FIJI

THE STATE OF THE NATION

AND THE ECONOMY

Report by the

National Council for Building a Better Fiji

August, 2008

FOREWORD

In September 2007, the Interim Government of Fiji decided to launch a national initiative to Build a Better Fiji for All through a Peoples Charter for Change, Peace and Progress (PCCPP). Accordingly, the Interim Government recommended to His Excellency, the President, that a National Council be established for that purpose. The President officially launched the Peoples Charter initiative on October 10, 2007 and took steps to establish a 45-member National Council for Building a Better Fiji (NCBBF).

The NCBBF membership as initially established by His Excellency, the President, was broad-based and inclusive in its composition, consisting of representatives and leaders of all major organisations (community, social, civic, religious, business, political) in the country. The inaugural meeting of the NCBBF was held on 16 January, 2008. To accomplish the mandate given to it by His Excellency, the President, the NCBBF, including its Technical Secretariat, was to work independently of the Interim Government. It is to be regretted that some key stakeholders chose not to serve as members of the NCBBF despite the invitation to serve.

In its first meeting, the NCBBF resolved to undertake its mandated task of formulating the draft Peoples Charter through two key steps. The first step was to prepare a comprehensive, facts-based, diagnostic, forward-looking Report on the State of the Nation and the Economy (the SNE Report). The forward-looking SNE Report was to provide a list of recommendations for changes to our system of Government, our Constitution, laws, economic and resources development policies, leadership values, community relations, and institutional reforms.

In the second step of the process, the NCBBF was to prepare a draft Peoples Charter. Preparation of this Charter was to be done by drawing upon the findings and recommendations contained in the SNE Report and also the feedback obtained through the NCBBF's outreach activities and consultations undertaken at the level of more than 1,000 villages and settlements across the country.

The preparation of the State of the Nation and Economy (SNE) Report was to be undertaken through a process of extensive, country-wide consultation and participation. To facilitate such a participatory process, the NCBBF produced a Consultation Document written in English, 'Vosa Vakaviti', and Hindi, which was issued in February 2008 and widely distributed throughout the country. The Consultation Document was divided into two parts: Part 1 described the current situation of Fiji and Part 2 outlined a list of the probable causes of Fiji's problems and raised a number of critical questions and issues that need to be addressed.

The Peoples Charter process, as a national level inclusive and participatory undertaking, represents Fiji's own way of addressing its deep-rooted, complex and fundamental problems. Integral to this process is the firm commitment of all the stakeholders, including all the members of the NCBBF and in particular the Interim Government, to restore and sustain parliamentary democratic governance, stability and peace in Fiji.

The overarching objective of the Peoples Charter is to rebuild Fiji into a non-racial, culturally vibrant and united, well-governed, truly democratic nation; a nation that seeks progress and prosperity through merit-based equality of opportunity and peace.

The vision for rebuilding Fiji that underpins this over-arching objective is guided by the following key principles:

- a just and fair society;
- achieve unity and national identity;
- merit-based equality of opportunity for all Fiji citizens;
- transparent and accountable government;
- uplifting of the disadvantaged in all communities;
- mainstreaming of the indigenous Fijian in a modern, progressive Fiji; and
- sharing spiritualities and interfaith dialogue.

This SNE Report focuses on the way forward for Fiji. It analyses in greater depth the problems and issues identified in the Consultation Document and, on the basis of that analysis, proposes measures and actions to address them.

To accomplish this SNE Report, the NCBBF set up from within its membership three National Task Teams (NTTs). Each NTT assumed responsibility for the analytical and problem solving work in one of the following broad areas:

NTT1:   Good Governance (Legal, Political, Institutional and Constitutional Reforms);
NTT2:   Growing the Economy; and
NTT3:   Social-Cultural Identity and Nation Building.

The NTTs in turn established nine Working Groups (WGs), each focusing on priority topics, as follows:

WG1:   Governance, Leadership, Constitutional and Electoral Reform;
WG2:   Institutional and Public Sector Reform;
WG3:   The Role of Fiji's Security Forces in National Development;
WG4:   Clarifying the Respective Roles of Government, Private Sector and Civil Society to achieve stronger growth, greater equity and sustainability;
WG5:   Development of the Financial Services Sector;
WG6:   Development of Resource-based Sectors;
WG7:   Poverty, Social Justice and Human Rights;
WG8:   Meeting Basic Needs: Education, Health and Housing; and
WG9:   National Identity and the Role of Religion and Culture in Nation Building.

Through the WGs, the NTTs invited additional participants from various sectors of Fiji society to join in the work on the draft SNE Report and the draft Peoples Charter. Close to 200 people were involved at the WG level, the majority of them being from outside of the Government, i.e. civil society, the professionals, private sector, and academia. The work of the WGs was facilitated through a number of in-depth Issues and Discussion Papers (IDPs), written mostly by local experts and some generated by the NCBBF Secretariat.

At the end of their work, in late May and early June 2008, each WG reported the results of its deliberations to its respective NTT, where problems of inconsistency or overlap between the recommendations of different WGs were addressed and resolved.

The SNE Report records the results of the analyses and deliberations in the nine WGs and the three NTTs; and also the feedback obtained through the outreach activities and the consultations undertaken at the level of over 1,000 villages and settlements, and in all the urban and town centres, in the country.

ACKNOWLEDGEMENT

We take this opportunity to acknowledge with our sincere thanks all of those people, particularly those from outside of Government, who have served in NCBBF, in the WGs, and across the country; who have freely joined the Peoples Charter outreach and consultation processes. As Co-Chairs of NCBBF, we express to you our deep appreciation for coming forward to help our nation during a time of such great need.

We thank you all for getting involved, for your commitment, for your selfless efforts, and for your contributions to-date.

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Commodore Voreqe Bainimarama   **His Grace Petero Mataca**
Prime Minister, Co-Chair, NCBBF   **Archbishop, Co-Chair, NCBBF**

August, 2008

ACRONYMS

ACP	Annual Corporate Plans
AAP	Affirmative Action Program
ADB	Asian Development Bank
AFL	Airports Fiji Limited
ALTA	Agricultural Landlord & Tenants Act
AMA	Agriculture Marketing Authority
ASEAN	Association of South East Asian Nations
ATH	Amalgamated Telecom Holdings Ltd
AusAID	Australian Aid Development Agency
BQA	Bilateral Quarantine Agreement
BNPL	Basic Needs Poverty Line
BSIU	Business Support Investment Unit
CATD	Centre for Appropriate Training & Development
CBUL	Committee on Better Utilisation of Land
CCF	Citizens Constitutional Forum
CEDAW	Convention on the Elimination of Discrimination Against Women
CERD	Convention for the Elimination of all Forms of Racial Discrimination
CMDA	Capital Markets Development Authority
COLA	Cost of Living Adjustments
CPI	Consumer Price Index
CS	Corporate Services
CSA	Corporate Statutory Authority
CSD	Corporate Services Division
CSI	Civil Society Index
CSO	Civil Society Organisation
CSR	Civil Service Reform
DNR	Department of National Roads
DPP	Director for Public Prosecution
ECREA	Ecumenical Centre for Research, Education & Advocacy
EDF	Educational Development Fund
EGM	Emperor Gold Mining Company Ltd

EIA	Environmental Impact Assessment
EPA	Economic Partnership Agreements
ESCAP	United Nations Economic & Social Commission for the Asia Pacific
EU	European Union
FAB	Fijian Affairs Board
FASU	Fijian Affairs Scholarship Unit
FCA	Fiji College of Agriculture
FCGP	Fiji College of General Practice
FDI	Foreign Direct Investment
FEA	Fiji Electricity Authority
FICAC	Fiji Independent Commission Against Corruption
FICL	Fiji Investment Corporation Limited
FIEC	Fiji Islands Education Commission Report
FIR	Fiji Infantry Regiment
FIRCA	Fiji Islands Revenue & Customs Authority
FIT	Fiji Institute of Technology
FHCL	Fiji Hardwood Corporations Limited
FHRC	Fiji Human Rights Commission
FLRC	Fiji Law Reform Commission
FLS	Fiji Law Society
FMA	Fiji Medical Association
FMR	Financial Management Reform
FNPF	Fiji National Provident Fund
FPL	Fiji Pine Limited
FPL	Food Processors Limited
FSC	Fiji Sugar Corporation
FSM	Fiji School of Medicine
FSN	Fiji School of Nursing
GCC	Government Commercial Companies
GDP	Gross Domestic Product
HA	Housing Authority

HART	Housing Assistance & Relief Trust
HDI	Human Development Index
HIES	Household Income and Expenditure Survey
ICC	International Coordinating Committee of National Institutions for the Promotion & Protection of Human Rights Institutions
ICT	Information Communication Technology
IFLC	Institute of Fijian Language & Culture
IMF	International Monetary Fund
IDP	Issues & Discussion Paper
LAC	Legal Aid Commission
LTA	Land Transport Authority
MDG	Millennium Development Goals
MoE	Ministry of Education
MoH	Ministry of Health
MPI	Ministry of Primary Industries
MRD	Mineral Resources Department
MSME	Micro Small Medium Enterprise
NAFTA	North American Free Trade Agreement
NCBBF	National Council for Building a Better Fiji
NENS	National Environmental Strategy
NES	National Export Strategy
NGO	Non Government Organisation
NLFC	Native Land & Fisheries Commission
NLTA	Native Lands Trust Act
NLTB	Native Land Trust Board
NSC	National Security Council
NTT	National Task Team
NYSS	National Youth Service Scheme
OAG	Office of the Auditor-Generals Office
OHS	Occupational Health Safety Act
PAC	Public Accounts Committee
PACER	Pacific Agreement on Closer Economic Relations
PAFCO	Pacific Fishing Company Limited

PIC	Pacific Island Countries
PER	Public Enterprise Reform
PICTA	Pacific Island Countries Trade Agreement
PMU	Poverty Monitoring Unit
PRB	Public Rental Board
PSC	Public Service Commission
PSDA	Peace & Stability Development Analysis
PSR	Public Sector Reform
PPP	Public-Private Partnership
PWC	PricewaterhouseCoopers
RFMF	Republic of Fiji Military Forces
RBF	Reserve Bank of Fiji
PWD	Public Works Department
SEEDS	Sustainable Economic & Empowerment Strategy
SDP	Strategic Development Plan
SPC	Secretariat of the Pacific Community
SJ	Social Justice
SWG	Sub Working Group
TASS	Technical & Support Secretariat
TFL	Telecommunications Fiji Limited
TOR	Terms of Reference
UN	United Nations
UNDP	United Nations Development Programme
UPAP	Urban Policy Action Plan
USP	University of the South Pacific
WB	World Bank
WBI	World Bank Institute
WG	Working Group
WHO	World Health Organisation
WTO	World Trade Organisation

EXECUTIVE SUMMARY

Introduction

In February 2008, a Consultation Document for the preparation of the *Report on the State of the Nation and the Economy* (hereafter the Consultation Document) was issued by the National Council for Building a Better Fiji (NCBBF). It was printed in English, 'Vosa Vakaviti', and Hindi and disseminated widely throughout the country. Extensive consultations were conducted, in all of the major cities and towns, and in more than one thousand villages and settlements throughout Fiji, on the various issues discussed in the Consultation Document.

The Consultation Document painted a bleak picture of the state of affairs in Fiji as they have unfolded over the past two decades. It depicted the following.

   i. A country wreaked by political instability with an ongoing cycle of coups leading to the repeated overthrow of governments;
   ii. A low level of trust between the major communities;
   iii. Increasing corruption and the gross abuse of power;
   iv. Low savings and investment, and consequently insufficient new jobs being created each year to employ school leavers, let alone the long term unemployed;
   v. A sharp rise in unemployment and poverty;
   vi. An increase in the number of people forced to live in squatter settlements, a situation exacerbated by the non-renewal of sugar farm leases;
   vii. Lack of access to land for both productive and social purposes;
   viii. A weakening export base as markets for garments and sugar contract and because some land has been withdrawn from agricultural use;
   ix. A serious loss of valuable skills, experience and expertise, because of the high rate of emigration;
   x. Declining standards of service delivery in the public sector and the community;
   xi. Increasing Government debt with higher payments for interest pre-empting funds for vitally needed infrastructure such as water, roads, sewerage, electricity and housing; and
   xii. The dilapidated state of the country's infrastructure.

Between mid-February to mid-July 2008, the analytical and diagnostic work on a range of critical issues was undertaken by the three National Task Teams (NTTs) appointed by the NCBBF, and the nine Working Groups (WGs) established by the NTTs. The findings and conclusions emerging from all of this work, and from the feedback obtained from the consultations undertaken country-wide, have strongly endorsed the accuracy of the general picture of the overall situation of Fiji, as initially outlined in the Consultation Document.

In short, the review and analysis and the country-wide consultations confirmed the view that the people of Fiji are disappointed and disenchanted with the country in which they now live. The high hopes they held at the time of Independence have been dashed. The reality they face is a country scarred by the consequences of political instability and repeated coups, a stagnant economy, a general lack of trust and confidence, growing

unemployment and poverty, increasing religious and racial intolerance and divisiveness, the emigration of many talented citizens and a rising tide of crime and violence.

It is clear that many things have been going wrong in Fiji. Moreover, perhaps the most serious and disheartening is the realisation that the country has so far been largely incapable of solving its own problems.

Responsibility for resolving major tensions within a society – for example, tensions over land, over income distribution, over jobs, over access to education, health and housing – lies squarely with each country's political system and its leaders, especially its politicians. That is because these are precisely the issues with which politicians are elected to deal. An inability to address and resolve such serious matters, over the past two decades, points to major deficiencies in Fiji's system of democratic governance and its leadership.

Chapter 1: Reform of the Electoral System

The nation-wide consultation process and the work of the three NTTs and nine WGs, identified weaknesses in Fiji's constitutional arrangements and political system — particularly problems with the electoral system — as one of the most immediate and urgent set of problems lying at the heart of the nation's malaise.

The race-based architecture of the current electoral system and the patent unfairness of the outcomes it has delivered in the three elections since 1997 is a major reason for the growing disaffection with the current constitutional arrangements. The retention and indeed the increase in 1997 of the proportionate share of communal seats in Parliament, together with the use of the Alternative Voting system, strengthened extremist elements and weakened the forces of political moderation. As a result, political life has been polarised: members of Parliament elected from communal-roll seats have little incentive to take account of, or care about, the concerns of other communities. This lack of incentive has encouraged some politicians to exaggerate communal and religious differences for their own narrow political purposes and to promote the belief among their followers that the only objective of electoral competition is to aggrandise the position of their own community at the expense of every other. The end result for Fiji, as a nation, has been a lessening of trust between communities which in turn has led to an increase in religious and racial intolerance, even hatred, as demonstrated in the rising incidence of violence and religious sacrilege.

In short, the electoral system under the current 1997 Constitution appears to have lost credibility and legitimacy among many of Fiji's citizens. There is strong demand for a new and fairer electoral arrangement.

The Case for Electoral Reform

For reasons of practicality, democracy has always taken the form of representative democracy where, on the basis of free and equal suffrage, people elect representatives to decide on the nation's priorities and use its resources for the common good. But elections must be free and fair to make democracy work properly. They should also operate in a way

that tends to unite people around visions of a common good that do not exclude some citizens.

In 1996, the Reeves Constitution Review Commission linked the perpetuation of ethnic politics to the electoral system when it asserted that:

> *'The people of Fiji need to make a conscious choice about whether they wish to take a decisive step away from the communal system that has made ethnic policies inevitable since before independence'*

The Reeves Commission's conclusions on communal representation are as relevant today as they were in 1996. In fact, given Fiji's recent past, there is now an even greater need to completely eliminate communal representation. Retention of the communal voting system reflects a lack of commitment by Fiji to international conventions like the United Nations Declaration of Human Rights and the Convention for the Elimination of All Forms of Racial Discrimination (CERD). These international standards favour a strong commitment to the principle of equal suffrage and a move toward systems that do not place restrictions on the grounds of race. Furthermore, international conventions on indigenous rights contain the proviso that the application of indigenous rights should not be detrimental to the basic human rights of other members of society. Since the enactment of the 1997 Constitution, there have been two more coups in Fiji and continuing political instability which are, in large part, a consequence of a communal voting system that segregates Fiji's communities. Communal voting has not achieved either the objective of drawing the country closer together or of protecting the interests of the identified ethnic groups. Further, there has been significant demographic change since 1987: Fijians are now a clear majority of the population. This change has invalidated the reason once advanced for the retention of communal voting — the need to protect the interests of a minority indigenous race. Clearly, a new approach is needed for Fiji that eliminates race-based politics.

Seven standard criteria were used for assessing the fairness of the electoral system. The criteria are:

(i)   legitimacy of the transfer of power from the people to Parliament (one person, one vote, one value delivering electoral outcomes that are seen to be fair and reasonable);

(ii)   accountability (elected representatives are held to account for their actions), parties issue manifestos or stand on platforms that provide them, once elected, with a mandate for their policies;

(iii)   the representativeness of Parliament (parties or social groups are elected to parliament in proportion to their votes or numbers in the community – sometimes called 'social mirroring');

(iv)   the system's simplicity;

(v)   the system needs to promote neutrality; and finally

(vi)   the system's acceptability in the form of popular support by the people.

Fiji's current electoral system does not meet these criteria. Nor does it meet the specific need within Fiji for an electoral system that bridges ethnic differences rather than exacerbating them. The outcomes are not considered to be fair and reasonable: for example, the failure of a party such as the National Federation Party (NFP) to win a single seat in Parliament despite receiving significant electoral support in three successive

elections is not a fair outcome. The suffrage is not equal because there is a great disparity between the values of a vote in different constituencies.

In 2006, for example, there were 3,340 registered voters in the Indigenous Fijians seat of Namosi but 19,044 registered voters in the nearby Indigenous Fijians seat of Nadroga/Navosa. The average number of registered voters in 17 provincial Fijian constituencies was 9,521 but the average number of registered voters in six urban Fijian constituencies was 15,930.

As noted above, the legitimacy of the current electoral system is also suspect in terms of human rights. These factors taint every other aspect of the present system since electoral outcomes cannot be trusted to exact appropriate accountability or give genuine and fair guidance on the appropriate mandate to be implemented by Government. The effective representation of the diversity of Fiji is largely defined by race and its impact is distorted in consequence. In addition, the present system has demonstrated itself to be far from simple as there have been unacceptably high numbers of invalid ballots at all elections held since 1999.

In considering the options for reform, the NCBBF considered the separate elements of the present electoral system in order to identify particular points for change. The key elements so identified were:

- Which method of election should replace the present alternative voting system?
- Should communal seats be retained or replaced by the use of common rolls for all seats?
- How should constituency boundaries be drawn to ensure representative government and one person, one vote, one value?

Given the objective agreement to eliminate race-based politics, a consensus was reached that the first two questions were intimately linked. Retention of communal seats was seen as being incompatible with the elimination of race-based politics. No citizen should be compelled to identify his or her race in order to participate in voting, the most important political act of citizenship. Nevertheless, the system that is adopted must assure the fair representation of Fiji's ethnic diversity. Following a comprehensive examination of the options, the NCBBF unanimously agreed that some form of Proportional Representation (PR) electoral system is desirable in Fiji.

The independent Electoral Commission also reached the conclusion that Fiji needs to move to a proportional representation system in order to secure fair and just electoral outcomes.

The NCBBF also agreed that the issue of equitable electoral boundaries would be heavily influenced by the decision on the type of PR system chosen. After considering the three main variants of the proportional representation system (namely, single transferable vote (SVT); mixed-member proportional system (MMP); and a simple list system, the NCBBF opted for the open list system on the grounds that (i) the intrinsic fairness of this system would strengthen the legitimacy of Parliament (ii) it would increase the accountability of political parties to the electorate; and moreover (iii) by allowing voters to select an individual candidate from the party list some personal accountability was offered as well. Other major advantages are its close reflection of the actual vote (i.e. social mirroring) and its relative simplicity of operation.

Accordingly, the NCBBF recommends the:

- abolition of the communal representation system as currently provided for under the Constitution and the Electoral Act 1998;
- the use of a common roll for all future elections;
- the adoption of a Proportional Representation (PR) system (using the open list variant); and
- the implementation of these electoral reforms before the next general election, which should be held as soon as is practicable.

The NCBBF also considered some ancillary issues. It proposes a relatively small number of large constituencies to maximise the proportional benefits of a PR electoral system. It recommends the repeal of the mandatory power sharing arrangement currently provided for in the Constitution, the reduction of the voting age from 21 to 18 years, and the abolition of compulsory voting.

