left the parental home to work elsewhere, and he remained to look after his father and mother, and so the land and house were left to him. However, animosity between brothers led to a land dispute, and the household was left without land. In the recent cyclone of December 2012, the family lost their home and have been seeking shelter in a local community hall. However the family has been asked to leave, but they have nowhere else to go. Although this family is very poor, living a hand to mouth existence, they are working hard to make a future for their kids through education. While they believe that education will improve their children's opportunities, the household's current need is for a house and a small piece of land to secure a sustainable livelihood.

Income calculation: \$2548 per 4 adult equivalents = \$637 pAE per year.
Other indicators: no land, no house.

Lowest Earning *iTaukei* Household –Farmers: The lowest earning *iTaukei* household is a farming household in Macuata in Vanua Levu (Ref:H29). This *iTaukei* household includes 5 adults and two children, living in a one room house, with a net annual income of \$1487 or \$248 pAE. This does not include an additional small pension received by the head of the household, but that is unlikely to increase the pAE by a significant amount. They are much poorer than the poorest *iTaukei* household that we interviewed on Viti Levu (see next case). The household mainly survives on income from selling pineapple by the roadside when they are in season (October–February). Other villagers and

people from surrounding areas also sell pineapple on the roadside, so it is not always possible to sell all their produce. This is an average household in this particular village. Although their *mataqali* has 1000+ acres, most of it is leased to a forestry company that exports pine. They do not receive much lease money from this lease, and on average the entire *mataqali* receives about \$700 every six months. The village is hopeful that the situation will improve as a company has restarted operations in Batiri and will be installing a plant for pineapple processing.

Income calculation: \$1487 per six adult equivalents = \$248 pAE per year.

Other indicators: four acres of communal land, small house.

Lowest Earning *iTaukei* Household in Horticulture in Viti Levu – Farm Labourers: The poorest *iTaukei* household in Viti Levu is in very difficult circumstances not unlike the poorest Indo–Fijian household. But this family has the advantage of owning a small house (Ref:H04). The household consists of husband and wife, father-in-law, cousin-brother and four-year old daughter. The husband and wife both work as labourers on an Indo–Fijian farm. He works full-time in the sugarcane fields for which he earns \$50 per week (\$2600 annually), and she does odd jobs when required, mostly for two days per week, and receives vegetables in payment. In addition, the wife also collects lemons and chilies that she sells to neighbours and can earn an additional \$20 per week – potentially bringing the household income close to \$3000 per year. The cousin-brother works as a mechanic at a nearby shop and the household occasionally borrows money from him (and with his income, the household total is \$3640 although it is not clear how is contributed yearly). The family lives in a small two-room tin house (a main room and a kitchen) with only one single bed for the father-in-law. They use kerosene for lighting and wood for cooking, and have a pit latrine outside as well as a tap for water. Fortunately they do not pay rent for this house as it is provided by the sugarcane farmer. The family is planning to send their daughter to school next year.

Income calculation: The total net income is \$3640 for 4.5 adult equivalents = \$809 pAE per year including the earning of the brother in law (although unclear how much he contributes annually).

Other indicators: no land, small house provided.

Smallholder Farming Household with High Costs in Vanua Levu: This Indo–Fijian household outside of Labasa grows sugarcane and horticulture crops for sale (Ref:H33). Although their income from these two crop types is \$13,000 per year (\$9000 and \$4000 respectively), their net income from agriculture is cut almost in half by the cost of inputs. The family is able to further supplement their income through tractor hire to neighbours adding approximately \$2500 to their household income per year. With four adults and four children in the household, the pAE prior to agricultural expenses is \$2683, appearing to be above the BPNL. However, after direct costs are deducted, their pAE is reduced to \$1701 pAE, causing them to sit significantly below BNPL. Their long-term lease expires in June 2013. They have additional loan expenses related to the land lease and their children’s education but are managing to get by.

Income calculation: Net income is \$10,206, pAE \$1701.

Other indicators: living in father-in-law’s house which is quite large.

Smallholder Farming Household with High Labour and Input Costs in Viti Levu: Sigatoka Valley is considered to be more prosperous than Rakiraki and Ba with its fertile land, proximity to large local markets as well as export and tourist markets. This does not mean that all farmers are above the poverty line – and even farmers that are doing well relatively well, are still in a borderline situation. This *iTaukei* household (Ref:H24) is almost two hours up the east side of the Sigatoka

valley. Their household is relatively large with four adults (father, mother, two other young adult sons) and three children under 18. The household is quite successful in horticulture production – realising gross income from vegetables in the dry season of \$8400 and an additional \$1200 for root crop sales in the off-season. However, labour costs are high as the young men in the household are compensated as paid labour. With the cost of inputs and seasonal labour on both horticulture and root crops, the net income for the household is \$7765. The family has access to six acres of communal land, owns a small concrete house, is building a kitchen and has an indoor flush toilet. Their number one expense is school fees for their children.

Income calculation: \$7765 per 5.5 adult equivalents = \$1412 pAE (but some of the labour costs go to members of the HH so overall it is higher assuming that those members contribute back to households expenses).

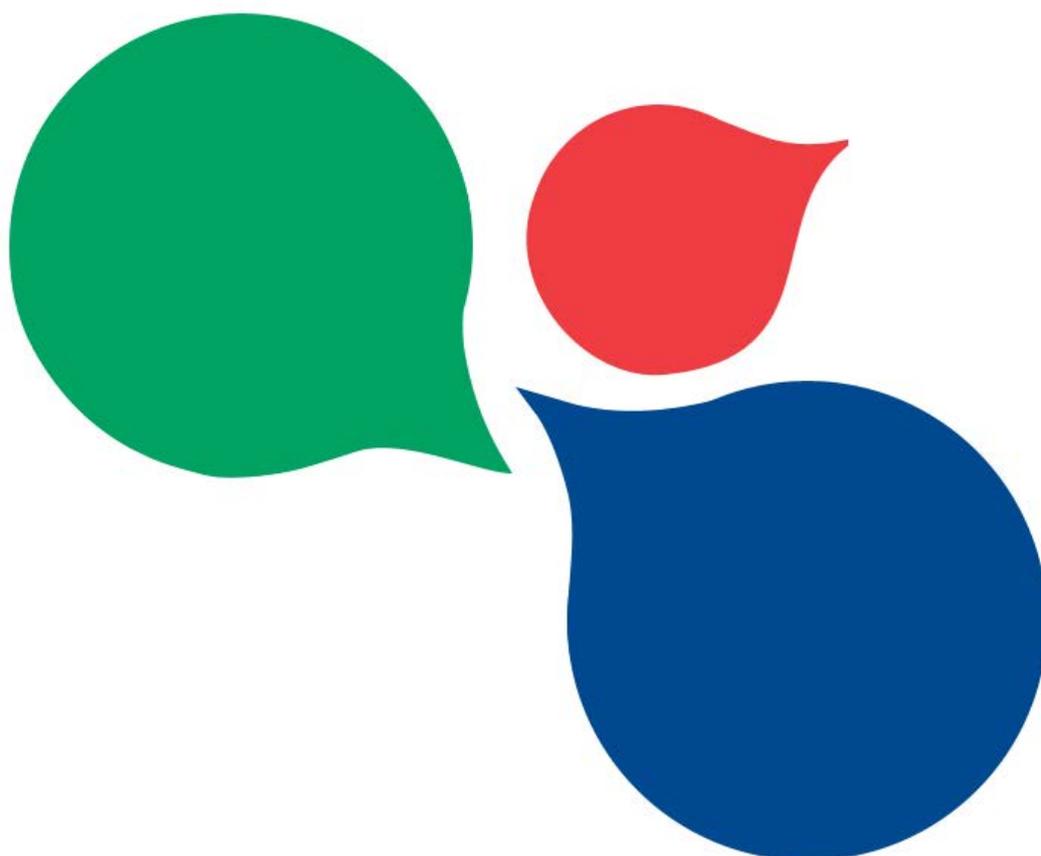
Other indicators: own house and approximately a six acre-share of *Mataqali* land.