A number of other issues relating to the electoral system, such as the term of Parliament, the size of Parliament, whether the Constitution should be amended to allow referenda in Fiji, the eligibility of citizens living overseas to vote, and the role, size and composition of the Senate, were also canvassed and are to be taken up in the country-wide consultations on the proposed electoral reform package.

Chapter 2: National Identity and the Role of Religion, Culture and Education in Nation Building

One of the most fundamental problems in Fiji is the lack of unity and a new electoral system, by itself, will not be sufficient to ensure continuing cooperation between the major communities. We need to forge a consensus based upon our common interests as citizens who will continue to live side by side in these islands. This process involves reminding everyone that there is by now a community of birth in Fiji and a continuity of affiliation through the decades that have created a history in which the livelihoods and cultures of the different communities in Fiji have become inextricably intertwined. It involves acknowledging and emphasising the collective interests that are evolving from the many social, cultural and economic linkages between our different communities in their daily lives. It also implies a conscious effort to participate in a common political project aimed at increasing the perspectives that bind the citizens of Fiji together in forging a common national identity. The feedback from the consultation process, and the WGs and NTTs, identified this as the next most urgent problem to be addressed.

A nation's identity encapsulates the shared underlying world view and values of its citizens, communities, and institutions and is made visible through a variety of symbols such as a flag or national anthem.

A national identity is inclusive: it includes the members of all communities in the country within a broad allegiance. It binds all of them as citizens to a larger and wider sense of belonging to 'their' nation state. The overarching significance of a national identity, for governance and public policy, is that it creates a moral community within which everyone has equal rights to the care and attention of the Government and the wider community. The

role of the Government within a nation state is to advance the interests of all of its citizens regardless of the community to which they belong. In this sense, it is an essential force opposing the pull of the more selfish of communal politics.

If Fiji is to escape from the orbit of selfish communal politics, Fiji's people must have a sense of national identity. At present, people have a strong sense of ethnic identity which has been reinforced by rhetoric and the ethnic institutions created during the course of Fiji's history. Thus, Fiji's people are more aware of their ethnic identity than they are of their national identity and this awareness is reflected in official documentation and most remarkably in two phenomena: the long standing discussion, yet unresolved, over a name for Fiji's citizens; and the sub-categories of citizenship that must be stated in the national census and immigration entry and departure forms.

The Role of Religion, Culture and Education

Education has been used globally in nation building while culture and religion are strong components of individual identity and necessary components in developing a national identity. What is needed in developing a national identity is emphasising and building upon shared elements such as a common national name that will strengthen and enhance a sense of belonging and nationhood.

Culture and religion must play important roles in promoting national identity. At present, however, they appear to be fragmenting Fiji rather than assisting in developing a national identity and nation building. To address this problem, the shared values from Fiji's various religions and cultures need to be identified and articulated clearly to promote meaningful co-existence. Two concepts that have been fragmenting — but could be uniting — are multiculturalism and pluralism. However, these concepts, properly understood, could enhance a united nation.

Major issues that contribute to the fragmentation of Fiji's society include:

- the absence of a common national identity;
- the inadequacy of the education curriculum at all levels to teach social cohesiveness, inclusiveness and how to live meaningfully in a pluralistic society;
- the failure to emphasise the teaching of comparative religious studies, moral values, and an appreciation of national symbols; and
- the fact that many of the leaders of Fiji's political, religious and cultural groups are acting independently and are not coming together to build the nation.

The process of developing a national identity includes discovering and articulating national narratives, symbols and shared values and people's expectations of, and for, Fiji. Such a process needs to be designed and facilitated in Fiji. Representatives of all of Fiji's people should participate. And Fiji's leaders need to focus on the nation rather than on their particular sectoral or communal interests. Institutions need to be strengthened in a way that ensures all of their efforts are directed towards supporting a national identity and the national interest.

The most obvious symptom of the lack of national identity is the lack of a common name. The NCBBF recommends that the name of our nation should be Fiji (not the 'Fiji Islands') and that all citizens should have a common name — Fijian — as their common national identity. Of course, primary identities may need to be retained with indigenous Fijian continuing to be called '*i*-Taukei', Fiji Indians being called Fijian Indians, and others such as ethnic Chinese, being called Fijian Chinese. The NCBBF also recommends the promulgation of an Anti-Discrimination Act and the establishment of a National Identification System for the registration of all Fiji citizens.

The NCBBF calls upon all relevant institutions to promote unity among the diverse cultures of Fiji; to make changes to the education curriculum to allow for community and service learning that will promote and encourage social cohesion and national integration; to teach the basic values of truth, right action, love, peace and non-violence; and to promote national symbols (flags, anthem, currency) in schools and offices while also reviewing them to integrate the different languages ('Vosa Vakaviti', Hindi and English) and music styles in the national anthem.

The NCBBF also recommends that the teaching of conversational 'Vosa Vakaviti', Hindi and English be made compulsory from Class 5 to Form 7 in all schools; creation of a Commission of Healing and Reconciliation, Truth and Justice; the teaching of comparative religious studies; promotion of sharing spiritualities and interfaith dialogue amongst all religious groups; the establishment of a National Book Trust for the publication of textbooks and literature for Fiji's children; the inclusion of multicultural education in the curriculum at all levels; an initiative to articulate, promote and sustain a national narrative; and that the Foundation for the Common Good based on Shared Values, Vision and Principles as contained in the Peoples Charter be included as a schedule in Fiji's Constitution.

Chapter 3: Ending the Cycle of Coups

Even a free and fair election system harnessed to a newly forged sense of national identity, however, may not be by itself sufficient to break the cycle of coups.

The responses to the Consultation Document made it clear that the people of Fiji want to see an end to coups. Coups have done lasting damage to Fiji in a whole range of areas, from the social and economic context, to ethnic relationships through to the institutional framework and to Fiji's international relationships. Coups have undermined democratic governance and the rule of law. Coups ruin people's lives, destroy confidence as well as social and economic opportunity, and leave lasting fissures within the society. Despite the superficial appearance of short term gains for some elements in society, there are no long-term winners in coups. All sectors of society suffer in one form or another. In his speech of 16 January 2008 to the first meeting of the NCBBF, the Interim Prime Minister asked that ending the 'coup culture' should be one of the main objectives in developing the Peoples Charter.

So what can be done to eradicate the 'coup culture' in Fiji?

Many actors — in addition to the military — have been involved in the various coups. The actors have included political and business groups who have used ethno-nationalism and the military to serve their political and economic agendas. Other factors also contributed in their own different ways to coups: socio-economic conditions that lead to political grievances and the creation of political scapegoats; instances of poor governance creating injustices that provoke conflict; socio-psychological factors and socio-cultural factors that affect people's state of mind or cultural sensitivities in ways which become a basis for mobilisation; and the activities of other power centres in Fiji such as the churches. All of these factors need to be fully understood and addressed separately and specifically, if the 'coup culture' is to be eradicated.

There are thirteen key principles that can be used as a basis for ending Fiji's 'coup culture'. They include removing the social and economic circumstances that cause coups; re-defining the role of the Military to bring it closer to the people; strengthening other state institutions to provide countervailing power centres within Fiji's governance systems; encouraging ethnic integration through a reform of the electoral system; building up processes for national reconciliation and healing and conflict resolution; ensuring the separation of Religion and State; and strengthening the sanctions against those who participate in coups.

The thirteen principles are all important but one of the most significant is that of redefining the role of the Republic of Fiji Military Forces. The idea here is to shift from the old 'hard security' outlook to the new United Nations sponsored paradigm of 'human security', i.e. engaging with society and supporting it in various ways. Human security places people rather than property at the centre of national security and involves much greater regular interaction between national security forces and the people. The NCBBF calls for a national dialogue on the RFMF's role and also outlines a number of human security roles, such as training the youth of Fiji, which the military should undertake. It also calls for legitimate mechanisms to enable the military to dialogue with the Government on good governance issues. There are also several consequential recommendations for increasing ethnic and gender representation in the Military, for parliamentary oversight of the Military, and for improving the relationship between the public at large and the Military.

Coordinating the National Security Services

Fiji's national security policies should be re-worked to take account of contemporary national security threats and the new paradigm of human security, whereby national security forces are more engaged in Fiji's national development. In addition, a comprehensive national security framework for systematic and participatory engagement between the State and its citizens should be put in place to bridge the gap between the State and the community. This framework will identify how State security institutions such as the police and military can take part in normal institutional engagement with civil society organisations, religious organisations, and other community organisations in various programs. This institutional engagement should be an ongoing process.

The NCBBF proposes that the National Security Council expand its membership to incorporate wider representation including the military and police. Measures should also be taken to facilitate appropriate inputs when possible from civil society organisations, women's and youth organisations, academic institutions and community groups, as well as

the private sector.   In addition, mechanisms such as the National Intelligence Committee and the proposed National Peoples Charter Council should be established.

Chapter 4: Strengthening Democratic Governance

The prospect of breaking the cycle of coups will be greatly enhanced if other elements of democratic governance (i.e. in addition to the electoral system) are strengthened. Several UN bodies describe good governance as having eight major characteristics: good governance is participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive, and follows the rule of law. It assures that corruption is minimised; that the views of minorities are taken into account; and that the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society.

A culture of democratic good governance must be entrenched in Fiji so that it becomes the dominant mode of political thinking and behaviour here. Principles of good governance need to be applied to the formal governance framework, the institutions within it, which includes Local Government administration, and the governance of the country on a day-to-day basis, in terms of policy formulation, decision-making and service delivery.

The most significant areas in which reforms are needed include the effectiveness of Fiji's legal systems and uniformed services in upholding the rule of law; coordinating the national security services; mechanisms for strengthening accountability and transparency (including the introduction of a Freedom of Information Act); and the role of the media in promoting good governance and national development.

Local Government Framework

The local government framework was not considered in great detail by the NCBBF, through its National Task Teams and Working Groups. However issues relating to the performance of municipal councils and the role they play in national development were discussed. Concerns have been raised about the accountability of municipal councils particularly in relation to the misuse or abuse of ratepayer funds to provide services within their municipalities. Weak tender processes for the awarding of service contracts have, in the past, resulted in nepotism and abuse of office for personal gain. The Reeves Constitution Review Commission did recommend a thorough review of the local government framework. While a review of the Local Government Act was carried out in 1999[1] and amendments enacted to strengthen the accounting practices of municipal councils, no major reforms have been carried out in this area. The NCBBF considers that more is needed to enhance the accountability of municipal councils. In this regard a recommendation is made to include municipal councillors and town clerks in any Code of Conduct or Leadership Code enacted in accordance with section 156 of the Constitution.

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[1] Jayatilleke, T., *Report of the Committee to Review the Local Government Act (Cap. 125)*, Ministry of Local Government, 1999, Appendix A, Report of the Sector Standing Committee on Administrative Services, Local Government (Amendment) Bill (No. 6/2006), Parliamentary Paper 47/2006

Municipal Councils are elected to provide a wide range of services to ratepayers in accordance with the provisions of the Local Government Act (Cap. 125). The role that they play in national development initiatives within their municipalities through the provision of municipal services and their relationship with national Governments are issues that require further examination. Politics at the local and national level can and does have an impact on the relationship between national Governments and municipal councils. This can affect access to public funds by local government authorities under national development programmes particularly for road maintenance and poverty alleviation as regards squatter settlements in municipalities.

The NCBBF endorses the review by the Interim Government of the Local Government framework particularly in relation to examining the roles, functions, responsibilities and administration of municipal councils and how it can be best shaped to promote good governance. The NCBBF considers that measures are needed to remove or lessen political impediments to the relationship between national and local governments to enable more effective national development initiatives within towns and cities. The NCBBF therefore recommends that consideration be given to restricting registered political parties from contesting local government elections. The recommendations by the Reeves Constitution Review Commission that consideration is given to appropriate democratic systems for local government in rural areas also warrants serious attention, which should also take account of the functions of District Advisory and Provincial Councils. Similar measures to remove political impediments to national development within these councils are also required.

Effectiveness of Fiji's Legal System

The application of the rule of law must be a basic and enduring feature of any democratic society. In Fiji, after four coups, this feature has been under a lot of strain. Nevertheless, and not without some difficulty, the court system has continued to function and to dispense justice. Major stakeholders have also continued to accept that the courts are dispensing justice fairly. While coups in themselves can be viewed as a major challenge to the rule of law, there are many other factors that have affected equal and fair access to justice for all in Fiji — such as ineffective law enforcement, perceptions of delays in some court proceedings, a lack of public awareness of basic legal rights, complaints about the performance of the magistracy, the scope for improved regulation of the legal profession, understanding and accessing Fiji's framework of laws, and the need for further improvement of public registry services. Reform in all of these areas is on-going and, while there have been significant improvements in the last decade, more action is needed to further strengthen the country's legal system. The SNE Report recommends measures to improve awareness of the law; to improve access to justice by poor people; to strengthen the independence and accountability of the judiciary; to overcome difficulties in the magistracy; and improve formal law reform measures.

There has been much public debate surrounding the actions of judicial officers following each of Fiji's coups and of their perceived independence. Given that there are relevant matters before the courts, this report offers no conclusions about the current status of the judiciary or on the rights of those directly affected by these events other than to note that all of Fiji's coups have put the judiciary in difficult situations. However, this report recommends that as part of Fiji's planned return to parliamentary democracy, an effort be

made to reinforce the pre-eminent role of the rule of law in reforms proposed in other areas that are designed to achieve the entrenchment of sustainable democracy in Fiji.

Improving the Effectiveness of the Police Force and Prisons Service

In part for economic and social reasons, there is a perception of a worsening law and order situation that the Police Force and the Prisons Service are struggling to contain. There is also recognition that Fiji's multiple national security interests, which are being presented with new challenges by threats related to transnational crime and global terrorism, require closer and more effective coordination.

A number of recommendations are made to improve the effectiveness of the Police Force and the Prisons Service. The NCBBF proposes that rapid response units be set up in the Police Force in at least four localities across Fiji to focus on and take action to clean up and reduce serious and/or prevalent criminal behaviour (such as violent crimes) so that the overall offence rate declines annually. The NCBBF also suggests that greater focus be given to reducing crime rates against women and children, including rape, defilement, incest and domestic violence, with special facilities set up at police stations to deal with these crimes. The NCBBF recognises that crime is being under-reported and proposes that a survey be undertaken to better gauge the true extent and nature of crime across Fiji with a view to overcoming the effect of under-reporting of criminal behaviour.

Greater focus also needs to be given to crime prevention through extending community policing across Fiji and recognising the vital role that civil society and the private sector must play in combating crime. This can be done through formalising the establishment of a national Crime Prevention Board which would include civil society and private sector membership, and by developing crime prevention and other strategies for combating the underlying social and economic problems that can lead to crime. A major focus should be rebuilding the image of the Police Force through training and other related actions.

In regard to the Prisons Service, the NCBBF recommends that, as intended, it realigns its priorities from incarceration to corrections, with a shift in focus and use of human resources under the Prisons and Corrections Act. The Prisons Service should also work towards reducing the daily prison population by the end of 2010, while ensuring that those who are a serious danger to society remain in prison. For that purpose, the Prisons Service should make greater use of half-way houses, community service orders, weekend imprisonment, parole orders and diversion programmes to reduce the level of imprisonment in Fiji. The Prisons Service should explore ways of reducing recidivism through enhancing rehabilitation programs and community service orders, and focusing on providing work opportunities after prisoner release. There are also opportunities now to enhance the commercial activities undertaken through the Prisons Service, including by budget arrangements that allow some retention of revenue.

Accountability

The most effective systems of Government are ones that are able to maintain the confidence, trust and respect of the people. Such confidence is only established when public officials (elected or appointed) and the institutions to which they belong, perform

their legal and administrative functions efficiently and effectively in accordance with the rules and regulations that govern their operations, and are answerable to their actions.

There are serious accountability risks for Fiji because of ineffective mechanisms for scrutiny of misconduct by public officials. There is a sense that some leaders and officials feel able to act with impunity. Improving accountability in Fiji requires action on many fronts starting with a greater appreciation of the overarching role of Parliament (as an institution quite distinct from the executive) in holding the Government to account. The active support of the public to ending corruption also has to be mobilised. The NCBBF examined each of the institutional mechanisms responsible for ensuring accountability: these included the Public Accounts Committee of Parliament; the Office of the Auditor-General; the Office of the Ombudsman; and the Fiji Independent Commission Against Corruption (FICAC). The NCBBF suggests certain measures to improve the capacity, effectiveness and resources of these institutions to carry out their functions. Particular consideration was given to strengthening the operational independence of these bodies while at the same time ensuring that they remain accountable for the performance of their functions.

Transparency: Introducing a Freedom of Information Act

Accountability is difficult to enforce without transparency. The work of the public sector must be made more open to public scrutiny. Although the Constitution mandates the introduction of a law 'to give members of the public right of access to official documents of the Government and its agencies,' no such law has been enacted. Even so, access to information is regarded internationally as the oxygen of democracy and a basic human right.

A Freedom of Information (FOI) law will significantly enhance Fiji's framework for democratic governance. An FOI law will facilitate public participation in the democratic process, as well as improving public understanding of what Government is doing. It will enhance the quality of decision-making in Government because the knowledge that all decisions are subject to scrutiny will increase the likelihood that they will be properly and fairly made. An FOI law will improve record keeping practices in Government and, in providing greater transparency, reduce the opportunities for corrupt practices. The law will allow any person who has a grievance about a particular decision affecting him/her to gather the information needed to know why the decision was made and, if the action is believed to be illegal or otherwise improper, then to challenge it. The law will also improve coordination and policy development within Government, and create opportunities to hold the Government to account for its performance.

Transparency also requires a fundamental change in attitudes within the public sector — away from the tradition of secrecy towards recognising the public's right to know. This recognition represents a major culture shift within the bureaucracy. A new culture of openness will empower the public to use information obtained under the FOI law to insist on better standards of service delivery and higher levels of performance from Government and public sector organisations generally. In short, it encourages and feeds a stronger demand for high quality Government services that should lead to noticeable improvements in the quality of people's lives.

Detailed recommendations on the desirable provisions to be included in a Freedom of Information law are contained in Chapter 4. The NCBBF recommends that an FOI law should be enacted and come into force as soon as possible, subject to the possible phasing-in of particular provisions aimed at lessening any new administrative burden.

Role of the Media in Promoting Good Governance and National Development

There should be no question that a free and vibrant media is indispensable to the operation of a democratic society and to promotion of good governance. However, with this freedom comes a responsibility to provide balanced and unbiased reporting. The NCBBF considers that current self-regulation by the media industry of professional standards of journalism is ineffective. The NCBBF endorses the view that legislation is needed to improve media accountability without interfering or impinging on its independence. Such a law should provide for a strengthened Media Council and an Independent Tribunal to deal with unresolved complaints efficiently and effectively. Legislation is also necessary to put in place formal measures to protect diversity within the industry and place appropriate restrictions on foreign ownership that accord with international standards.

Fiji is fortunate in that its media has not been afraid to confront and expose bad governance. Individual media organisations have been prepared to be critical, abrasive and often controversial in what they publish when they deem it necessary. In the circumstances Fiji now faces, where more of its population is poor than was the case at the time of Independence, the need for national support for changes that will move the country forward on national development is urgent. The media has a vital role to play in this. For the media to engage on these issues is not to surrender its independence: it should remain sceptical and critical but also forthrightly committed to promoting what it believes is best in the public interest for the development of the country in a balanced, fair and unbiased way.

Chapter 5:   Social Justice, Poverty Alleviation, Social Service Delivery & Human Rights

One of the key purposes of good governance is creation of a society free from poverty where all have equal access to their basic needs and social justice is assured. Addressing the major issues facing Fiji in relation to social justice, poverty alleviation and a rights-based approach to development is critical to the achievement of the vision for Fiji and for the restoration of human dignity and equal opportunities to all those who are poor and disadvantaged in Fiji.

Social Justice and Poverty Alleviation

Most of the social indicators have worsened in Fiji over the past two decades. These indicators include the Human Development Index (HDI), the proportion of the people living in poverty, maternal and child mortality rates, and primary school enrolments.

The HDI is a widely accepted measure of a country's progress in attaining satisfactory levels of education, health and income. Fiji's ranking was 42nd in 1975 but dropped to 61st

in 1997. Its position further eroded in the late 1990s. Based on the 2005 UNDP Human Development Index, Fiji currently is placed 92nd out of 177. Samoa and Tonga — which had rankings similar to those of Fiji in the 1970s — have performed much better than Fiji in recent years, with rankings of 77th and 55th in 2005 respectively.

The Fiji Constitution provides the legal justification and framework for the implementation of Affirmative Action Programmes (AAP) designed to achieve for all groups or categories of persons who are disadvantaged, effective equality of access to (a) education and training; (b) land and housing; and (c) participation in commerce and in all levels and branches of service of the State.

Key social justice issues include the lack of a moral framework for social justice and affirmative action programmes, the legitimacy of the Social Justice Act of 2001 and AAPs, the reliability of the statistical basis for AAPs, the need for the development and alignment of performance indicators, and the strengthening of the existing monitoring mechanism.

The goal of social justice should be to ensure the equality of dignity, especially of those who, through no fault of theirs, are disadvantaged and destitute. It must also ensure that everyone has a basic right to a dignified life and enjoy equality of citizenship, and that no-one lacks the basic necessities of life. The NCBBF recommends that an inclusive, just and compassionate moral vision of Fiji's common good should be made a foundation of the AAPs. Social Justice legislation and policies should be congruent with key principles of the Constitution. The processes and procedures for designing, implementing, monitoring and evaluating AAPs need to be effective, transparent and accountable.

Several pro-poor policies and programmes have been implemented over the years. However, those initiatives have not been sufficient to reduce poverty. The key issues inhibiting poverty reduction include the low growth of the economy; a lack of political commitment; political instability; lack of access to economic assets, markets and social services; ineffective coordination, implementation, and monitoring; and lack of participation by all stakeholders *vis-à-vis* Government, the private sector and civil society. Sustainable economic growth is a necessary condition for income generation, redistribution and poverty reduction. The NCBBF recommends the strengthening of Government's pro-poor policies and programmes to target citizens through municipalities, provincial councils, and advisory councils; the strengthening of existing institutions and programmes to assist the poorest of the poor children; the phased implementation of a National Minimum Wage; encouraging a greater private sector role in poverty alleviation; enhancing Government-civil society partnerships; improving coordination, implementation and monitoring; and compiling more timely poverty statistics.

Reducing poverty has been a core policy objective of successive Governments for many years. Poverty alleviation has been regularly articulated in development plans and strategies and annual budget addresses. Poverty reduction is a core objective of all development partners and the Millennium Development Goals (MDGs).

There is no generally or officially accepted definition of poverty. Poverty of income can be viewed in either absolute or relative terms. Absolute poverty is where an individual or family is unable to meet its basic needs for food, clothing, shelter, health care and education. Destitution is the extreme form of absolute poverty, the poorest of the poor.

Those whose incomes are sufficient to meet basic needs but are still below the 'average' or 'norm' experience relative poverty.

Poverty of 'opportunity' or 'access' is now regarded as just as important in defining the extent of poverty and hardship in a society as is the lack of income. Often the conditions and circumstances giving rise to the poverty of opportunity are the causes of income poverty.

In its discussions, the NCBBF noted that the estimated basic needs poverty line (BNPL) per household per week increased from $28.45 in 1977 to $83 in 1990 and to $132 in 2002. Statistics collected from various Household Income and Expenditure Survey (HIES) reports indicate the existence of high levels of poverty in Fiji although the non-availability of consistent data on poverty has resulted in various viewpoints on the actual levels of poverty in Fiji. The NCBBF noted that there is clear evidence of a worsening of the poverty situation (35% by 2002) and that there has been no evidence of any significant improvement in more recent years.

Fiji remains a society with deep income inequalities. The 2002-03 HIES shows that the poorest 20% of the household received 5.9% of the national income while the top 20% of the households received 47.9% of the national income.

Meeting Basic Needs: Housing, Education and Health

The NCBBF focused on major issues affecting housing, health and education. Members noted the worsening basic socio-economic indicators which include health, dilapidated health infrastructure, poor living conditions and the growing number of squatter settlements. To some extent this worsening is also having a negative effect on the effectiveness of the compulsory education policy which is being undermined by the high levels of school 'dropouts' from both primary and secondary schools.

Housing

Fiji's housing crisis is real and pervasive: with about 200 squatter settlements of more than 387,000 people earning less than $7,000 per year, approximately 9,000 low and moderate income households will need decent, safe, affordable housing immediately. In seeking to meet these needs, the production of mixed-income housing that provides broad income diversity in neighbourhoods is deemed a desirable social and economic goal.

There are concerns, however, about the plan to encourage the use of land to improve rural situations and reduce urban migration. Governments have been unable to provide enough land for people to prosper, build and own houses and form sustainable communities. Sustainable housing programs must go hand in hand with income earning opportunities. Currently, Fiji does not have an employment strategy. Having an employment creation strategy, together with the availability of more land, could help in resolving both the unemployment situation in rural areas and urban migration.

Some immediate steps are required to resolve the squatter problem, which is becoming a major obstacle to the use of prime land for development in urban areas. Most of the

squatters live on the '*vakavanua*'[2] land, given to them some 30 to 50 years ago. Opportunity should be given to landowners to develop their land into suitable housing lots. Lack of capital to do so has been identified as a major problem. To acquire quick returns, landowners have resorted to issuing '*vakavanua*' leases all around Fiji.

The NCBBF suggests that Government does not necessarily have to build a house for everyone, but to make land available for housing, at the same time ensuring that minimum housing standards are maintained.

There is a critical need for the development of a consistent, comprehensive, and ongoing discussion about housing policies and issues in Fiji. Because the actions and authorities of multiple State departments and agencies explicitly and implicitly affect housing, inter-agency coordination is essential to producing and preserving affordable housing, improving supportive housing, and eliminating housing discrimination.

It is important to encourage a multicultural and pluralistic society: multiculturalism is a part of sustainable communities. Any development initiatives should look at allocating spaces for churches, mosques and temples as well as for sports and recreational activities.

Education

The large number of students dropping out early from school is a critical problem since it is one of the major contributing factors to the growing incidence of poverty. In turn, poverty impacts so adversely on the socio-economic development of this country. With limited skills and knowledge to improve their livelihoods, early school leavers make up a large number of the unemployed and subsequently they contribute disproportionately to the rising tide of crime and violence occurring in most urban centres.

There is a need to conduct community workshops on parental education to change the community's perceptions about education, improve parents' participation and support, reduce the 'dropout' rate and improve students' academic achievements. The establishment of a collaborative model of education in villages and communities is an essential element of this initiative and make available community scholarship funds through better utilisation of resources.

The curriculum is not relevant to the many students who do not proceed to tertiary study, given its academic and elitist orientation and content. For this reason, the modular system of education should be introduced at secondary schools to offer broad-based education and to allow students to develop their potential along their areas of interests.

Emphasis was placed on building specialist schools and the training of specialists who are progressive and forward looking, especially in the areas of science, engineering, technology and agriculture. The NCBBF fully supports the new National Curriculum Framework and the strengthening of technical and vocational skills and also encourages the learning of life skills from early childhood to Form 7.

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[2] 'Vakavanua settlements' are informal settlements acquired through customary arrangement with the land owners and there is no legal basis for ownership or lease.

The NCBBF discussed ways of distributing education grants to assist low income earners and those in rural areas by using the differential resourcing model[3] so that schools responsible for the education of these communities are given a larger and fairer proportion of grants to assist them with the maintenance of school buildings, the resourcing of schools and payment of fees.

On the issue of building a united and multicultural Fiji, there are recommendations on the need to integrate neighbouring schools, including their management and staff, and the need to study each others' language, culture and religion.

The need to phase out school names that denote racial affiliations, like 'Fijian' and 'Indian', is also of great importance in enhancing the building of a united and multicultural society.

Health

To immediately improve the performance of the health sector, the formation of a Health Policy Commission has been recommended to oversee the administration of the Public Hospitals Act and to provide strategic direction on how health services should operate in the short, medium and longer term. The Commission will comprise leading community representatives including those from relevant ministries and non-government stakeholders such as academics, practitioners, advocates and consumers. (Similar representation should also apply to the divisional and sub-divisional hospital boards with more clearly defined terms of reference.)

The health sector is severely under-funded and generating revenue by the 'user-pays' system has always been subject to political backlash. The NCBBF agreed to recommend that Government increase all non-essential medical fees, ensure an improvement in fiduciary collections, and consider immediately implementing alternative means of health financing such as risk pooling through a social health insurance scheme.

To reduce costs the NCBBF also recommends out-sourcing non-technical hospital services including laundry; security; maintenance and cleaning services. The introduction of herbal medicine is also considered important in reducing pharmaceutical costs.

The migration of health professionals is now a widespread international phenomenon. There are push and pull factors: while very little can be done to address pull factors, there is a need to concentrate on reducing push factors. This can be done by ensuring a rewarding, comfortable, safe, conducive and supportive working environment.

Concerns were also raised about the increasing incidence of communicable and non-communicable diseases (CDs and NCDs) in the community. The NCBBF strongly recommends that, while all efforts are being made to improve service delivery, communities should also take greater responsibility in improving their health. The quality of food sold in the markets — especially 'fast' foods — was also considered a major

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[3] Differential Resourcing Model is a model devised in Fiji for the distribution of education grants based on disadvantage index of the school and community. The disadvantaged index is calculated using variables such as location of school, its isolation, transportation costs, availability and type of electricity, drinking water, telephone, library, boarding facilities and availability of a school secretary.

contributor to NCDs. Stringent controls are required and a greater awareness of what people consume and the implication of this consumption for their health.

A Rights Based Approach to Development

Fiji has a favourable legal and institutional environment for the protection and promotion of human rights and Government is committed to protect human rights. However, there are many economic, socio-cultural, political and legal challenges to further progress in this area including: the need for legislative reform; harmonising cultural values with human rights; improving race relations; and enhancing the further effectiveness of the Fiji Human Rights Commission. In this respect, the NCBBF recommends that Government formulate and enact effective anti-racial discrimination legislation, ratify all international human rights treaties, mainstream human rights issues in the criminal justice institutions, harmonise cultural values and practices with the values of human rights, strengthen human rights education and awareness, improve race relations, and enhance the further effectiveness of the FHRC.

Race relations need to be improved through reconciliation programmes, interfaith dialogue and legislative reform. It is important to clarify the concept of minority rights and to more effectively use this to address the specific needs of various groups, including women, children and young persons.

The effectiveness of the Fiji Human Rights Commission could be enhanced by considering regaining its accreditation to the International Coordinating Committee of National Institutions for the Promotion and Protection of Human Rights Institutions (ICC) at an appropriate time as soon as possible. The NCBBF supports the implementation of recommendations made in the recently completed independent evaluation reports.[4]

Chapter 6: Growing the Economy

Employment provides the quickest route out of poverty but the economy has proved itself unable to generate the increase in the number of jobs needed to employ those leaving school each year, let alone the additional jobs needed to reduce the incidence of poverty in Fiji.

There are many reasons for the poor performance of Fiji's economy over recent decades.

The persistence of political instability, particularly in the wake of the coups, incidents of inter-communal violence, erosion of confidence and increasing crime exacerbated the country's economic problems. Investors, both local and foreign, seek stability and certainty because these reduce the risks of their investment decisions. Political instability scares investors away. This, in turn, is one of the reasons why Fiji's economic growth rate is so low: there has not been enough capital investment to generate the new jobs needed by the growing number of school leavers and the large numbers of unemployed who are seeking employment.

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[4] See for example, Dwyer, J., 2007, Evaluation of the Achievements of the Fiji Human Rights Commission including Implementing its 2004-2006 Strategic and Corporate Plans; FHRC, Suva.

Improving productivity (i.e. producing more with less) is central to the growth process. In Fiji, productivity has not been improving: it is easier to raise productivity if the investment rate is high. But investment levels in recent years, of between 14-16 per cent of Gross Domestic Product (GDP) have been well below the average levels of 22 per cent in the 1970s and 25 per cent in the years before the 1987 coup.

The economic growth rate in Fiji has been in long term decline since Independence — and the rate of decline is getting faster (Figure 1). This situation is reflected in declining real incomes, increased lay-offs, and wage cuts.

Figure 1: Fiji Economic Growth, 1970 – 2007
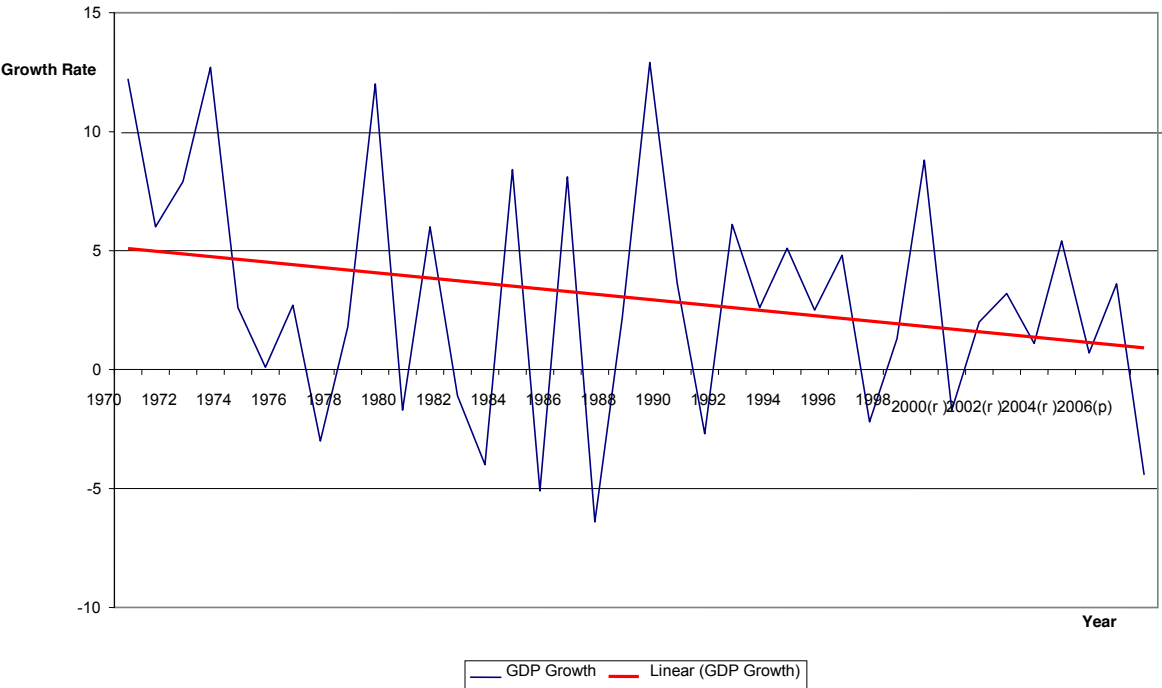
There are other factors that weakened the pace of economic growth, in addition to the points made above. The key among these other factors include a major property rights problem relating to the availability of leasehold land, the lack of investment in infrastructure, incompatible and inconsistent policies in some areas, and a weak legal environment for business. Many of these latter issues raise questions about the role of the Government in the economy. In the view of many people, the Government is over-dominant in the economy; i.e. it should reconsider its role if it wishes to achieve stronger growth, greater equity, and sustainability.

Clarifying the Roles of Government, the Private Sector, and Civil Society

Each of these three 'domains of governance' has an inherent comparative advantage in undertaking certain types of activity because of the different institutional arrangements in each domain. Each should focus on what it does best.

The Government's involvement in the economy should focus first, on the provision of public goods, which by their nature cannot be supplied by anyone else. It is clear that at present the demand for basic utilities such as water, sewerage, electricity, telecommunications and other infrastructure (such as roads, ports and airports) is not being satisfactorily met. In particular, people living in remote rural areas and the outer islands are disadvantaged and need special attention in terms of infrastructure, skills development and access to financial services.

Second, the Government should look closely at the reasons why markets may not always work and/or how market mechanisms can be improved. If market failures can be fixed other types of Government intervention — such as stultifying regulation or Government ownership of enterprises — may not be required. High quality regulation can minimise transaction costs. The Government should seriously consider divesting itself of those entities that would be better managed by the private sector. The proceeds from their sale would be better utilised in health, education or infrastructure investment, i.e. accelerating investment in those public goods that only the Government can and should supply.

Maintaining macroeconomic stability is another important role for the Government because it increases the predictability of economic conditions and hence helps to minimise personal and business risk. To maintain fiscal discipline, the NCBBF recommends the adoption of a new 'fiscal rule': that additional borrowing for extra Government expenditure should only be allowed if the returns are robustly estimated, have little uncertainty, and allow the Government to recoup its investment over time. Second, NCBBF recommends that the principles of fiscal responsibility (which are incorporated in Fiji's Financial Management Act) should be made more binding on the Government. Third, NCBBF argues that the Government should maintain a progressive, broad-based but simple tax system with some incentives in strategic areas to encourage greater investment.

Entrepreneurial freedom would be greater if businesses had full and free access to foreign exchange and the more sophisticated financial products available in international financial markets. The current foreign exchange control rules make this impossible. However, the current monetary and exchange rate regime cannot be changed in the near future. Change will only be possible when Fiji has restored strong economic fundamentals and developed deeper financial markets. In the longer term — provided these pre-conditions are met — it may be possible to move towards a more flexible exchange rate regime. In the meantime, national initiatives such as the National Export Strategy and the promotion of education — both formal and non-formal — must be boosted to help support the country's balance of payments and structural adjustment to make the economy stronger and more resilient.

Finally, Government is responsible for the specification and protection of property rights and maintaining an equitable income distribution and equality of access to basic services such as education, health and housing. It must also ensure gender equity and the maintenance of other basic human rights, and ensure intergenerational equity and environmental sustainability.

The role of the private sector is to engage in entrepreneurial activities with a view to maximising profits, but also thereby creating incomes and jobs through productive employment so that people are able to improve their living standards. This process operates through increasing specialisation and the expansion of markets, including opening

the economy to external trade and investment. Entrepreneurial activity is at the heart of this process. Entrepreneurs need an enabling business environment, which includes:

i.   macro-economic stability – because increasing the predictability of the economic environment reduces personal and business risk;

ii.   a legal and regulatory environment that enforces legal contracts and allows entrepreneurs access to all the assets they need to manage their businesses successfully (in Fiji this requires, among other things, the computerisation of the Registries.); and

iii. predictable and stable tax laws to ensure that profits are not unfairly expropriated.

A robust network of civil society organisations (often referred to as 'social capital') strengthens the resilience and capabilities of society. A country with strong civil society organisations is better placed to stimulate and sustain more rapid economic and social development. This is because civic networks and norms institutionalise social interaction and foster norms of social reciprocity and trust. In short, it encourages collaborative behaviour in society. Civic society organisations also provide checks and balances to the power of the Government and private sector; they have an important role in collecting and disseminating information that is useful to society but which no one else is collecting; they help empower the powerless and give a voice to the voiceless; and churches and other religious organisations in particular, have a major role to play in protecting and strengthening cultural and religious values and beliefs.

Civil society organisations also need an enabling environment that allows them to operate freely. This enabling environment requires legislation and regulations that guarantee the right of free association; an agreed mechanism for the participation of NGOs in decision making and in the implementation of decisions taken; and financial support from the State and private sector.

There are many situations where much more can be achieved with the limited resources available to the country if the three main sectors — Government, private sector and civil society — cooperate to build public assets and deliver services. The NCBBF supports the implementation of the public-private partnership initiative being considered by Government and also encourages the Government and civil society organisations to cooperate on the design and delivery of Government services.

The NCBBF noted with concern that Fiji's environment is being steadily degraded. At one level this presents a daunting challenge to the under-resourced Department of Environment, which is now beginning to enforce the 2005 Environment Management Act. A sensible response here would be to transform the Department of Environment into an independent statutory organisation to strengthen its management and enforcement capability. At another level, however, the degradation of the environment is not just a problem for the Government — it is a problem for every citizen of Fiji and warrants a concerted, nationwide effort to engage everyone in the country to cooperate in conserving Fiji's environment for future generations.

Development of the Resource Based Sectors

With the exception of mineral water, examination of the performance of the resource based (RB) sectors reveals a decade of underperformance. The sectors have been hindered by poor management, inconsistent and essentially passive support from Government, the general lack of supportive infrastructure, and the difficulty in accessing capital to develop. In addition, the institutional environments, including the legislative and policy frameworks in which the RB sectors operate, need an overhaul to make them compatible with modern business practices, protect resource sustainability, and facilitate economic development.

In a globalised world, the RB sectors have proven to be slow adapters in embracing necessary reforms critical to weathering the wave of international competition. The sugar industry is a classic example in which long overdue steps needed to reform the industry are only now being implemented. For other agricultural sectors, the major challenge is to overcome traditional attitudes and demonstrate that significant income can be generated from farming. This challenge requires increasing the awareness of modern profitable agriculture techniques including post-harvest handling and marketing. Related to this is the need to mitigate the lack of awareness in business management techniques as it relates to farming at all levels.