Mixed Farming Income Household in Viti Levu: (Ref:H16) This low-income Indo–Fijian household of four in the Sigatoka valley is 45 minutes from the main road. The husband and wife both farm their own land – he full-time and she seasonally – and he also works as a labourer on other farms. Their total annual income is \$2820, earning \$660 per year from their own half-acre land and the remainder from labour. After farming costs are deducted including an annual loan repayment on their share of the land, their net income from farming is only \$160. With labour on others' land, the total net is \$2320. Despite this low income and the fact that they earn during six months of the year and save for the rest, last year they managed to extend their house and pay for the electric hook-up.

Income calculation: \$2320 per three adult equivalents = \$773 pAE.

Other indicators: approximately 0.5 acres of freehold land, small house.

ANNEX 4: TOURISM HOUSEHOLD PROFILES



Annex Four: Tourism Household Profiles

This annex contains a selection of profiles of households which were interviewed as a part of MDF's poverty, gender and ethnicity study.

Poorest Tourism Household in Viti Levu: Although not the lowest earning worker in tourism, a worker in a small resort near Sigatoka definitely struck us as the head of the 'poorest' household (Ref:T01), and his family has a very low pAE. This man is the only working member of the three-adult and two-child household as his wife is pregnant and his brother-in-law is unemployed and looking for work. The annual household income from tourism is \$7488. The pAE income of the household is \$1872. The worker and his family live in a converted water tank for which they pay rent of \$150 per month, despite having a house and land in the village, and they do not grow much food since his wife became pregnant. He explained that they left the village so that their children could get a better education. Like many of the people we spoke to in tourism, education is highly valued.

Poorest Tourism Household in Taveuni: This *iTaukei* female headed household of three adults and four children is located on the main road across from a large resort in Taveuni (Ref:T11). The respondent's adult daughter and son-in-law live with her, but neither of them currently work, and they have no land to farm on Taveuni (however the son-in-law has recently starting planting yaqona on a farm in Vanua Levu). The total income is \$10,032 and five adult equivalents means that the household is living below the poverty line at a pAE of \$2006. The family lives in an older house with two bedrooms, a flush toilet, town water, electricity from the resort and a gas for cooking. The female household head is focused on educating the children in her care – two of them are her brother's and one is her daughter's – and would even like to send her daughter back to school when her baby is old enough.

Low-Income Tourism Worker on Locally-Owned Island Resort: Our respondent and her husband live on a small island in the Yasawas, and she is a front office worker at small resort which is locally owned (Ref:T05). This is a backpacker lodge, run by the village on the island, which appeals to younger backpackers and couples. Until the cyclone hit, the female respondent would earn \$150 per week all year round but this dropped considerably to between \$70 and \$120 per week post cyclone. Her husband earns a very moderate income as a pastor – about \$960 a year – giving a total annual household pre-cyclone income of \$6200 per annum. This is further supplemented by farming for household consumption, living on *Mataqali* land, a wood house, and prospects of income from the family-owned resort which is starting up on another island. She only has one child now (three adult children are living off the island) who attends boarding school on the mainland meaning that the pAE for her family is \$2480. As with most of the people that we interviewed, educating her children is her number one priority and she views education as the main path out of poverty. She also spoke how the community pulled together after the cyclone and how nobody had to struggle on their own.