The role of Government in the activities of the RB sectors has also contributed to their current predicament. The heavy involvement of Government in initiatives such as marketing of agricultural produce through institutions such as the Agricultural Marketing Authority (AMA) has unfairly undermined the private sector in its markets. On the other hand, the lack of Government initiative in regard to the rising operational costs of the domestic fishing industry could result in its collapse. In light of the decades of stagnation, a more active involvement by Government is necessary to rejuvenate the mining sector. An additional area in which Government's support has been lacking or ineffective has been in human resource development and the promotion of value-adding.

Over and above these constraints, the landowners are calling for more meaningful participation in the development of their resources. Sustainable mechanisms for resource-owners' participation therefore need to be developed. This development should begin with the administration of native land. Recognising land as a factor of production, it is essential that efficient mechanisms exist to make land available to potential users, those who are willing to pay for its use at a rate set by the market and not an administered or legislated rate.

Against the backdrop of these challenges, the NCBBF was unanimous in stating that continuing with the *status quo* would only lead to further deterioration of the economy. Breaking out of this cycle requires radical measures and a strong political will to move away from embedded political and economic positions.

The NCBBF endorsed the following 15 recommendations.

1. The sugar industry should be incentive driven, beginning with the introduction of the cane quality payment system.

2. The Government should take immediate and meaningful steps, beginning with the delivery of funds to the ministries and supported by appropriate incentives,

to focus more on the development of non-sugar agriculture sectors and industries (fisheries, forestry and value-adding).

3. The Government should exhaustively reconsider the discriminatory manner in which duties and levies are being imposed solely on the domestic fishing fleets while foreign vessels operate under no such imposition.

4. The Government should ensure a level playing field in the treatment of local investors and businesses and not be biased in the concessions it grants to foreign investors.

5. That common legislation for the administration of all agricultural land be adopted, which includes management systems of native, crown and freehold land under the framework of NLTA and retains any meritorious aspects of ALTA.

6. Greater flexibility in the tenure of leases issued should be ensured so that they are sector specific and take account of the unique needs of each sector.

7. The NLTB (in partnership with Government) should put in place an initiative to encourage villages to better utilise their unleased land under reserve. The Government should provide support through appropriate infrastructure such as roads.

8. A National Land Register should be set up which would incorporate information on all lands in Fiji irrespective of ownership. The Register can be used as an important management and planning tool to move towards a solution for allocating land based on optimal returns.

9. Legislative backing should be provided for the National Land Use Policy adopted by Government in 2002.

10. The Government should focus more strongly on creating an enabling environment for the private sector.

11. A long term Strategy or 'Road Map' for the mining sector should be formulated, which captures a more active role for Government in realising the goal of more mines sustainably operating in the country.

12. Adequate resourcing of the Mineral Resource Department (particularly its technical capacity) should be ensured so that it can effectively carry out its functions to support the development of the mining sector.

13. The Mining Act review should be completed as a matter of urgency.

14. A 'Compact' or a binding agreement should be formalised between the Economic Sector Ministries with central agencies (Ministry of Finance in particular) operating within the Financial Management Act 2004 and other PSC guidelines. The 'Compact' would set out flexible parameters in which the Economic Sector Ministries can work to progress major development projects.

15. The National Planning Office should be more closely involved in decisions regarding resource allocation in order to maintain a strategic planning perspective in the management of Fiji's economy beyond the budgetary cycles. This involvement would then ensure that funding decisions are guided by national development requirements and not reduced to an accounting decision.

Development of the Financial Services Sector

A well functioning financial services sector is essential for sustained economic development, particularly for a small island economy such as Fiji. The NCBBF concludes that the financial sector as a whole is well placed to support growth and poverty reduction in the real sector. The fact that the faster rate of growth in the real economy that had been hoped for has not materialised cannot be attributed to any fundamental problems arising from the financial services sector. It is instead, a function of the political instability created by the repeated coups which have created a climate of uncertainty and fear, together with other deficiencies in public policy such as incompatible and inconsistent policies, the lack of investment in infrastructure, the property rights problem and a weak legal environment for business.

However, performance and the relative state of development within different parts of the financial sector vary. The banks provide a world class banking system in the sense that just about everything that can be done overseas in terms of banking services can be done in Fiji. On the other hand, the bond market — a basic foundation stone for a more sophisticated financial system — is relatively under-developed. A solution to this problem requires major changes to the current arrangements for managing the FNPF's investment portfolio and diversifying its investments, i.e. by splitting up the management of the FNPF's investment portfolio. This step is essential to promoting an effective secondary market for Government bonds as a first step towards increasing the depth and liquidity of Fiji's money market. This is the highest priority for reform in the sector.

Improvements to the more effective operation of the bond market will also be greatly facilitated if the Ministry of Finance publishes an annual programme for bond auctions. This in turn will require an improvement in the Ministry of Finance's ability to forecast its cash flows and the Reserve Bank's ability to forecast liquidity conditions. An annual programme will provide time for the market to prepare and for investors to set funds aside. This programme should ensure that Government bond issues are marketed widely and that small investors have an opportunity to purchase bonds.

In addition, the NCBBF agrees that the growth of the capital market would be boosted considerably if the Government committed to the principle, where practicable and appropriate, of listing Public Enterprises on the Stock Exchange.

The NCBBF also agrees that the superannuation industry should be de-regulated and noted that the Reserve Bank has already initiated a study of the different ways in which de-regulation might be achieved.

The NCBBF agreed that the role of the Capitals Markets Development Authority (CMDA) in supervising capital markets, be re-examined to ensure that there is no conflict of interest

that might compromise the accountability of the Authority for this aspect of its mandate. It also suggested that the Authority change its name to reflect its role as a Securities Commission.

While prudential supervision of the banks and other entities currently supervised by the Reserve Bank is adequate, the NCBBF is concerned by the inadequate arrangements for the prudential supervision of credit unions and other non-regulated/supervised entities. Adequate prudential supervision arrangements are needed to cover the latter group. More adequate resourcing is required for all the agencies engaged in prudential supervision activities.

It is important to decide upon a strategic direction for micro, small and medium enterprise development and make arrangements for the promotion of rural banking and school banking initiatives, in addition to those being done by current commercial banks. All such enterprises should be able to access financial services suitable for their needs and inculcate the savings habit in our population. Key topics like saving, investing and banking should be included in the school curriculum for both primary and secondary schools.

Finally, the NCBBF recommends further work to ensure that there are adequate mechanisms for protecting consumers and addressing consumer complaints.

Chapter 7: Institutional and Public Sector Reform

While Fiji once had a Public Sector that was regarded as well-led, competent, committed and hard working, is far less so today. The impact of four coups, endemic weaknesses in governance, political interference, and the loss of key skills incurred through emigration, and ongoing corruption has seriously weakened the performance, the capacity, the independence and the professionalism of the Public Sector.

Unless the Public Sector can rebuild and again find its voice, its determination and its commitment to serving the public, it will be very difficult for the Peoples Charter, as the reflection of the will of Fiji's people, to be effectively and efficiently implemented. Public sector and institutional reform is therefore both urgent and vital for Fiji.

There are several key issues affecting current Public Sector performance that need to be overcome so that the Public Sector can better assist the Government in helping the people of Fiji to build better lives. The first issue is the need to make the Public Sector more transparent and accountable by exposing its work to public scrutiny. The early enactment of a Freedom of Information Law (as discussed in Chapter 4) is of critical importance in this respect.

Second, the worsening situation in public sector service delivery must be addressed and reversed. The NCBBF argues that weak service delivery — whether it is in health care, roads, water, electricity, local government, in the outer islands or elsewhere — is a serious constraint on national development and that it is adversely affecting the lives of many of Fiji's people, particularly the poor and the vulnerable. The NCBBF calls for major changes to address the most chronic problems in service delivery and to ensure that a new service culture is inculcated across the Public Sector.

Despite fifteen (15) years of Public Sector Reform (PSR), any lasting impact of reform on performance is hard to discern. Fiji needs to develop a new vision for a Public Sector of the 21st Century where Ministries and agencies are aligned to the achievement of the objectives of the Peoples Charter and within which the professionalism and independence of the public sector is restored. This vision requires greater clarification of the respective roles of Ministers and public servants and the prohibition of political involvement in merit appointments. Future PSR must be better planned, resourced, managed and coordinated with leadership from the Prime Minister and his Office. Specific recommendations are made for right-sizing, capacity building, human resource development planning and restructuring the public service, and also for further improvements in financial management. Streamlining and accelerating public enterprise restructuring is also proposed, with real targets set on time, cost and reduction in the size of the public sector.

The NCBBF also focused on what could be done to improve the policy making process so that the policy and planning work required to implement the Peoples Charter would be handled effectively. The NCBBF's recommendations relate to improving capacity for policy making; giving the people of Fiji a greater say in the policies that are being developed in the public sector; and improving policy coordination to ensure that all parts of Government work together more effectively.

The NCBBF also reviewed the performance of indigenous institutions that are charged with provision of good governance and the improvement of the well-being of the indigenous people. The NCBBF concluded that significant changes are needed to help indigenous people increase their participation and benefit from the modern, market-based economy including integrating the existing dual levels of governance into one; building a shared vision for change; enhancing visionary leadership; developing a new operating paradigm in indigenous institutions that is less about control and more about empowerment and capacity building; and through inculcating entrepreneurial and business behaviours amongst indigenous people. These changes will require some of the institutions to take on enhanced roles and responsibilities — roles already required of them under the Fijian Affairs Act. The NCBBF believes that the most fundamental driving force for improving the lives of indigenous people is land — that while their ownership rights are enshrined in the Constitution and must remain intact, their benefits from the productive utilisation of this key national resource needs to be enhanced. The NLTB needs to play a more effective role in this regard.

Chapter 8: Effective Leadership in Fiji

The previous pages summarise the change agenda facing Fiji. Clearly, there is a lot to be done to restore good governance, end the 'coup culture', forge a new agreement on national identity and the national interest, get the economy growing robustly again, eradicate poverty, and deal with all of the related issues. This is not a short term or easy task: it will take much perseverance over many years in following a steady course. Who is to plan and organise all of this work and keep all those involved strongly motivated and on course to finish the task?

This is the role of Fiji's leaders, not only politicians but also traditional, civic, religious, community, professional and business leaders right across the nation. Leadership is the 'magic' ingredient that unites the diverse talents of many different people by communicating an inclusive vision for the future in which all want to join as followers, and which motivates, empowers and uplifts them, so that they are fully engaged in pursuing the vision until it is realised.

Leadership occurs at many levels, both within Government and outside of it. Public leadership roles encompass the political level, the private sector, civil society and the churches and religious organisations, and also other levels of leadership including the traditional chiefly leadership at community level.

Fiji is standing at a cross-road in terms of how leaders might best contribute to taking Fiji forward. Although there is no longer a clearly accepted view of the way that leaders should behave within Fiji society, the effectiveness of leadership is crucial at every level of that society.

The NCBBF believes political leadership at the national level to be one area of real weakness in Fiji. It is time to develop a leadership model that puts the national interest before self interest, or before the interest of a specific single community. We need to establish a national vision through the Peoples Charter and work to build national unity. All too often in the past the style of leadership in Fiji has been transactional i.e. 'what is in it for me?' What Fiji desperately needs is a transformational style of leadership — to transform societal attitudes and move Fiji in the completely new direction represented by the Peoples Charter.

This is not to forget also that the lives of ordinary people are most affected by leadership at the local level, where people live as families and communities. The leadership role of women also needs particular consideration. While changes in leadership styles are really dependent on changes in attitudes, there are measures which can be taken to encourage this change. Public education needs to be part of that. A Code of Conduct for holders of high public office (as required by the Constitution) is badly needed to regulate the conduct of national leaders. So is training for leaders at all levels. Increased dialogue and measures that reward good leadership also require further examination.

Leaders at every level of society must be equally adept in three quite different skills. First, they must have a clear intellectual understanding of the job that needs to be done. The vision and goals that they articulate must be well-grounded in evidence-based theory and empirical research and clearly thought through, to ensure that the policies they advocate are compatible with each other, consistent over time and credible. A leader maintains his or her credibility by only promising what he or she can do and then by always doing what was promised.

Second, a leader must also learn to be a good manager. Leaders must know how to raise funds, manage money and resources and above all, be good at managing people in sensitive but directed ways. Leaders like Gandhi and Martin Luther King spent a lot of their time managing the movements they led.

Third, a leader must learn how to behave as a good leader should. There are both moral and psychological dimensions to this aspect of leadership. To attract and keep followers, a

leader must be capable of securing and holding their trust. This means that a leader must be trustworthy. A leader must also maintain personal integrity, which implies complete honesty, openness and a consistent moral stance. And, because it is expected that a leader will always 'go first', a leader must become accustomed to disclosing his or her values and thoughts, before anyone else does. 'Self disclosure', to use the psychological term, can be risky because a leader may expose himself or herself to ridicule and scorn. So a leader must have the moral courage to reveal and defend his or her convictions.

Because the work agenda is so long, a leader in Fiji must also learn how to prioritise tasks and the leader's own time in a sensible way. When it is impossible to achieve everything simultaneously, the sequencing of tasks becomes very important. It is sometimes necessary to balance objectives against each other, achieving a little bit in several areas at once rather than everything in one area but nothing anywhere else. And to the extent that a leader is operating in a political environment it will also be important to learn how to manage other people's expectations about the speed with which progress can be achieved. Arriving at the right balance between setting targets that are ambitious but realisable, and targets that are inspirational but probably not realistic, may be the most difficult challenge of all.

Chapter 9: Enhancing Global Integration and International Relations

Fiji's engagement in the international arena has been challenging given our smallness and isolation from major trading partners. This engagement has been seriously constrained since the coups of 1987.

Since 5 December 2006, Fiji's relationship with both its bilateral and multilateral partners have been under pressure. Fiji's relationship with some neighbouring nations remain strained, and with the continued stringent application of sanctions such as the travel ban, Fiji's efforts to restore confidence and to revive investment and growth in the economy are proving difficult. The situation is also exacerbated by adverse global developments such as fuel price increases and food supply shortages. The restoration of parliamentary democracy is pivotal to the resumption of normal relations. Fiji therefore, needs to move forward with due urgency and speed to adopt the necessary reform of its electoral system in order for elections to be held as soon as practicable. Therefore, an urgency to address our relationship with the global family through the following actions is necessary.

The immediate challenge is for Fiji to regain its lost credibility. Foreign policies of Government need to focus on commitment in restoring relationship with the global family through returning to true democracy and pro-active participation in the international fora, respecting the provisions of international treaties to which Fiji is a party, and fostering mutually beneficial bilateral and multilateral diplomatic relations.

For *Multilateral and Bilateral Engagement,* increasing integration with the global economy is an essential element in response to the challenge of globalisation. As a small island open economy prone to natural disasters, and given its geographical location, it is important for Fiji to strengthen its bilateral or multilateral relationship with other countries to further develop its trade and enjoy maximum opportunities in terms of available assistance. Furthermore, with the increasing number of trade agreements with which Fiji must comply, Fiji needs to undertake some housekeeping within its periphery in order to effectively

engage with its bilateral and multilateral partners. Some of the assistance available with well-developed bilateral and multilateral partners are currently not fully utilised by Fiji.

There is a need to access *Aid for Trade*[5] from willing donor countries to assist Fiji build its trade capacity and infrastructure, to benefit from trade opening. Most 'Aid-for-Trade' is disbursed bilaterally by donors, or through multilateral and regional finance and development organisations such as the World Bank and the regional development banks.

Fiji's foreign missions need to play a proactive role in regard to tapping opportunities for Fiji to supply labour. This is one of the priority areas due to the expected benefits to the country as a whole from remittances.

As for *Effective Engagement,* the global trading environment has become increasingly complex. This complexity is most obvious for those countries that have joined the World Trade Organisation (WTO) with its multiplicity of rules, obligations, processes and negotiating groups, but all are affected to a greater or lesser degree. Technical standards and other requirements for market entry are becoming increasingly demanding. As a result of this increasing complexity the cost of participation in the global economy, in terms of both human and financial resources, is escalating for Fiji to the point where there is a growing risk that these increasing costs of participation may outpace the potential benefits.

Trade facilitation in the areas of quarantine protocols, customs, ports and immigration are to be strengthened. Complementary to this, personnel with backgrounds in areas of trade, trade negotiations and investment need to be recruited to serve in Fiji's foreign missions.

The need to enhance our border control is important, especially as terrorism is also a major threat to the region. While there has been little evidence to suggest terrorists or terrorist organisations are present or active in the region, the Pacific environment is one which ultimately may be attractive to such activities. This attraction may arise if the region is seen to be 'soft' in relation to managing its international borders, particularly at a time when other regions and countries have placed strict and stringent control over their borders.

Since Independence, Fiji has opened its doors to establishing relationship with other nations, in general to establish trade and diplomatic relationship with the outside world. However, since then, with increasing globalisation and trade liberalisation, Fiji has been too slow to adapt to the waves of change, particularly in the trading environment occurring around and within the global family. This tardiness has cost the country in terms of lost opportunities and benefits foregone.

Chapter 10: Implementation and Monitoring

Chapter 10 outlines the implementation and monitoring framework for the Peoples Charter. Effective implementation is necessary to translate the people's aspirations in the Peoples Charter into actions and concrete results. It is recognised that implementation needs to be supported by an adequate monitoring mechanism with benchmarks so that key result areas are achieved in a coordinated and in a timely manner and corrective actions are taken as and when necessary.

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[5] Aid for Trade by definition is aid that finances trade related activities. It involves the flow of finance from rich to poor countries for the purpose of enhancing the world trading system.

As was done throughout the process of its formulation, implementation of the Peoples Charter will be a shared responsibility and will adopt a consultative, participatory and inclusive approach, involving the people of Fiji, with Government, the private sector, and the civil society as key stakeholders.

For initiatives where the Government of the day will need to take the lead role, implementation will be expected to be undertaken through the Annual Corporate Plans (ACPs) which will be aligned to the annual budget allocations of ministries and departments in consultation with the private sector and civil society.

Initiatives implemented through Government agencies require strengthening of vertical and horizontal coordination in the annual planning process, in implementation of annual plans and in monitoring and evaluation. Permanent Secretaries of ministries, who normally ensure vertical coordination by setting up quality control procedures for the ACP and budget bids, will ensure incorporation of Peoples Charter initiatives into the ACPs.

Horizontal coordination will be strengthened at different levels, i.e. the political, administrative and stakeholder levels.

- The *Political Level* is concerned with decisions of Cabinet, Cabinet Sub-Committees and individual Ministers. Such decisions will provide, as necessary and appropriate, overall guidance and direction to Peoples Charter implementation;

- The *Administrative Level* relates to the direction and coordination of Government agencies in the execution of the agreed programmes and projects of corporate plans. The ACPs will need to be aligned to Peoples Charter outcomes. Coordination will be undertaken through regular meetings of the Development Sub-Committee; and

- The *Stakeholder Level* is critical for coordination amongst all those involved in achievement of Peoples Charter outcomes — Government, private sector and civil society — and between those implementing the Peoples Charter and the communities who are intended to benefit. Coordination will take place through the National Peoples Charter Council (NPCC) and its respective sub-committees. Emphasis will be placed on monitoring and evaluation to provide feedback for improved implementation.

The Key Pillars identified as the foundation of the Peoples Charter will be the basis for systematic and effective implementation and monitoring. The *timeframe* for the implementation, and the bedding down of the measures and actions contained in the Peoples Charter and in the State of the Nation and Economy (SNE) Report, is *divided into four phases: Immediate (Year 1 — 2008/2009); Short-term (Years 2-3); Medium-term (Years 4-6); and Long-term (up to 2020).*

A detailed Implementation and Monitoring Framework is attached as Appendix 1. The matrix is divided into eleven sections corresponding to the Key Pillars of the Charter. Under each Pillar, there are outputs identified with associated Key Performance Indicators (KPIs), the relevant implementing agencies and the timeframe in which a particular output

is to be achieved. While outputs have been grouped under very specific timeframes *vis-à-vis* immediate, short term, medium term and long term, it must be recognised that a number of outputs will continue to be implemented beyond the time frame with which it is identified, particularly those under immediate and short term.

The successful implementation of some of the key initiatives in the Peoples Charter, such as electoral reform, will require constitutional and legislative reforms, new policy initiatives, and specific administrative arrangements.

Regarding monitoring, it is important that the institutional set up has the powers to carry out its required mandates. A National Peoples Charter Council (NPCC) needs to be established to oversight the implementation and report on the progress of the Peoples Charter.

The members of the NPCC will need to be inclusive and represent all the people of Fiji. Therefore, members will be drawn from Government, Parliament, recognised private sector organisations, the Great Council of Chiefs, non-Government organisations, religious organisations, provincial councils, advisory councils, and other community-based organisations.

The NPCC will monitor Peoples Charter outcomes and their respective KPIs. The NPCC and its sub-committees for each Key Pillar will not limit themselves to assessing progress against the KPIs. An important part of the function of the sub-committees will be to assess the continuing relevance of outcomes and KPIs and the quality of information they are providing so that the adequacy of all KPIs is kept under review.

The functions of the NPCC shall include:

- Peoples Charter implementation generally focusing on the outcomes and KPIs;

- providing a forum for consultation for all stakeholders, among Government, private sector and all other sectors of society on national development issues; and

- civic education on the Peoples Charter, good governance, national identity and other issues considered necessary by the NPCC.

To support the work of the NPCC, eleven sub-committees will be established to coordinate the work relevant to their respective pillars based on their Terms of Reference. The sub-committees will consist of representatives from Government, private sector and civil society. To facilitate implementation and reporting to the NPCC, the sub-committees will meet on a quarterly basis during the year.

The chairpersons of the sub-committees will:

1. set a broad agenda for the four sub-committee meetings in the year in consultation with the Secretariat;
2. hold meetings in accordance with the forward programme, with the assistance of the Secretariat. The objective of the meetings will be to monitor progress made in the achievement of KPIs, identify constraints and corrective actions; and

3. provide an oral report and recommendations to the meetings of the NPCC.

A Secretariat will be established under the Prime Minister's Office to support the NPCC in its functions. There is a need for a strong technical and professional secretariat to support the NPCC. In light of the broad range and complexity of issues involved the Secretariat must be adequately equipped with necessary resources and expertise.

The Secretariat will:

1. determine with the Chair of sub-committees which ministries and departments, private sector and civil society have responsibilities relevant to the work of the sub-committees;
2. determine from the Implementation and Monitoring Framework and ACPs of relevant ministries and departments what key progress should be expected, and what information available in the forthcoming financial year, and assist the Chair to set a forward agenda;
3. communicate the forward agenda to all members and to Permanent Secretaries of relevant ministries and departments, private sector and civil society;
4. maintain contact with relevant ministries and departments to determine the range of performance information available;
5. set up an information and co-operation network with relevant ministries and departments, the private sector and civil society so that they actively support the Secretariat role;
6. set dates for meetings and inform members of sub-committees; ensure as far as possible that information relevant to the discussion is circulated beforehand; and where final published information is not available, obtain estimates or provisional data; and
7. record the discussion to form a basis for the Chair's oral report to NPCC.

Permanent Secretaries will contribute to the implementation and monitoring of the Peoples Charter by:

1. ensuring that there are direct links between their Annual Corporate Plans, Peoples Charter and budget bids. Performance indicators and milestones in ACPs should be realistic, achievable within the resources of the ministry or department with appropriate collaboration from other parts of Government, and capable of being achieved within the year covered by the Plan;
2. aligning their personal performance agreements to the outputs and co-ordination requirements identified in the Peoples Charter and the ACP; and
3. personally attending meetings of the sub-committees to which their ministry or department is relevant, and taking a personal interest in the quality and timeliness of the information being provided by their ministry or department to the sub-committees.

The foregoing implementation and monitoring framework will be reviewed at the end of each of the four phases.

Conclusion

In the real world, everything is connected to everything else and between the different change agenda items outlined above there are a lot of linkages. Some of these are described as 'cross-cutting issues'. The availability or non-availability of land for various purposes is an issue that has ramifications in many sectors — e.g. for agriculture, tourism, industry and social housing. Environmental degradation is imposing costs on many sectors of the economy. A Freedom of Information law is likely to change behaviours across the whole public sector. A failure to maintain human rights (e.g. gender equity) will have a broad, adverse impact across all of society.

Other 'cross-cutting issues' may operate in more subtle ways but may be even more important. For example, the rule of law has been so seriously undermined by successive Governments and coups that respect for compliance with the laws of Fiji has been greatly diminished in every part of society. In a similar way, the lack of parliamentary oversight following the 1987 coup, and Parliament's failure to convene the Public Accounts Committee for several years after the 2000 coup, has led to a general and much wider breakdown of accountability mechanisms in the public sector.

Other 'cross-cutting' issues worth noting include the general dearth of leadership qualities in Fiji society, poor management in many sectors of the economy (e.g. sugar industry, agricultural marketing, various government owned commercial companies) and poor policy formulation and coordination in many policy areas.

Cross-cutting issues or, more generally, the way in which a policy or programme in one sector operates to exert an influence in other policy or programme areas through linkages of various kinds, should always be borne in mind. The main point however, is that just as bad policies in previous years have exerted an adverse impact on the economy and society leading both into a downwards spiral of poor performance and growing poverty. Good policies provide positive reinforcement for policies in all other areas. The aim is to build a growing body of good policies that provide mutual positive reinforcement to each other, thus making each individual policy more likely to succeed. This soon leads to the creation of a 'virtuous spiral' of good policies that assist each other to lift the economy and society to a higher level of performance. The growth process can be looked at in this way.

The task now is to make a start down the well-marked roadmap that is the Peoples Charter for Change, Peace and Progress, to re-build Fiji into a non-racial, culturally vibrant and united, well-governed, truly democratic nation that seeks peace and progress through merit-based equality of opportunity, justice and the mutual observance of everyone's human rights.

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CHAPTER 1.   REFORM OF THE ELECTORAL SYSTEM

1.1   Introduction

Responses to the NCBBF Consultation Document for the preparation of the SNE Report contained widespread if not universal support for changes to the Constitution to incorporate reform of Fiji's electoral system.

The NCBBF considered this issue in great detail. It looked closely at the weaknesses in parliamentary democracy that have contributed to political instability and the rise of a 'coup culture' in Fiji. NCBBF started its investigation by considering the meaning of 'democratic governance' and then, in light of the definition derived from that discussion, moved on to consider the rationale for electoral reform.

1.2   Democratic Governance

Democratic governance is more a syndrome than a precise and tightly defined system. This is to say, democracy is a group of institutions and processes that form a recognisable pattern of relationships between the people and their Government. The relationships are recognisable in all democracies but the form and content of each one vary from country to country. Most people define democracy simply as 'rule by the people'. Even though this simple definition has a kernel of truth to it, it has always been too simple a definition. Even ancient Athens, which was supposed to be the model for the purest form of democracy, never practised a system of governance where all the people made all the decisions in the community. However, to assume that universal participation in all community decisions is 'real' democracy is as historically untrue as it is impractical. In reality, democracy has always meant some form of representative democracy [sometimes called indirect democracy]. Abraham Lincoln famously described this as 'government of the people, by the people, for the people'. Thus representative democracy is the system where the people, on an equal basis, freely elect representatives to decide on the nation's priorities and use its resources in the community's interest. This definition draws attention to the importance of free and fair elections for making democracy work properly. Elections that do not do this actually undermine democracy and discredit it as a system. Thus, it is essential to any democracy, however it is constructed and whatever institutional framework it adopts, that it has a free, fair and neutral electoral system.

1.3   The Rationale for Election Reform

The Reeves Constitution Review Commission made an observation in its 1996 Report that remains the basic case for electoral reform today. It linked the perpetuation of ethnic politics to the electoral system when it asserted that:

'The people of Fiji need to make a conscious choice about whether they wish to take a decisive step away from the communal system that has made ethnic policies inevitable since before independence'.

Article 21(3) of the United Nations Universal Declaration of Human Rights states that:

'The will of the people shall be the basis of the authority of government; this will shall be expressed in periodic and genuine elections which shall be by universal and equal suffrage and shall be held by secret vote or by equivalent free voting procedures'.

In the opinion of the NCBBF, the Reeves Commission's conclusions on communal representation are still relevant today. In fact, given Fiji's recent past, there is now an even greater need to completely eliminate communal representation. Retention of the communal voting system reflects a lack of commitment by Fiji to international conventions like the United Nations Declaration of Human Rights and the Convention for the Elimination of All Forms of Racial Discrimination (CERD). These international standards do favour a strong commitment to the principle of equal suffrage and a move toward systems that do not place restrictions on the grounds of race or ethnicity. Furthermore, international conventions on indigenous rights contain the proviso that the application of indigenous rights should not be detrimental to the basic human rights of other members of Fiji society. Since the enactment of the 1997 Constitution there have been two further coups and continuing political instability which are, in part, a consequence of a communal voting system that segregates Fiji's communities. Communal voting has not achieved either the objective of drawing the country closer together or of protecting the interests of the identified ethnic groups. Further, in light of the significant demographic changes since 1987 a new approach is needed for Fiji.

1.4   Fiji's Electoral and Voting System

The Constitution establishes Fiji's electoral system. Section 50 states that 'the House of Representatives consists of 71 members elected to represent single member constituencies.' The Constitution also establishes a communal representation system where the majority of seats are reserved for members of a particular ethnic group as follows:

(a)   25 members of the House of Representatives are elected by all voters registered on an open electoral roll;
(b)   23 by voters registered as Fijians on a Fijian electoral roll;
(c)   19 by voters registered as Indians on an Indian electoral roll;
(d)   3 by voters registered as Generals on a General electoral roll;
(e)   1 by voters registered as Rotumans on a Rotuman electoral roll.

> "First-Past-The-Post is the simplest form of plurality/majority electoral system. The winning candidate is the one who gains more votes than any other candidate, even if this is not an absolute majority of valid votes. The system uses single member districts and the voters vote for candidates rather than political parties."
> [*Electoral System Design, New International IDEA Handbook* 2005, pp.35]

Fiji's single member (majority) electoral system has been in place since Independence in 1970 and has always provided for communal representation. In 1990, the system was altered to guarantee indigenous Fijians control of the House of Representatives. General elections in Fiji between 1972 and 1994 were conducted under the First-Past-The-Post (FPTP) electoral system. In 1996, the system was subjected to extensive review as part of the overall review of the 1990 Constitution by the Reeves Commission. In 1998, based on recommendations made by the Reeves Commission and also the Parliamentary Select Committee, the electoral system was changed to implement the current system.

The FPTP electoral system was replaced by the Alternative Vote (AV) pursuant to section 54(1) of the Constitution which states that 'election of a member for each constituency is conducted under the preferential system of voting known as the alternative vote.' The 1997 Constitution also provides for the formulation of constituency boundaries and other matters relating to the conduct of a general election. These include the establishment and functions of the Supervisor of Elections, the Electoral Commission and the Constituency Boundaries Commission. Specific rules prescribed by Parliament to facilitate a general election are set out in the Electoral Act 1998, which makes provision for the registration of voters, the maintenance of electoral rolls, nomination of candidates, the conduct of the polling, and counting of votes and other related matters.

> "The Alternative Vote is a preferential plurality/majority system used in single member districts. Voters use numbers to mark their preferences on the ballot paper. A candidate who receives an absolute majority (50 per cent plus 1) of valid first preference votes is declared elected. If no candidate receives an absolute majority of first preferences, the least successful candidates are eliminated and their votes reallocated according to the second preferences until one candidate has an absolute majority."
> [*Electoral System Design, New International IDEA Handbook* 2005, pp.48]

The NCBBF examined the present electoral system against a number of criteria to assess its effectiveness as a process for securing a democratic outcome. These criteria comprised:

Legitimacy. The most important objective of any electoral system must be the legitimate transfer of power from the people to the Parliament. Systems that are biased or corrupt do not do this because they distort the will of the people. Often, this objective of a legitimate electoral system is summarised in such phrases as 'free and fair' and 'one person, one vote, one value'. Thus, in order to be legitimate, the electoral system must be regarded by the people as fair in terms of equal access and just in terms of the electoral outcomes.

Accountability. Any effective electoral system must provide for holding elected representatives responsible for their actions. This may not be a simple criterion as it includes both the personal accountability of individual Members of Parliament (MPs) as well as the responsibility of parties for their influence in Parliament.

Policy Direction (Party Mandate). It is common in responsible Government systems (such as the Westminster model) for parties to issue manifestos or stand on platforms. These are used by the party to claim a mandate to carry out its policy promises if elected to Government.

Representativeness (Social Mirroring). This means that parties (usually) or social groups are elected to Parliament in the proportion to their votes or numbers in the community. This criterion is often used to assess the fairness of an electoral system especially for including women and minority groups in the political process.

Simplicity. Overly complex, difficult-to-use voting systems can make it hard for voters to record a vote that faithfully represents their interests. A simple electoral scheme more easily helps the voter to reward a faithful representative or punish one who has disappointed them.

Neutrality. With regard to equal access to ensure legitimacy, it is of particular relevance and importance for Fiji that the electoral and voting system promotes neutrality. Its structure should not encourage or have bias towards any particular ethnic, religious and political ideological tendencies, as is currently the case. The electoral system should simply reflect the support for particular political parties or individual candidates.

Acceptability. Another important aspect of legitimacy is that there be popular support from the people for any proposed electoral reforms.

Literature on electoral systems list many other criteria considered relevant when looking to adopt a suitable system. Such criteria are interrelated and can at times conflict with each other. Identifying a suitable electoral system means identifying the relevant criteria that are of particular importance or relevance to Fiji.

The seven criteria listed above have been identified by the NCBBF as being of particular importance to Fiji, not only with regard to the current political climate but also to address the country's repeated failure to sustain democratic rule. These criteria are not met in full under the present system. Nor is the specific need within Fiji for an electoral system that bridges ethnic differences rather than exacerbates them. As noted above, its legitimacy is suspect under the concepts of fairness and human rights. This suspicion taints every other aspect of the present system since electoral outcomes cannot be trusted to exact appropriate accountability or give genuine and fair guidance on the appropriate policies to pursue in Government. The effective representation of the diversity of Fiji is largely defined by race and its impact is distorted in consequence. The present system has demonstrated itself not to be voter friendly as indicated by the high numbers of invalid ballots.

Besides the excessive use of communal or reserved representation in violation of basic human rights principles, other specific examples of the unfairness of the present electoral system include the:

- lack of equal suffrage given the disproportional number of voters between single member constituencies (as low as 3,340 in one constituency and as high as 19,000 in another). For communal seats, 40% of Fijian voters in rural areas elect 17 members while the remaining 60% who reside in urban areas elect only six members;

- use of preferences producing results that do not accurately reflect the will of the people, as evidenced by the lack of representation for certain political parties who have received a fair proportion of first preference votes. In 1999, the National Federation Party (NFP) secured 14% of the total number of first preference votes (10% in 2001 and 6% in 2006) but failed to win a single seat. In 1999, the Fiji Labour Party (FLP)-led coalition secured 336,868 first preference votes and won 52 seats while the Soqosoqo Vakavulewa Ni Taukei (SVT) which secured 255,690 first preference votes won only 10 seats. In 2001, the Soqosoqo Duavata Ni Lewenivanua (SDL) party secured 169,227 first preference votes and won 32 seats while the FLP secured 218,728 first preference votes but won only 27 seats. In the same election, the New Labour Unity Party with 17,099 first preference votes but won two seats while the SVT with 20,560 first preference votes won no seat. In 2006, the United Peoples Party (UPP) with only 6,482 first preference votes was able to win two seats;

- communal representation system, which has now made it almost impossible to encourage a move away from race-based politics using a single member constituency or majority/plurality electoral system. With there being 71 single member constituencies, political parties only need to appeal to specific ethnic interests to secure seats; and

- the complexity of the current system, which has led to an unusually high number of invalid votes (9% in 1999, 12% in 2001, and 9% in 2006). 'Alternative Vote' is a complicated electoral system requiring a high level of both literacy and numeracy. For Fiji, the above or below the line option on the current ballot paper has contributed to the high number of invalid votes. Also, in order to express their own personal opinion, a voter is required to number in order of preference all candidates on the ballot paper.

Based on the above, the findings of the NCBBF are that Fiji's present electoral system, even with the removal of communal representation, does not enable 'government of the people, by the people, for the people'. It is therefore a major impediment to Fiji's return to parliamentary democracy.

1.5   Targeting Electoral Reform

In considering the options for reform, the NCBBF considered the separate elements of the present electoral system in order to identify particular points for change. The key elements so identified were:

- which method of election should replace the present alternative vote system? Should communal seats be retained or replaced by the use of common rolls for all seats? How should constituency boundaries be drawn to ensure representative government and one person, one vote, one value?

- given the agreement within NCBBF to move to eliminate race-based politics, a consensus was reached that the first two questions were intimately linked. Retention of communal seats was incompatible with the elimination of race-based politics. No citizen should be compelled to identify his or her race in order to participate in voting, the most important political act of citizenship. Nevertheless, the system that is adopted should address representational diversity partially guaranteed by communal seats.

- the NCBBF agreed that some form of Proportional Representation (PR) electoral system is desirable. The Electoral Commission has also reached a similar conclusion that Fiji needs to move to a PR system in order to secure fair and just electoral outcomes. The NCBBF also agreed that the issue of equitable electoral boundaries would be heavily influenced by the decision on the type of PR system chosen. These considerations led the NCBBF to request further information to compare and assess the different types of PR systems and their strengths and weaknesses for Fiji.

The NCBBF then addressed two more important questions relevant to the electoral system and its outcomes. These were:

- what provisions should be made, if any, to ensure a reduction in race-based politics through the operation of political parties in a new electoral system?; and

- should the executive power sharing provisions in the Constitution be removed; and if so, what implications would this have for the operation of the Parliament?

1.6   Electoral Reform Options

1.6.1   Proportional Representation as a General System

Proportional Representation is not an entirely unknown concept to Fiji. It was actually suggested to the Reeves Commission by many during the review in 1996. As a general approach to elections, PR systems simply attempt to ensure that the number of parliamentary seats held by a party corresponds closely to the proportion of its total vote in a general election. The notion is fairly easy to understand. If, for example, a party gets 60 per cent of the vote, it should win

about 60 per cent of the seats in the House of Representatives. However, in order to allow the voting to achieve this outcome, the PR system requires multi-member constituencies. There are three main voting systems that can be used in a PR electoral system. There is the single transferable vote (STV) system, which is the system used to elect the Lower House in a few countries like Ireland and Malta and at a State level as, for example, in Tasmania, Australia. There is also the mixed member proportional (MMP) system, as used in New Zealand and in several countries in Europe and Latin America. A third form of PR is the party list system, which is the most widely used form of PR election system in the world.

1.6.2   Single Transferable Vote (STV)

An STV type of ballot paper would look familiar to most electors in Fiji as it is just like the bottom portion of an Alternative Vote (AV) ballot paper. However STV differs from AV in two important respects. STV requires multi-member constituencies in order to be able to apportion seats according to the percentage of votes. It also provides that candidates are elected by a proportion of the vote (known as a 'quota'), which will be less than the majority required by AV. The 1975 Street Commission recommended that STV be used in Fiji, along with the AV system, to help bring about more proportionality. However this recommendation was shelved. NCBBF is of the view that the complicated registering of preferences and the uncertainties of accountability made this system unsuitable for Fiji.

"The single transferable vote is a preferential system in which the voter ranks the candidates in a multi-member district and the candidates that surpass a specified quota of first preference votes are immediately elected. In successive counts, votes are redistributed from least successful candidates, who are eliminated, and votes surplus to the quota are redistributed from successful candidates, until sufficient are declared elected. Voters normally vote for candidates rather than political parties, although a party-list option is also possible."
[*Electoral System Design, New International IDEA Handbook* 2005, pp.76]

1.6.3   Mixed-Member Proportional System

"Mixed Member Proportional is a mixed system in which the choices expressed by the voters are used to elect representatives through two different systems – one List PR system and (usually) one plurality/majority system [either First Past the Post, AV or other majority system] – where the List PR System compensates for the disproprotionality in the results from the plurality/majority system."
[*Electoral System Design, New International IDEA Handbook* 2005, pp.95]

The Mixed-Member Proportional (MMP) system has one feature that would look recognisable to a voter in Fiji since the voter gets two votes, as is the case presently under the communal system. In New Zealand, where the MMP system is used, a voter uses both votes on one ballot paper. The second vote is there to ensure proportionality. There are single member constituencies under MMP but these seats are supplemented by party seats elected from a list of party candidates to ensure that the overall effect of the general election is to achieve a PR outcome. The system is quite complicated. The NCBBF recognised that MMP could have some

appeal as a PR system for Fiji, especially for those with experience in the New Zealand system. It offers the representative fairness of PR while retaining the individual accountability of some single member constituencies. However, there were two strong arguments that persuaded the NCBBF not to recommend MMP for Fiji. Firstly, the AV system has already demonstrated how such a complex system can be problematic for Fiji. Secondly, there is the issue of voting along ethnic lines, which is even more pronounced in single member constituencies.