Highest Earning Household in Viti Levu with Multiple Income Sources: Our respondent is the head of large household – six adults and two children – working on Denarau as a driver and living in a pleasant peri-urban settlement on the outskirts of Nadi (Ref:T03) The home is made of concrete, has three rooms, a flush toilet, and municipal water and electricity (rented for \$350 per month). His household earns a total of \$27,308 per year as follows: His own driving income \$7800; an adult son who works as a fireman earns \$13,000; his brother's daughter who lives with them is a security guard with an income of \$4108; and his wife earns about \$2400 per year as a market vendor. Of the two other adults, one is still in school working on his bachelor's degree and the other is his brother's son who is currently unemployed. This means that the pAE income for the household is \$3901. His

income is from driving 12-hour shifts, six-days a week for free and then, on the seventh day, he gets to keep all the fares. We learned that this is typical for drivers on Denarau, and they have no benefits, no sick leave or paid vacation – but they do not form an alliance or lobby for change because they know there are many others waiting for their jobs. Social obligations to the village and church affect the household's cash flow, particularly since he is the eldest son of the chief, and he needs to contribute to village projects. Some additional money comes from a brother who works in the UK and sends back money to help with the children's education and for special events. He and his wife see education as the solution to poverty, and they are driven to educate his children and the children of his larger extended family.

Highest Earning Household in Vanua Levu with Income Mainly from Tourism: This is a nuclear family with three children where both the husband and wife are working in the tourism industry (Ref:T10). They live in a neighbourhood of Savusavu with a village home outside Savusavu. They earn a total of \$14,936 with the husband contributing \$9216 and the wife \$5720. The result is a pAE of \$4267. The husband's job is farm manager on a nearby aquaculture. He started at a lower level and has worked his way up over seven years, reporting that the company always provides a chance for movement to another job and up the ladder. His wife used to work as a casual staff person for the first three years, and then she became full-time this year. Before she augmented her income by sewing at home. He said his current position is better than farming (he was growing yaqona before) because there is not a good market in the area, and the price fluctuates greatly. They live in a newer concrete home with three rooms, a flush toilet, town water, FEA electricity and gas as well as firewood for cooking.

High Earning Household with Income Mainly from Tourism: This *iTaukei* extended family lives on an island in the Yasawas (Ref:T07). The household includes five adults, of which three are adult children, and two children under the age of 18. The total household income is \$26,166 – giving a pAE income of \$4361 – with three of the adults working in the tourism industry. They own a five-room newer wood house with both an indoor and outdoor toilet, piped water from the local spring, electricity from the village generator and their own backup generator, and have both gas and wood for cooking. Two of the adult children and the father all took courses to improve their position in the tourism industry and work as hotel manager, front office staff and activity guide at different resorts in the Yasawas. They see more education and better jobs in tourism as the way to improve the household livelihood. The adult son explained that while there is good income from fishing, it is not stable as it can be negatively impacted by storms and poor weather. The wife manages the household money, but all in the household share in the decision-making.

Indo-Fijian Handicraft Business: Due to the lower number of Indo-Fijian households involved in the tourism industry, only two of the eleven tourism household questionnaires were conducted with an Indo-Fijian household. One was with a woman who runs a stall in a local handicraft market, and earns about \$14,000 per year from an assortment of handicrafts. With only two adults in the household, this results in a pAE of \$7000. The other Indo-Fijian household interviewed was engaged in similar activities and was comparable.

Office Worker at a Small Resort: An Indo-Fijian woman works at reception and in the back office of a small hotel in the Sigatoka area. She earns \$3.50 per hour and has responsibility for financial management (runs the night audit) and has acted as Duty Manager on occasion. Although she is not well paid for her work, she enjoys the environment and the friendliness of this smaller hotel. Together, she and her husband, who is a driver, earn \$295 per week which equals \$15,340 annually. They have a child of their own plus an adopted niece, which means that the pAE is over \$5000. They live in a squatter settlement nearby where they pay \$30 per month rent.