1.6.4   List System

The third option the NCBBF considered for achieving PR electoral outcomes was the party list system. This has two variations — an open list, and a closed list. In both cases the candidates in the multi-member electorates are listed on the ballot paper under their party banner.

Under the open list system, a ballot paper may appear very similar to that used under a first-past-the-post (FPP) voting system. The voter simply votes once, by placing a tick beside the candidate of choice. The significant difference with FPP comes when the vote is counted. First, there will be more than one winner in each electorate. The exact number of seats that a party wins will be determined by the percentage of the vote the party candidates have won in aggregate. Then, the individual winners are selected from the party list in order of their personal vote.

> "Under a List PR System each party or grouping presents a list of candidates for a multi-member electoral district, the voters vote for a party, and the parties receive seats in proportion to their overall share of the vote. In some (closed list) systems the winning candidates are taken from the lists in order of their position on the lists. If lists are 'open' or 'free' the voters can influence the order of the candidates by marking individual preferences."
> [*Electoral System Design, New International IDEA Handbook* 2005, pp.60]

The closed list system operates very much like voting 'above the line' in Australian Senate elections. That is, the voter selects the party that he or she wants and then the parties' share of seats is determined as with the open list approach. However, under the closed list system, candidates are declared winners in the order determined by the party list. In its deliberations, the NCBBF agreed to recommend to the people of Fiji the party list PR system, and in particular the open list approach.

1.6.5   The Open List System of PR as an Option

The NCBBF identified some specific features that may make the open list PR system an attractive and suitable electoral option for Fiji. First and most importantly, the intrinsic fairness of this system in electing a more representative Parliament gives it a strong claim to legitimacy. Being highly proportional means each party is sensitive to changes in voter opinion and political parties much more accountable to the voters. Moreover, allowing voters to select an individual candidate from the party list offers some personal accountability as well. The party mandate is clear but, as coalitions are likely, may be qualified by voluntary executive power-sharing. Of course, its main strength is its close reflection of the actual vote. Thus, women and minorities

can have influence because this system forces parties to consider the make-up of the electorate as a whole when selecting candidates. Voters are in a position to resist the party leadership by choosing the party candidate they prefer rather than merely having to endorse the list as set out by the party as in the closed list system. The open list system is relatively simple for a voter to use, although some education may be required on how to understand the counting of the vote.

There is no electoral system without perceived disadvantages. Those discussed regarding the open list system included its unfamiliarity, accountability concerns, and effects on the operation of Parliament. Political parties that have been advantaged by single member electorates could exploit the public's lack of experience with PR to discredit this system out of fear of change. Its inherent fairness will compel all parties to work harder to win votes but this will fall hardest on the major parties. Proportionality always raises issues of accountability especially when there is a change from single member electorates to multi-member electorates where an individual's vote is not clearly tied to one winner or one loser. The open list, as noted above, improves this situation over most other systems of PR since a voter can actually vote for the party of choice and yet retain a direct vote for an individual candidate. This can even allow the voter to support the party and clear out candidates who are non-performers. The tendency of PR systems, including the open list method, to produce coalition Governments is often a source of criticism for reducing the governing mandate. As will be noted below, this should be regarded as a strength in the case of Fiji since it would produce voluntary executive power-sharing.

After assessing the various electoral options, the NCBBF concluded that the open party list PR system would benefit all citizens over the present system. Significantly and in particular, this includes indigenous Fijians, contrary to the claims of defenders of the present electoral arrangements. Indigenous Fijians are now a clear majority nationally. Thus, far from actually working against indigenous Fijians, a fair and just system of PR would advance indigenous Fijians representation. On the other hand, the Fiji Indians and other ethnic communities will see the end of inequalities through the introduction of an electoral system that will work to the elimination of the abuse of race in electoral politics. Women and minorities, similarly, will be advantaged by a system where every vote counts and all voters are treated with respect and as having equal value. It is felt that this benefit, particularly for women, can be enhanced if political parties moved to endorse more women as candidates as a deliberate act of party policy.

1.7   Ancillary and Related Electoral Reform Issues

The NCBBF also considered the implications of electoral reform in terms of a number of ancillary and related issues, including *inter alia*:

- electoral constituencies;
- compulsory power sharing, i.e. the multi-party Cabinet;
- the right to vote as regards the current voting age; and
- compulsory voting.

1.7.1 Electoral Constituencies

The NCBBF considered at length the issue of electoral boundaries, noting the urgency of this issue to impending national elections. The growing strong support for some form of PR electoral system within Fiji has added to this sense of urgency since the NCBBF is aware that a decision to abandon communal seats and adopt a form of PR would require new boundaries across the country. As MMP is not supported, the principal focus on boundaries was on constituency magnitude or size for a party list system. If MMP is regarded as a viable option, drawing a new set of single member boundaries will also be required, which could impose more constraints and take more time than the lesser number of constituencies that is likely if the party list form of PR is adopted. The discussion in the NCBBF concentrated therefore primarily on the size of electorates needed under this system of PR and how such boundaries might be drawn.

The number of seats within a constituency does much to establish how proportional the electoral outcome will be under any PR system. The greater the number of seats the greater the capacity of the electoral system to distribute votes and seats fairly. Ideally, the fairest way of maximising proportionality would be to have the entire nation as one electorate. However, this would be very difficult to administer and would probably require an impossibly large ballot paper. By contrast, if the number of seats were as small as three per constituency, the degree of proportional fairness would be very low and would severely disadvantage minorities and small parties. The NCBBF considers that to ensure accurate proportionality a number of constituencies between three and five is best for Fiji and would be relatively easy to administer and would give an electoral threshold low enough to be non-discriminatory for the smaller parties.

1.7.2 Hypothetical Constituencies

The question of whether all constituencies would have to be of equal magnitude was considered also since this would have an effect on the issue of the drawing of boundaries. It was agreed that there was no need for the electorates under PR to all contain the same number of seats. However, it was necessary that the number of voters needed to elect a member be as near as practical to the same in all electorates so every vote has an equal value across Fiji. The NCBBF considered some possibilities of using the current divisional boundaries as a basis for PR constituency boundaries as set out in the Table 1.1 below.

Registered Voters	
Fijians:	263,570 – 53.91%
Indians:	203,069 – 41.54%
Generals:	16,164 – 3.3%
Rotumans:	6,093 – 1.25%
Total:	488,896

While noting that proportionality is best achieved with the fewest number of constituencies, the NCBBF makes no specific recommendations on the exact number of constituencies to be adopted other than to recommend that there be a limitation of no more than five multi-member constituencies for the electorate. With regard to the allocation of seats between constituencies, it

is important that appropriate rules be put in place to accommodate population shifts in each constituency.

Table 1.1 Hypothetical Constituencies [based on Divisional Boundaries]

No. of Constituencies	Constituency Boundary	Total Voters (488,895)[6]	No. of Seats (71)
3 Constituencies	1. Western 2. Central 3. Northern/Eastern	1. 192,707 2. 198,998 3. 97,190	1. 28 Seats 2. 29 Seats 3. 14 Seats
4 Constituencies	1. Western 2. Central 3. Northern 4. Eastern	1. 192,707 2. 198,998 3. 76, 273 4. 20,917	1. 28 Seats 2. 29 Seats 3. 11 Seats 4. 3 Seats
5 Constituencies[7]	1. Western 1 2. Western 2 3. Central 1 4. Central 2 5.Northern/Eastern	1. 99,932 2. 92,775 3. 98,030 4. 100,968 5. 97,190	1. 14 Seats 2. 14 Seats 3. 14 Seats 4. 15 Seats 5. 14 Seats

1.7.3   Multi-Party Cabinet

The NCBBF also considered the implications of the PR List system especially with regard to multi-party Cabinets. It was noted that the Westminster model does not naturally favour power-sharing and indeed, this is a major difficulty with any attempt to mandate executive power-sharing by constitutional fiat.   The Westminster model relies on majority support in the Parliament for the authority of the Government to administer the country. This linkage makes the executive responsible to the Parliament for activities and gives effect to the conventions of ministerial accountability.   Compulsory executive power-sharing undermines the basic mechanisms of accountability and can frustrate effective decision-making by Governments. This is clearly evident from Fiji's experience, noting the negotiations that have taken place following each general election.   There have been numerous references to the Supreme Court to clarify how sub-sections 99(5) – (9) of the Constitution are supposed to work and disputes have arisen within political parties that have opted to join a multi-party Cabinet.

Despite this, the Westminster model can be compatible with coalition Governments provided these are arranged voluntarily. Indeed, governments of national unity and executive power-sharing in times of emergency are not uncommon ways of coupling the majoritorian strength of the Westminster model, with oppositional support, when democratic division is dysfunctional. Nevertheless, these occasions are rare, temporary and voluntary. In Fiji's case, section 99 of the Constitution makes these relations routine, perpetual and obligatory. Thus, this provision puts a

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[6] Number of registered voters based on provisional results of the 2007 census: Bureau of Statistics.

[7] The hypothesis for 5 constituencies is based on preserving as many provincial boundaries as possible.

great deal of pressure on the proper operation of Fiji's long-standing form of Government by distorting its normal practices. The need for strong parliamentary opposition is also diminished by retaining this mandatory power sharing arrangement.

If the Open List PR System is adopted and implemented to ensure the widest practicable representation in Parliament, the likelihood of coalition Governments will be significantly increased. This will lead to the voluntary sharing of power that is entirely compatible with the Westminster model. Moreover, as noted above, the proposed electoral system will be very sensitive to public opinion and thus tend to encourage major parties to contest for the middle ground rather than the extremes. Parliamentary behaviour will reflect these pressures even if occasionally extremist minor parties are included in a governing coalition. Finally, the NCBBF notes again that the protection of minority rights is a broader obligation than could be met through executive power-sharing provision.

The NCBBF is also mindful of the fact that while the List PR System creates the opportunity for coalition governments, it is also possible for one party, representing one specific ethnic community, to still secure an outright majority. To allay these concerns, the NCBBF is also recommending that further consideration be given to possible rules to facilitate the formation of a truly representative Cabinet. Nevertheless, the NCBBF is proposing an electoral system and a general system of governance that will ensure accurate representation for the people of Fiji and a respect for the principles of good governance, which include equality for all citizens and a commitment to minority rights. Thus, the NCBBF agrees that sub-sections 99(5)-(9) of the Constitution should be repealed.

1.7.4   Voting Age

The arguments for reducing the voting age from 21 to 18 years are quite compelling. Under United Nations Conventions, persons are deemed to be adults when they turn 18. At 18, the youth of Fiji are expected to behave as adults — they have the right to marry; to seek employment (which includes enlistment in the military); and to have their own passport. It is anachronistic to deny those on whom the future of Fiji most depends, from having the right to vote at 18 years of age. Based on provisional figures from the latest census enfranchising this group would give another 33,233 citizens the right to vote, bringing the total number of registered voters in Fiji to 522,129. While some reservations were expressed on giving young people aged between 18 and 21 this responsibility, the NCBBF overwhelmingly adopted the recommendation that the voting age be lowered to 18 years. Steps must be taken to enhance the development of Fiji's young people and giving them more responsibility such as the right to vote can assist with national development.

1.7.5   Compulsory Voting

Section 56 of the Constitution provides for compulsory voting and the Electoral Act sets out the exceptions to this rule and the penalties, which may be imposed by the courts for failing to vote. The NCBBF notes that voter turnout for general elections in Fiji have always been above

average even prior to the adoption of compulsory voting. Whatever might be the merits of compulsory voting, enforcement of compulsory voting has proved to be unworkable. The NCBBF therefore recommends that it be abolished.

1.8   Proposed Electoral Reforms

The NCBBF recommends

1. The complete abolishment of the communal representation system as provided for under the Constitution and the Electoral Act 1998 and the use of a common roll for all future elections.

2. The electoral and voting system as provided for under the Constitution and the Electoral Act 1998 be reformed to enable the adoption of a Proportional Representation System.

3. That the open party list be advised as the preferred electoral system in public consultations on electoral reform. Other systems that may be included for these consultations are the closed list and MMP systems.

4. That specific anti-discrimination measures be incorporated into Fiji's electoral laws to ensure no person is discriminated against by political parties on the grounds of race, religion, gender or circumstance.

5. That a relatively small number of large constituencies, but no more than five, be adopted to maximise the proportional benefits of a PR electoral system.

6. That the mandatory power sharing arrangement as provided under sub-sections 99(5) – (9) of the Constitution be removed and due consideration shall be given to providing for the formation of a truly representative Cabinet.

7. The reduction of the voting age from 21 to 18 years of age.

8. The abolition of compulsory voting.

1.9   Other Related Ancillary Issues

Other related issues and possible reforms considered by the NCBBF relate to the

- term of Parliament,
- size of the House of Representatives and Cabinet,
- the future status of the Senate,
- eligibility to contest a general election,
- eligibility to vote, and

- future amendments to the Constitution.

1.9.1 Term of Parliament

Currently, the maximum term of Parliament is five years. The House of Representatives is elected for a term of up to five years pursuant to section 59 of the Constitution, which states:

'The House of Representatives, unless sooner dissolved, continues for 5 years from the date of its first meeting following a general election of its members.'

The Constitution also provides that the term of the Senate expires upon dissolution of the House of Representatives by the President. However, shorter terms than five years tend to ensure governments are more directly accountable to the people. This accountability must be balanced against the fact that when elected, governments are given policy mandates and need sufficient time to implement them. The impact of general elections every three or four years on public resources is another relevant factor. The NCBBF noted the recommendation of the Reeves Constitutional Review Commission that a four-year term for Parliament be adopted as a means of enhancing Government 'accountability without adversely affecting its ability to design and implement policies.' Four-year terms are the ideal when it comes to ensuring maximum accountability, while still providing governments with sufficient time to implement policies.

However, five-year terms are also common in many countries. In Fiji's case, assistance is still sought from foreign Governments plus international and regional donor agencies to facilitate the conduct of a general election. This requirement highlights the need for greater commitment towards strengthening the Elections Office and its capabilities to facilitate the conduct of a general election (including appropriate resources between general elections to facilitate the registration of voters and updating of electoral rolls). To achieve this, the NCBBF feels the maximum term of Parliament should remain at five years.

1.9.2 The Size of the House of Representatives and Cabinet

The number of seats in the House of Representatives stands at 71, which is quite high when compared to the representation needs of the overall population of Fiji. A 15 per cent reduction in the size of the House of Representatives would reduce the total number of members to 60 while a 25 per cent reduction would mean a House consisting of 54 members. Determining an appropriate size of the legislature is usually based on the representation needs of the overall population. In terms of representation for registered voters, even if the size of the House is reduced by 25 per cent, the representation people receive still compares well with other countries, even if the voting age were lowered to 18.

For the size of the Cabinet, conventional wisdom dictates that it should be no more than 25 per cent of the Parliament and constitutional convention, rather than specific rules, has always dictated the size of the Cabinet, i.e. the Prime Minister has absolute discretion. In this regard, the size of the Senate is also relevant meaning there is currently provision for 103 Members of

Parliament. Based on this the size of Cabinet should be no more than 26 Ministers. In practice, most if not all of Cabinet consists of Members of the House of Representatives meaning a Cabinet of 26 may still be considered disproportionately large to the size of the House of Representatives.

No. of Seats	No. of Voters per Member
71 seats-	6886
60 seats-	8148
54 seats-	9054
Lower Voting Age (18 years)	
71 seats-	7354
60 seats-	8702
54 seats-	9669

Any decisions made on the size of the House of Representatives and the size of Cabinet will need to take account of decisions or recommendations made with respect to the Senate. The NCBBF, having considered this issue, recommends that the size of Cabinet be limited to no more than 25 per cent of the Parliament. As regards the appropriate size of the House of Representatives this issue requires further consideration and should be included in the review that is to be carried out on the Senate (as explained below).

1.9.3   Eligibility to Contest a General Election

Currently, a person is not qualified for nomination as a candidate in a general election, if he or she:
- does not have or ceases to have the right to vote;
- is a declared bankrupt; and
- holds interests that have been prescribed by Parliament as interests that should not be held by a Member of Parliament (no such interests have ever been prescribed).

The NCBBF recognises that an additional limitation should be added to this list to ensure more appropriate standards of integrity or character apply to those wishing to seek election to the House of Representatives. Only those currently serving a sentence for a serious criminal offence are prevented from contesting a general election on the grounds that they lose the right to vote. These current limitations should be extended to persons who have been convicted of a serious criminal offence in the past. The NCBBF is therefore proposing that persons, who six years prior to the closing date for nominations, have been convicted of an offence that is liable to a term of imprisonment of one year or longer, be prevented from contesting a general election.

1.9.4   The Senate

The Senate comprises 32 Senators appointed by the President as follows:

- 9 on the advice of the Prime Minister;
- 8 on the advice of the Leader of the Opposition;
- 14 on the advice of the Great Council of Chiefs; and
- 1 on the advice of the Council of Rotuma.

The Senate is essentially a house of review for Bills passed by the House of Representatives and its general functions are similar to those of Upper Houses in other countries. In addition to its general function to help improve the quality of laws passed by Parliament, the Senate also has a special representative function mainly for the provinces and Rotuma through the nominees of the Great Council of Chiefs (GCC) and Council of Rotuma. With respect to the enactment of laws, the Senate's powers are limited as the Constitution guarantees the supremacy of the House of Representatives. Generally, it can only delay the enactment of a Bill into law (up to six months). Bills cannot originate in the Senate and it has no authority to amend or reject money and appropriation Bills. The Senate's committee system allows it to perform additional oversight functions, which can involve an examination of issues of national importance (usually one inquiry per session) although it has little authority to compel the Government to act (Government needs only to maintain the confidence of the House of Representatives).

The Constitution also gives senators nominated by the GCC and Council of Rotuma special responsibilities in relation to any Bill that proposes to amend or repeal legislation that is entrenched under the Constitution. For these Bills two-thirds of the Senators nominated by the GCC and Council of Rotuma must support their passage before they can be enacted. The general limitations on the Senate with respect to normal Bills do not apply.

The NCBBF notes the findings of the Reeves Commission which recommended that Fiji retain an Upper House where the majority of its members are elected. These findings are summarised as follows:

- The Senate should not exist solely for the purpose of improving the quality of legislation and it is hard to justify its continued existence based on this factor alone. [The establishment of sector standing committees has also diminished the importance of this function]

- The Senate can still however, perform a useful representative function in a multi-ethnic society like Fiji's by serving a wider variety of interests.

- There is considerable value in 'retaining a bicameral Parliament… …if citizens were to be represented on a different basis in each of the two Houses. This would provide better opportunities for all interests to be taken into account.'

- The Reeves Commission recommendation was that the Senate consist of 35 members — 29 to be elected under the AV system. Twenty-eight senators should be elected to represent the fourteen provinces, one member elected to represent Rotuma and six members appointed by the President to represent communities and groups that would be otherwise under-represented.

Any review of the status of the Senate raises several key issues that need to be addressed. Firstly, should Fiji continue to retain an upper House and if so, should it become an elected or partly elected body? If the Senate is to become an elected Upper House a plurality/majority system is still a viable option for representation along provincial lines although a simpler method like the First-Past-The-Post System may be more suitable.

As regards the Senate's functions, if it were to become an elected or partly elected body:

- should the Senate's powers in relation to Bills continue to be limited to the extent that it is now?

- should the Senate continue to hold special responsibility for the passage of Bills to amend or repeal entrenched legislation (it is possible that the Great Council of Chiefs can be given this responsibility)?, and

- what is the ideal composition for the Senate?

The NCBBF, having considered these issues and the proposals earlier made by the Reeves Commission, feels that a more extensive review of the Senate is required before any changes in regard to its future status, if any, can be made. There are essentially two main reform options:

- that the Senate be reconstituted as an elected or partly-elected Upper House that offers an alternative form of representation for the people of Fiji; or

- that the Senate be abolished in favour of a unicameral Parliament.

There is of course a third option, which is to retain the *status quo* although issues relating to the Senate's current composition may still be changed. Reform options considered by the NCBBF, along with their advantages and disadvantages, are outlined in Table 1.2.

1.9.5   Right to Vote

Currently, to qualify for registration as a voter, a person:

(i)   must be a citizen who has reached 21 years of age; and
(ii)   must have been resident in Fiji for two years (exceptions to this rule include service to the State or an international organisation of which the State is a member; overseas study; duties for an employer carrying on a business in Fiji; and temporary absence for holiday, medical treatment or any other purpose that does not involve a change of residence).

Satisfying these requirements qualifies a person to vote. Specific rules set out under the Electoral Act determine the particular constituency in which a qualified person will be enrolled to vote.

Table 1.2 The Senate - Reform Options

Advantages	Disadvantages
A. Appointed Senate (no change)	
1. Ability to appoint individuals with specialist knowledge and experience.	1. With its limited review functions questions can be raised about whether the Senate serves any real purpose. (Sector standing committees of the House of Representatives subject Bills to extensive scrutiny.)
2. Does not diminish the supremacy of the House of Representatives.	2. The Senate's current composition can be challenged as not being representative of all groups and communities.
3. Costs less than an elected Senate	3. Administration costs can be a burden for a small country like Fiji – as opposed to a Unicameral Parliament.
4. Allays concerns indigenous Fijians may have about the protection of their group rights as provided for under the Constitution.	
5. Can provide representation for specific groups and communities that would otherwise not be represented in an elected Upper House.	
B. Elected/Appointed Senate (as recommended by the Reeves Commission)	
1. Removes any doubt about the democratic mandate of the Upper House to perform any of its functions and enhances oversight of the executive Government.	1. Challenges the supremacy of the House of Representatives — the Senate may be more willing to assert its authority to delay the passage of legislation, so creating conflict.
2. Improves direct representation for the people.	2. Higher costs involved in conducting elections
3. If List PR System for House of Representatives is adopted the Senate can still provide for representation along provincial lines.	3. Status of appointed members can be called into question, therefore creating further conflict.
C. Unicameral Parliament (no Senate)	
1. More efficient passage of legislation – differences between two Houses will never occur.	1. No check on the House of Representatives from which the Government comes.
2. Potential for stronger accountability because a single House is solely responsible for legislation.	2. May give rise to concerns that protections for indigenous Fijian interests are being eroded.
3. Costs – it is cheaper to maintain a unicameral legislature.	

The NCBBF considered this issue as regards the two-year residency requirement and how it prevents many residents working overseas temporarily from voting. More and more Fiji citizens are now securing temporary employment in foreign countries, and the current exceptions to the two-year residency rule do not cover them. Another fact is that many who are covered by the current exceptions are still unable to vote because of administrative constraints concerning access to registration and voting. While more consideration is required to address this issue, the NCBBF is still of the opinion that the current exceptions to the two-year rule need to be extended to cover all citizens who are temporarily overseas for employment purposes.

1.9.6   The Conduct of a Free and Fair General Election

The NCBBF also considered issues relating to general elections and whether further measures are needed to ensure their conduct is free and fair. It means little to have the right electoral system in place if people lack confidence in the ability of electoral administrators to conduct a

free and fair poll. When considering this issue, certain provisions of the Electoral Act were brought to the attention of the NCBBF. These provisions relate to the ballot paper account at each polling station (Section 85) and the prevention of irregularities as to ballot papers (Section 87).

Complaints are often made following a general election in Fiji raising the question whether or not it was 'free and fair'. There are several reports by international and regional observers as well as the Fiji Human Rights Commission on the conduct of the last two general elections in Fiji. The legitimacy of the electoral process is not entirely dependent on having the best electoral system. The people of Fiji must have confidence in the results of any general election. To ensure this, the NCBBF recommends that a complete review of electoral rules and regulations takes place to determine their adequacy in preventing an abuse of the process to manipulate results; and also, that steps be taken to ensure that there is full compliance with these rules and regulations before, during, and after a general election.

1.9.7 Constitutional Referenda

The NCBBF feels that a mandate from a general election should not give a Government or Parliament the authority to amend Fiji's Constitution. As the supreme law of Fiji, the Constitution reflects the collective will of the people of Fiji to be a sovereign democratic nation. It also protects their individual and group rights and provides for their system of Government. The NCBBF, therefore, proposes that provision should be made for referendums to be held in respect of any proposed amendments to the Constitution, in order to give the people of Fiji a greater say in the future of their Constitution.

1.10 Additional Recommendations

The NCBBF recommends that further reviews be commissioned to examine the

i. appointment, composition and functions of the Senate, which should include consideration of a unicameral legislature for Fiji,
ii. appropriate size of the House of Representatives,
iii. use of any savings made as a result of reforms, especially the down-sizing of Parliament, for the benefit of Members of Parliament and/or operations of Parliament, and
iv. appropriateness of current electoral laws to ensure the conduct of a free and fair general election particularly in relation to the reconciliation of ballot papers printed and used.

The NCBBF further recommends that

i. the term of Parliament remain five years,
ii. the exceptions to the two-year rule for the right to vote be extended to cover all citizens who are temporarily overseas for employment purposes,

iii.   an additional limitation be provided for the nomination of candidates to contest a general election to prohibit persons who have been convicted of an offence the penalty for which is a term of imprisonment of one year or more in the six years leading up to a general election, and

iv.   referenda be carried out before any substantial amendment to the Constitution can be made in the future.

Finally, the NCBBF recommends that the foregoing proposed electoral reforms be implemented prior to the next general election, and further, that the adoption of the necessary reforms be expedited in order for the general election to be held as soon as practicable.

CHAPTER 2. NATIONAL IDENTITY AND THE ROLE OF RELIGION, CULTURE AND EDUCATION IN NATION BUILDING

2.1 Introduction

One of the major problems in Fiji is the lack of unity. We need to forge a consensus based upon our common interests, as citizens who will continue to live side by side in these islands. This consensus involves reminding everyone that there is now a community of birth in Fiji and a continuity of affiliation, through the decades, that has created a history in which the livelihoods and cultures of the different communities in Fiji have become inextricably intertwined. It involves acknowledging and emphasising the collective interests that are evolving from the many social, cultural and economic linkages between our different communities, in their daily lives. It implies a conscious effort to participate in a common political project aimed at increasing the perspectives that bind the citizens of Fiji together, in forging a common national identity. The feedback from the Peoples Charter consultation process so far, and the in-depth diagnostic work done at the NTT and WG levels, among other issues identified, the decline of purchasing power, poverty, lack of economic opportunities are problems associated with the lack of national identity.

A national identity binds all citizens to a larger and wider sense of belonging to a nation state. It holds significant meaning in the contemporary world. It means more than being an independent nation or a geographical location. It contains the ethos of a nation and is concerned with the lifestyle, thoughts, faith, arts, sport and how we respond, cross-culturally, to internal and external issues.   It is fundamentally about the access and enjoyment of citizenship rights and responsibilities.

National identity that members of all communities will identify with must include something of value to each community — hence its formulation has to be inclusive of all. A national identity that advantages only some groups and not all leads to mistrust and a preference for ethnic identity.

2.2 Background

Fiji is a multi-racial, multi-cultural and pluralistic country with a multiplicity of languages, religions and ways of living. However, there is no national identity because the society is fragmented. At present the citizens of Fiji identify themselves more strongly with their religions, ethnicity and by their various community or province, than by nationality.

Most of the indigenous Fijians live in villages, grouped into districts and provinces. They have aligned themselves with Christianity because it was the first western religion to arrive in the country through the missionaries whereas Fiji Indians are mostly associated with Hinduism and Islam, and the Chinese with Buddhism. Within each of the ethnic or religious groups, there exist

various other sub-divisions such as *tikinas* or districts, which embrace many villages. Districts have similarities and differences in terms of dialects, religious beliefs and culture. Different religions have different denominations, sects and sub-religious groups.

These differences are used by many of our political leaders to gain political mileage. So, during the past 38 years, political leadership played a key role in dividing our people rather than uniting us. The division was derived from the colonial system of leadership of divide and rule. Our leaders have failed to unite our various communities in a form that truly reflects our diversity.

If Fiji's leaders and its people do not work together or join hands to define what we have in common and what we want to achieve together in the future, we will never achieve the peaceful and prosperous society to which we all aspire. There are abundant resources and potentiality present in Fiji, which when properly utilised will contribute to achieving our aspirations.

A process needs to be designed and facilitated that can include the participation of Fiji's peoples, and our leaders need to be focused on our nation rather than on their sectional interests. The collective vision is to rebuild Fiji into a non-racial, culturally-vibrant and united, well-governed, truly democratic nation that seeks progress, and prosperity through merit-based equality of opportunity, justice and peace. Religion, culture and education are important components in nation building. Education has been used globally in nation building while culture and religion are strong components of individual identity and necessary components in developing a national identity.

2.3   Status of National Identity

National Identity: a Common Name

Fiji's population increased from 715,375 in 1986, to 775,077 by 1996 and to 827,900 by 2007. The 2007 Census indicates that 57 per cent of the enumerated comprise Indigenous Fijians, 38 per cent Fiji Indians and five per cent 'Others'. The 'Others' category comprises Rotumans, Chinese, Europeans, part-Europeans, other Pacific Islands (Tonga, Samoa, Vanuatu, Solomons, etc) and other ethnic groups. Notably, there has also been a significant increase in the urban population and a reduction in the rural population, particularly of the Fiji Indian people.

Major religions in Fiji comprise Christianity, Hinduism, and Islam. Within each of the religious groups, there exist various other sub-divisions or denominations. For instance, Christianity is divided into Methodists, Catholics, Anglicans and other churches. Hinduism is divided into the Arya Samaj; Sanatan, Sangam and other groups, while Muslims are also divided into several groups. The indigenous community is divided into 14 provinces which are then divided into 76 *tikinas* or districts, embracing about 1,080 villages. Districts have similarities and differences in terms of dialects, religious beliefs and culture.

Ethnic differences in Fiji have existed for quite some time and to an extent that has caused major setbacks in the recent past. Many of Fiji's recent and past conflicts are based on perceived threats of identity, land ownership, culture, religion as well as language. Various institutions

including laws, regulations and policies have been perpetuated through the practice of divide and rule handed down from the colonial masters. Previous attempts to address racial differences and bring the two major races together have failed.

These conflicts have translated into more overt forms of intolerance, disrespect, non-acceptance, insensitivity and even occasional violence. When political campaigns are driven by communal politics, a heightened level of racism is perpetuated and a deep hollow is created in peoples' minds that affect their sense of belonging and trust of one another. The deep chasm naturally has resulted in a growing sense of insecurity, leading to a high rate of emigration. The previous Government established a Ministry of Reconciliation and Unity to conduct reconciliation between the two major ethnic groups but it did not achieve much of its set objectives.

The Ecumenical Centre for Research, Education, and Advocacy (ECREA), UNDP and the Ministry of National Reconciliation and Unity conducted a study in 2006. 'Building a Common National Identity Across Ethnic Lines' was identified in its Framework of Action for Peace and Stability Development Analysis (PSDA) in the Fiji Islands. The PSDA also highlighted the roles that Government, civil society, the international community and media should play in peace building and the need for all these stakeholders to adopt a term that identifies all ethnicities in Fiji. No action was taken to implement the PSDA findings and its Implementation Plan.

In an attempt to build national identity and unity, the Reeves Commission (1996) listed a number of recommendations for building unity that would result in a sense of national identity. The recommendations included:

   i.   consideration of a common name as a means of uniting the people of Fiji, and for this, the term 'Fiji Islanders' was proposed;
   ii.   recognition of the right of every community to speak their native language and have it taught in their schools;
   iii. equal status be given to English, 'Vosa Vakaviti', and Hindi as national official languages;
   iv.   expression through the Preamble of the Constitution the important shared values to the people of Fiji; and
   v.   including in the Constitution a provision for a Compact among the people of Fiji that sets out their shared understanding about future participation of all the ethnic communities and groups in the country's life and governance.

Seeking a national identity is to seek a shared vision that unites the different groups of Fiji as well as individuals. Building a national identity requires the cultivation of feelings of belonging nurtured in a national environment that encourages inclusiveness of all of the various groups of Fiji's society. This national identity is achieved when the people consider themselves citizens of the country first and members of their separate ethnic groups second.

A country wide survey undertaken in 2004-05 by the Fiji Council of Social Services (FCOSS), for a global exercise by CIVICUS (2007), shows some 35 per cent of respondents identified themselves first as Fijian nationals then as a member of their particular ethnic group. Amongst the two major ethnic groups, more indigenous Fijians tended to think of themselves as a Fiji

national first (51 per cent doing so) while the equivalent group in the Fiji Indian community was much less (33 per cent). Interestingly, a more recent but geographically restricted, study by Tui Rakuita (2007) revealed a greater proportion of indigenous Fijians identifying first as *i-Taukei*[8] and Christian rather than Fiji Islander. In fact, most members of both major groups that Rakuita interviewed identified first with their particular ethnic group and linked their identities with their religion.

The above findings indicate that for the communities, self identification is largely by ethnicity rather than nationality. The challenge for us is to identify means of pulling the different ethnic groups together so that they have some commonalities as a nation because sharing a common identity is a symbol of national unity.

Issues

Our nation lacks a common national identity to bind us all as Fiji citizens. Since Independence in 1970, our country has remained without a national identity. The failure to identity with the national name 'Fiji Islander' — as suggested in the 1996 Reeves Commission Report — is a symptom of the weakness of national identity. There is an absence of a common name.

There is no common name to unite us all. After Independence, Fiji should have adopted a name to accommodate all of its citizens in one national identity. The name Fijian was used for only a section of our community.

There is fear amongst some indigenous Fijians that under a common national identity, their beliefs and values will be lost or given away. Fiji Indians also fear being treated as foreigners and second class citizens in the country of their birth. The identification of a national identity is a sensitive undertaking given the general perception that a national identity will inevitably dilute or remove ethnic identities.

Racial compartmentalism, and a sense of being perceived as a foreigner, insecurity and belonging, has driven many of our people abroad. Annually, an average of 5,000 people migrates overseas in search of a new life. The majority of these emigrants are amongst our best educated professional and skilled workers who would have contributed significantly to our economy.

The lack of social cohesion has contributed to exclusiveness and lower economic growth. One of the main challenges we face is how to unite people who comprise several ethnic communities with diverse social, economic and cultural backgrounds. It is this diversity which requires a symbol that is acceptable for the whole population, as a basis for the development of a national identity and creates firm allegiance. This allegiance can be constructed, made concrete, communicated and maintained over time. The process to negotiate a national identity is a continuous process which demands inclusiveness and the fair representation of peoples and

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[8] Fijian term for Indigenous Fijians.

cultures. The end result ought to be a shared conviction that people are socialised into believing its essence, resulting in its internalisation.

During the past 38 years, political leadership played a key role in dividing our people. The division was derived from the colonial system of leadership of divide and rule. Our leaders have failed to unite our various communities in a form that truly reflects our diversity. On the contrary, the politics of race and segregation have fashioned our political landscape in the past 38 years. We have traversed four coups but have not adequately addressed the core issues that gave rise to those coups. The politics of fear and domination played through race cards using manipulative strategies have thrived in Fiji far too long.

Ineffective and poor leadership contributed to the building of a fractured and fragmented society. Leadership in the past had intentionally kept the people of this nation apart, and had used the race card for their survival. A process needs to be designed and facilitated that can include the participation of Fiji's peoples, and our leaders need to be focused on our nation rather than on their sectional interests. The process of nation building should demonstrate a unifying approach in all of its actions and decisions and therefore promote the participation of all communities in discussions of national identity and nation building.

Institutions need to be strengthened to direct national efforts towards supporting a national identity. The lack of leadership and commitment in the past hinder the formation of national identity. Developing and representing a national identity that is inclusive of all will require strong leadership. The media and civil society should play an important role in facilitating the wider participation of all people.

Fiji has lost its sense of nationhood as it grew up after Independence due to many problems including divisive leadership at all levels. At the political level, our leaders were more concerned with their political affiliations and ethnic loyalties. People of this country lack a sense of belonging to a homeland, and many are still searching for their country. There is a need to facilitate the tasks of recapturing our sense of nationhood to restore faith in the rights and responsibilities of citizenship, without racial discrimination.

Racism has been a way of life in Fiji for some time. The 1987 and 2000 coups brought to the national scene the worst of this; further separating the two major ethnic groups and inducing a sense of hopelessness and humiliation in many hearts and homes throughout the country.

The impact of globalisation needs to be harnessed to promote a greater sense of national identity and being the people of Fiji. Globalisation involves mobility of people and capital. The forces of globalisation are producing new kinds of social identities and movements for political and economic change. While national boundaries are becoming less important given the increase in trade and investment, globalisation presents the opportunity for the people of Fiji to highlight and demonstrate the uniqueness of Fiji as a country, and a common shared identity as the people of Fiji.

2.4 Education, Values and Symbols

Education is well established in Fiji. The ownership and management of schools in Fiji is a partnership between the State and the wider community. Most schools in Fiji (98 per cent) are owned and managed by civil society and non-government organisations whilst Government provides teachers and sets the curriculum.

Government has clear roles in the education partnership. They include

    i.   overall administration of and policy-making for the education system,
   ii.   registering and monitoring schools and providing advisory services,
  iii.   paying for tuition for the first ten years of schooling,
   iv.   defining and designing curricula and producing related materials,
    v.   setting and overseeing external examinations,
   vi.   training teachers and employing teachers, and
  vii.   providing grants for buildings and other purposes.

The Ministry of Education, through its Curriculum Development Unit, sets the curriculum and examinations at all levels of primary and secondary education. It also offers professional development to teachers throughout the country in the form of short-term in-service training.

The role of education in building unity has already been comprehensively discussed in the Report of the Fiji Education Commission/Panel (FIEC) (2000). Some of the suggestions in that Report have been used by the education system and some were incorporated in the new Fiji National Curriculum Framework.

Education is used worldwide as a tool for social engineering to achieve special national, social goals. Building a national identity through education with the aim of developing understanding and acceptance of differences in people and groups and articulating a shared national identity, is widely accepted.

Nation building is a concept that has to be incorporated as an underlying objective in all facets of a nation's life since it motivates policies formulated for the development of every sector — economic, social, religious, cultural or any other. Nation building is a process propelled by the desire to achieve a shared goal or vision for the country and its people through recognition of their shared history and shared values.

Nation building is articulated in the Preamble of the Constitution and vision statements of national documents such as the National Strategic Development Plans. The Preamble to the Constitution highlights people's shared history and shared values and pronounces their shared goal. These goals include recognition of human rights, fundamental freedoms, the rule of law, respect for human dignity and the importance of the family as well as commitment to living in harmony, promoting advancement of all communities, and strengthening Government institutions.

The process of nation building, though mediated by the State through the national Constitution and by its arms through the Government development plans and programmes, is not complete without the groundswell of people's activities motivated by shared values towards achieving a shared goal. Nation building has many facets covering the different aspects of people's lives. A nation is built on the strength of its economy, on the cohesion of its society (including the vibrancy of its culture reflective of the freedom and creativity of its people), on the integrity of its institutions, and on the depth of its spirituality.

The importance of shared values was suggested by the Reeves Commission of 1996 but it was not given full recognition and attention. The incorporation by the previous Government of the teaching of values and virtues in schools in the past few years was an attempt to lessen the gaps that existed between the two major ethnic groups, but the attempt had little impact.

Symbols of national identity are important in bringing together different individuals and groups to claim their commonality. For Fiji's sports loving people, sport can be deliberately promoted to enhance unity across the various groups. For many people, the national rugby team is becoming such a symbol, particularly that of the Rugby 7s team. It is a hopeful sign that, even though rugby is played almost exclusively by ethnic Fijians, enthusiastic followers include members of all other ethnic groups. On the other hand, whereas soccer attracts young men of all ethnic groups it is supported largely only by the Fiji Indians. Soccer's public promotion to capture the national psyche could further help the process of building national identification.

National flags and songs such as 'Isa Lei' and the national anthem can also be used as symbols of a national identity and could be promoted for all to learn to sing on nominated occasions. Gatherings that include members of Fiji's multicultural communities outside of Fiji have sometimes require them to group together as one in performances of cultural items unique to Fiji such as the singing of 'Isa Lei'. While this may be a minor act of unity it does add to the feeling of togetherness and becomes significant when officially encouraged, recognised and repeated many times as an acceptable part of Fiji's way of life.

Issues

Education since Independence has been focused on the employability of children, which is good in terms of their future and the necessary skills and knowledge the children earn for their living. However, it has generally failed to explore the total development of the child, which includes building of character and integrated personality.

Fiji's education system must emphasise character development. A country or nation is only as good as the quality of its citizens. The quality of adults today is a product of their upbringing and the education they received.

Our colonial education system failed to address our own critical issues affecting our multicultural society. Our education environment appeared to be alien to many people.

The education system has failed to build/support social cohesion in schools. More emphasis has been placed on examinable subjects, sport and other extra-curricular activities.

The education system in Fiji is a foreign import largely unconnected with the cultures of the ethnic groups in this country. To use an institution based on a non-Fiji culture for national building is a paradox that obviously reduces its effectiveness.

There is superficial coverage of values in schools. Fiji's people do not have an internalised sense of national identity. Major issues that face a process of developing a national identity include discovering and articulating a set of shared values and expectations of and for Fiji. At present there are no identified values.