Assistant Manager at a higher-end resort in the Yasawas: This male respondent is the Assistant Manager at a fairly upscale resort in the Yasawas that has accommodation for both backpackers and more luxury options. He earns \$35,000–40,000 per year before deductions, and also receives accommodation and meals at the resort. He grew up on the premises of a luxury resort where his father was general manager, and has been at the this resort for nine years. He also received a degree in Economics and Tourism Studies at the University of the South Pacific. As a high earner in his community, he donates \$3000–4000 per year to the church and around \$5000 to the village for special events. Even if he moves to the mainland, he will continue with this contribution.

Dive Instructor in Taveuni: This young iTaukei man started diving at a young age with his uncle and it is a passion for him. He got certification as soon as he could at age 18 and now is a diving instructor. The owner of the previous resort where he was employed made a deal with him – if he passed his instructor course, the resort would pay for it; if not then he would have to pay for it himself. He now works for a specialised dive shop in Taveuni and earns \$8/hour when filling tanks or other basic work, \$60 for a half day drive trip and \$120 for a day-long dive trip (two dives). During the peak season from April to September he works almost seven days a week, and in the low season he works five days a week. He also does some farming on freehold land that his family bought. He grows kava, taro, bananas and some vegetables, selling the produce in Taveuni. He has a house that he rents close to the resort with his girlfriend and his daughter, and he is the only earner in the household. They spend about 30–35% of their income on food; and rent is \$200/month.

The following are typical scenarios of housekeepers in different types of establishments in the tourism industry – note that all are iTaukei living on village land in nearby communities. We can see quite a wide range in salaries, but the impact on the household varies depending upon others' contributions and the number of dependent children.

Housekeeper at Four Star Mainland Resort: This woman has been a housekeeper at a four-star resort on the Coral Coast for over 20 years. She is a permanent employee who earns \$4.50 an hour working 48 hours a week, six days a week which means her annual income works out to \$11,232. The respondent also receives 24 days paid vacation, sick leave and company-provided transportation from her village to work. She has two daughters who are casual workers in the hotel, a husband who farms for household consumption on village land and one son in school. Even if we assume that her daughters only work 10 hours per week each for six months of the year for \$3.00 an hour (very conservative assumption), then the household income would be about \$13,000 for 4.5 adult equivalents or \$2888 pAE.

Housekeeper at High-End Island Resort: A housekeeper at a high-end resort in the Yasawas has worked for the resort for 13 years. She earns \$3.00 per hour with a maximum number of hours 40 and a minimum of 32 hours in the low season. Her annual income, based on a three-month low season, would be approximately \$5952 – about half of her mainland counterpart. The respondent has taken the initiative to get trained in the hopes of getting a supervisor position. Her husband also works at the hotel at the same pay level, and they have no children living at home so their pAE is approximately \$6000. They supplement this by farming and fishing, and live on village land near the resort.

Housekeeper at Locally-Owned Lower-End Island Lodge: This respondent is both a housekeeper and housekeeping supervisor at a community owned and operated lodge. This lodge caters more to backpackers with two large dormitories as well as some private rooms. She has also worked as a housekeeper for 20 years, and her pay goes up and down depending on business – but \$80 per week was typically the maximum. The respondent is a single mother of two children who lives in a large extended household in the nearby village where her brother and sister-in-law are also earning from tourism. With one brother unemployed, an adult daughter in college and a younger son, the pAE is

under \$2000 per year. She has managed to send her daughter to teacher's college on the mainland and is saving for her son's education.

Housekeeper at Resort in Taveuni (Vanua Levu): A housekeeper at a resort in Taveuni for five years informed us that she was earning \$4 per hour or approximately \$128 per week (working a four-day work week). Her husband has a steady income – more than hers – and they also have farm income. They have four children, one currently registered at FNU, and they place a high importance on educating their children. Although she would like to get some training in the future, right now she is focused on the children's schooling and will consider hers later. The job is fair in terms of benefits providing both FNPF and two-weeks annual leave, and all workers earn the same wage, regardless of section. Only the front desk and specialist positions get paid more.