Fiji lacks the appreciation of national symbols. Our national flag lacks symbols of national unity. Most of the symbols used in our national flag are outdated, representing things that are no longer common in Fiji. The flag therefore needs to be redesigned to reflect our modern Fiji and the multi-cultural diversity of a pluralistic society.

2.5   Contribution of Religion, Culture, Language, and Literature

It is often remarked that the people of Fiji are highly religious. Identities in Fiji are mostly driven by the various cultures we have and the religions to which we belong. The 1996 Census revealed that indigenous Fijians are mostly Christians, while Fiji Indians are largely Hindus and Muslims. Of the 449,482 people (58 per cent) who consider themselves as Christians, 87 per cent were indigenous Fijians, 4.6 per cent were Fiji Indians and 8.5 per cent were 'Others'. Of the total of 264,173 Hindus, 99.5 per cent were Fiji Indians, 0.33 per cent indigenous Fijians and 0.17 per cent 'Others'. Of the 54,323 Muslims, 98.95 per cent were Fiji Indians, 0.6 per cent indigenous Fijians and 0.45 per cent 'Others'.

Apart from these, there are various other different religious sects and groups. People's religion is closely linked to a set of strongly-held beliefs, values, and attitudes that we live by and this fact is supported by Fiji's Constitution. Individuals have their own freedom of choice in terms of their religion.

Religious leaders in Fiji enjoy close identification with leaders of the various ethnic communities. The *talatala*[9] in the Christian church is very close to the chief in any indigenous Fijian village; similarly the Hindu priest and Muslim imam enjoy special places of respect in the Fiji Indian community. Despite differences in rituals and details of beliefs, the major religions have much in common in terms of their basic teachings about practical conduct of life for harmonious relationships between peoples and with the Divine.

Fiji's culture is a rich mixture of indigenous Fijians, Fiji Indian, Chinese and European traditions. Other ethnic groups contribute to Fiji's modern culture. It is a multi-ethnic, multi-lingual and multi-religious society. Racially mixed schools are evident in Fiji, particularly in

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[9] Fijian term for Church Minister.

urban areas. Culture is concerned with the way people live because it is the form of pattern for living; and understanding one's culture is important for nation building.

The definition of culture as a system of values, communication and behaviour is widely accepted. Thus indigenous Fijians, Fiji Indians, Rotumans, Chinese, and other minorities differ in terms of culture and form different cultural groups. Fiji's education system needs to include the teaching and understanding of various cultural groups in order to foster unity. There is a need to view culture and heritage as integral components of social and economic development.

Different societies in Fiji have their own cultural identities which they want to preserve. Our richness of cultural diversity is our strength and this can be used as a source of unity. Diversity includes the diversity of individuals within each group as well as between groups. Recognition and respect for diversity results from a general understanding and sharing of each other's values and customs. Learning the different cultures and religions are important components in developing a national identity that reflects the whole of Fiji's society.

Education itself is a cultural enterprise and has to reflect the culture of the people it serves. As stated by Prof. Subramani in the FIEC 2000 Report[10].

> *'The claiming of nationhood is also a cultural enterprise, and the modern connection between people and nation is a conscious human construction. Moreover, improved knowledge, through education, of the world in which we live can lead to a better understanding of place, of oneself and of others. In spite of the constraints already identified, education can work for the quickening of the integrative impulse that could strengthen the interdependence that already exists in Fiji's multicultural society into active co-operation, partnership and solidarity'.*

The education culture therefore needs to be adapted to fit with Fiji's multicultural and pluralistic nature and meet Fiji's goals if it is to be effective in national building, including developing a national identity.

Education for diversity is emphasised in the FIEC 2000 Report. Diversity in the fullest sense means not only the existence of different cultures but also different perspectives, meanings, viewpoints, philosophies and world views. The education curriculum should reflect diversity in this broad sense: it needs to prepare students to live in the heterogeneous world.

Several suggestions for promoting cross–cultural (or ethnic) understanding and national unity were put forward by the Education Commission/Panel. These suggestions include the recognition of different communities through the teaching of their histories and their languages as well as the sharing of knowledge and cultures across groups through literature and the arts. Given the extensiveness of the consultations and the depth of analysis of the Education Commission/Panel, it would benefit the country to revisit and reassess its report and its many recommendations.

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[10] Fiji Islands Education Commission Report 2000, Govt Printer, Suva, Fiji.

Teaching about ethnic cultures in the schools is one possibility. The easiest route for this is by utilising the visible artefacts of cultures such as song, dance, and food. However, many students learn these at home or in their neighbourhoods. Although more expensive to implement, teaching of language, cultural assumptions and expectations, protocols, and the like is more effective in the long term.

The importance of the use of languages in nation building was suggested by the Reeves Commission (1996) and the 2006 PSDA. It includes recognising the right of every community to speak their native language and having it taught in their schools, and giving equal status to English, 'Vosa Vakaviti', and Hindi as national languages.

The role of literature, the arts and other creative activities can be pivotal in enabling cross–cultural understanding and acceptance. Official support for the teaching of the languages, literature, music and the arts of the different communities that make up Fiji is a necessary component of a national strategy for nation building. Sharing and learning of each other's art and music has been mediated through the education system and through some civil society performing arts groups. While this process aids the preservation of the cultural treasures of each community, the melding of the different groups' creativity in hybrid and new forms of literature, art and music will produce something that is entirely Fiji-specific and reflective of its singular national identity.

Life and literature are closely related to each other. Like good education, good literature does not take one away from life: it deepens ones understanding of life. It is not an escape from the realities of life but a face to face confrontation. Literature can become a potent force through which understanding between diverse peoples is fostered and promoted. Not only do we begin to understand others but, in a situation such as ours that has been shaped by many outside factors, we need to demolish the stereotypes we have built about others in our minds: we often have a narrow, unsympathetic, and prejudiced view of other communities.

Issues

There have been numerous cases of religious intolerance and religious sacrilege reflecting a lack of appreciation and respect for other faiths and beliefs. Many religious groups have suffered the effects of religious intolerance and discrimination publicly or in silence. There is a need to examine the possible contribution of religion to peace building and to promoting the understanding of other religions/sects and cultures to foster unity, peace and harmony amongst our society.

Our multi-religious society has also contributed to our racial fragmentation because its sense of identity was more inclined towards the religion to which people belong. To build unity and a sense of national identity in an environment of intense religious competition is indeed a challenge.

Disunity and fragmentation exist in our everyday lives because citizens of this country do not know each other very well, and most cannot speak each other's language. Speaking others' languages helps understanding other people's culture.

The absence of a common or shared language is also an issue. In its absence, the teaching of the two vernaculars ('Vosa Vakaviti' and Hindi) in schools can play a key role in bringing together our society's two main communities.

We lack the understanding of others' lives and the way people live. People of this nation lack the literature of others. We live in a situation shaped by many outside factors, having a narrow, unsympathetic, and prejudiced view of other communities. The need is there for us to instil in the minds of our children others' literature. The minds of the children can be trained to see things through their own eyes, and think thoughts that are their own, born out of their own experience and observation.

To develop a national culture that unifies everyone will be difficult and will require inclusive participation of all citizens. Promotion of only one or two dominant cultures — even though promotion contributes to their preservation — does not instil a sense of nation either in those whose culture is being promoted or in those denied that privilege. On the other hand, the assumption of representation of all ethnic cultures, as representing the nation as a whole, is also not inclusive. On the one hand it denies the existence of those outside of the tight ethnic boxes and on the other, retains the different identities of the ethnic communities concerned.

2.6   Proposed Way Forward

National Identity: a Common Name

In a multicultural society, it is important that we find a common identity that binds us all together: *Fiji* as the name for our nation and a common name, *Fijian,* should be the national identity for all Fiji citizens. The NCBBF believes that adoption of this as the common name for all Fiji citizens will promote a much greater sense of national identity, belonging and sense of unity.

Indigenous Fijians who are normally termed 'owners of the land' may be referred to as '*i*-Taukei".

Communities other than indigenous Fijians could still retain their primary identity but with the name *Fijian* added to it for administrative records and other purposes. For instance, Fijian Indians or Fijian Rotumans or Fijian Banabans.

The NCBBF also considered names such as Fiji Islander, 'Viti' and 'Kai Viti' for their merits.

There is a need for a wider consultation on the national identity. Calling everyone a Fijian is a sensitive matter. The earlier proposal of having the common name Fiji Islander' did not work, so there should be wider consultation with the people and selective stakeholders such as the Great

Council of Chiefs (GCC), provincial councils, ministries and departments, even to the extent of getting the views of the young people through essay competitions, etc. That will give a wider perception on how the people feel if everyone is to be called 'Fijian'.

Recommendation 1. *The name of our nation to be Fiji. All citizens to have the common name 'Fijian' as the shared national identity. Primary identities to be retained: indigenous Fijians to be called 'i-Taukei', Fiji Indians to be called Fijian Indians, others such as the Chinese to be called Fijian Chinese, and so on.*

The racial categorisation (Fijians, Indians, Chinese, Rotumans, Pacific Islanders, Others) that appears in all Government records and Register should be removed because it supports racial discrimination.

A National Identification System should be introduced and implemented to ensure every single citizen of Fiji is identified and pertinent records are preserved for administrative purposes.

Recommendation 2. *Establish a National Identification System for registration of all Fiji citizens.*

There is a need to give back the sense of a nation to the people of Fiji and restore their faith in the rights and responsibilities of citizenship, without racial discrimination or fear of dispossession. Discussion to be held with all stakeholders for the Constitution to be reviewed and its communal provisions removed. Consideration be given to the promulgation of an Anti-Discrimination Act.

Racial discrimination of any kind only deepens the wounds. It is an evil and we must recognise its criminal history and its corrupting present. We must never accept it in any form and face, indigenous, colonial or migrant. Whatever our other anxieties and challenges may be, racism is most insidious because it can distort the minds of the best of us.

Like corruption, racism will not disappear but legislating for its removal will give hope to ordinary men and women that someone cares and racists of all complexions can be brought to account. People who are found guilty of racism should be barred from holding any public office, whether elected or appointed.

Recommendation 3. *An Anti-Discrimination Act and a Commissioner for Race Relations to be appointed.*

It is said that the future of any country depends on the kind of education offered to its children. Education should play an important role in nurturing our children and promoting national identity in Fiji. The adoption and teaching of 'Vosa Vakaviti' and Hindi as compulsory subjects in schools will enhance the understanding of similarities and differences amongst the ethnic groups.

Organisations such as the media and activities such as sport should also play key roles in terms of promoting things that we want to promote in Fiji for the common good. With agreement on a

common name and identity, educating the younger generation and promoting the common name, identity and associated values will be a very important task of our school system.

It is important to promote inclusiveness and social cohesion for the future stability of our nation because of our multiracial and pluralistic co-existence. Social cohesion should allow all citizens of this country to participate in the economic and social development of this country and benefit from it as well. We need to allow all organisations (political, social, religious, cultural, economic) and particularly educational institutions, to contribute to social cohesion.

Education, particularly in schools, can contribute to building social cohesion in five ways, by

i.   nurturing students to understand, appreciate and respect different religious beliefs and practices,
ii.   teaching the principles of conduct,
iii. providing for the teaching of citizenship principles,
iv.   providing an equality of opportunity for all students, and
v.   incorporating the interests and objective of many different groups at the same time as attempting to provide a common ground for citizenship.

We must recognise that we can and should learn to live with more diversity in a united Fiji. Diversity within unity presumes that all members of a given society will fully respect and adhere to those values and institutions that are considered part of the basic framework of society.

We need to develop a plan to articulate some Fundamental Principles for Nation Building and to promulgate them with a detailed programme of activities.

i.   A common national vision should be articulated.
ii.   All citizens of Fiji must be treated equally in terms of their rights and responsibilities.
iii. Effective and ethical ways must be found to nurture in our people a sense of a nation.
iv.   Civil society and democratic policy must be strengthened through our ideas for a nation.

Recommendation 4. *Relevant institutions (government, religious, social, cultural, educational, media) are to promote unity among the diverse cultures in Fiji.*

The education system needs to encourage the moral purpose of schooling because it is linked to democracy and social cohesion, and in turn to nation building.

Social and national integration is crucial to the creation of a strong, united Fiji. It needs to be tackled on several fronts, including education. Education plays an important role by

i.   promoting equity and access to education at all levels,
ii.   promoting quality education at all levels,
iii. making social and national service an integral part of education at all stages,
iv.   making the learning of conversational 'Vosa Vakaviti' and Hindi, along with English, compulsory in the school system and for employment in public and private sectors, and

v.   promoting national consciousness.

The education system should allow for community and service learning. Students' participation in programmes of community development and community service can help to create positive attitudes towards social service and develop closer ties between educated persons and the community.

Recommendation 5. *Schools and the education curriculum at all levels to allow for community and service learning and to promote and encourage social cohesion and national integration.*

We must strengthen social and moral values in our children. We need to put special emphasis on developing the learning of the four pillars of education as stated by UNESCO, which are now included in the Fiji National Curriculum Framework. These are:

  i.   Learning to Know;
 ii.   Learning to Do;
iii.   Learning to Live Together; and
 iv.   Learning to Be.

Education should develop the type of person we want our children to become as a result of the process he or she goes through. Children should be able to discriminate (discern) between right and wrong and make good choices in life based on good judgment and ethics. We need people who will bring about unity and not division; we need people who act justly and who will have love and compassion, who work humbly with their God and are willing to serve the poor; we need people who will have respect for others and for the environment and show tolerance and empathy. We need people with spiritual integrity. They will build communities; they will be persons with integrity, accountability, transparency and they will be citizens who relate positively to their environment.

The education curriculum should emphasise the teaching of human values of Truth, Right Action, Love, Peace and Non-violence from within each child, and nurture the development of each child's character for human excellence. Through the cultivation of these values, young people will be able to live their lives to their fullest potential and share and contribute to the general welfare of the local and global community.

Using a foreign curriculum does not help in nation building. The education culture therefore needs to be adapted to fit with Fiji's multicultural nature and meet Fiji's goals if it is to be effective in national building, including developing a national identity.

Recommendation 6. *Implement the Fiji National Curriculum Framework which nurtures the development of positive attitudes and behaviours and teaches the basic human values of truth, right action, love, peace and non-violence.*

Symbols of national identity are important in bringing together different individuals and groups to claim their commonality. National flags and anthems of common songs such as 'Isa Lei' can

also be symbols of national identity and could be promoted for all to learn to sing on nominated occasions.

Incorporating the established identity into our national symbols such as the flag and the national anthem is important. Until the process is completed, we need to remain open to the concept of change.

Recommendation 7. *The promotion of current national symbols (Flags, Anthem, Currency) in schools and offices are to be encouraged but at the same time there is a stronger need to review them. The review may lead to the integration of the three languages ('Vosa Vakaviti', Hindi, English) and music styles in the national anthem.*

The development of a proper language policy contributes to social and national integration. Fiji should develop a clear national language policy: a trilingual formula is desirable, while English should continue to be the official language nationally, regionally and internationally.

Recommendation 8. *Language policy to be developed and the teaching of Vosa Vakaviti,, Hindi and English to be made compulsory from classes 5 to form 7 in all schools, including in the community and non-formal education programmes.*

Often the best among us seem to lack all conviction; the worst are full of passionate intensity. Is that why things are falling apart? God will not continue to bless Fiji, if we are not truthful to ourselves and to our neighbours and, above all, to God. Our compassionate God liberates and unites humankind and all of Creation.

There is a need to establish a Commission of Truth, Justice, Healing and Reconciliation. A lot of hurt, pain, and anger has been shared in the last 20 years and there is a need for healing and reconciliation.

Recommendation 9. *Establish a Commission of Healing and Reconciliation, Truth and Justice.*

Freedom of worship is to be fostered and promoted. Respect for religions should be part of our national self-respect.

Comparative religious studies are essential in the School Curriculum for both primary and secondary schools. Proper text books should be produced by the Government of Fiji. More importantly, there is a need to inculcate in our children a spiritual view of life through children's literature.

Explore and encourage initiatives to promote actively mutual respect, understanding, appreciation and respect between religions and their followers. Religious intolerance and sacrileges would be minimised if people understood other faiths and beliefs.

Prayers at official functions are desirable. Organisers of the functions' programme should ensure that a prayer is on the agenda for the meeting and they will address the language or the faith in which that prayer is going to be given, as is dictated by the meeting and its audience.

Recommendation 10. *The teaching of comparative religious studies be included in the schools curriculum.*

Religion is an important tool to promote national identity. There is a need to promote sharing of spiritualities and interfaith dialogue to deepen understanding, respect and acceptance of the various faiths and ethnic communities in Fiji. Continuous dialogue as a process for developing consensus; it is also necessary to move the idea of national identity forward. National dialogue sessions should take place across the country and they should be organised with a sense of urgency; and given a very high priority.

Recommendation 11. *Promote the sharing of spiritualities and interfaith dialogue amongst all religious groups. In particular, various religious leaders to come together and articulate a moral case for diversity and unity.*

Children's local literature needs to be created where they can be trained to see things on their own as well as in the vernacular. Through children's literature we may begin by creating in the children awareness and an appreciation of their own human, natural and cultural richness. This is likely to lead the children to explore the cultural world of others because here in Fiji we do not dwell in separate worlds — we are trying to live in one world: only artificial walls separate us.

The Ministry of Education needs to set up a National Book Trust for the publication of suitable textbooks for our children. Our children need books of literature to read so that by an extension of imagination, they may establish life-lines to ours. Otherwise the tide of the teenage world will drown them. There is very little they can hold on to and as they grow through the experiences of others in the literature they read, they may realise that their lives are tangled with others' lives of yesterday, today and tomorrow.

Experiential learning programmes should be encouraged for adults and community members to enhance the study of cultures and religions in Fiji with a view to encouraging greater social cohesion, multiculturalism and pluralistic harmonious coexistence.

Recommendation 12. *The Ministry of Education to establish a National Book Trust for the publication of textbooks and literature for our children.*

In addition, the media should be encouraged to promoting multicultural ethics. Culture is a powerful and subtle means of transcending barriers and barricades which we or others have erected around us. It is, therefore, imperative that one must be deeply rooted in one's own culture. This is the first aspect of multi-cultural education. To be conscious of the springs of your own civilisation is to recognise and accept others'. Only that tree which is growing in its natural soil, can give shelter and shade to others.

Thus the need for multi-cultural education, where students become creatively aware of their own culture. This will help them to be part of their own community and give them that necessary sense of identity. Only then will they be able to relate to others with the self-confidence and

knowledge of their self-worth. It is only when one is sure of oneself that one is able to respect the self-respect of others.

Recommendation 13. *Multicultural education should be part of our curriculum at Primary, Secondary and Tertiary levels.*

Another area rich for cultivation is the folk tales of our culture and country. The immigrant people here have brought many myths from their world; indigenous Fijians have their own rich oral literature. People everywhere, whether they had a written language or not, have attempted to give permanence amidst change to the agonies and ecstasies of their fellow men in art forms. This is true of the rock carvings of the Aborigines, of the legends of indigenous Fijians, of the tales of the immigrant Fiji Indians, and of the stories of Europeans.

A national narrative is fundamental to instilling a sense of nationhood, the promotion of unity and the appreciation of diversity. Our national narrative recalls our shared history and our distinct stories of the past — its pains, sorrows and hopes. It tells us where we collectively and individually come from, where we are at the present and where we hope to go in the future.

More importantly, our national narrative allows us to appreciate who we are. In recalling our story annually at and during the celebration of important national days, we are reminding ourselves and our children who we are and our resolve never to repeat our mistakes of the past and to hold on to the values that experience has taught us. National celebration and events can be used to inform the public on important narratives such as indigenous Fijians history, and the reasons for Fiji becoming a nation.

The NCBBF proposes a national initiative to articulate, promote and sustain a national narrative that will have the following three strategies: (1) engage representatives of all ethnic groups to articulate the content and text of our national narrative; (2) design and implement a national programme through schools, adult education programmes and the media to promote our national narrative; and (3) make mandatory the reading of our national narrative at important national holidays and celebrations, and in our schools to ensure sustainability.

Recommendation 14. *Develop a national initiative to articulate, promote and sustain a national narrative.*

Recommendation 15. *The Compact section in our Constitution, which contains our shared values and principles, to be pulled out, reviewed and reformulated to comprehensively reflect the values and principles of our common good and public morality; and should serve as the basis of formulating the preambles to the Peoples Charter and the Charter to be embedded into the Constitution.*

2.7 Conclusion

Addressing national identity is critical for social cohesion and inclusiveness in Fiji. We cannot continue to be fragmented. It is about time we established our national identity and built national unity. Unless there is unity, Fiji cannot progress. The country needs to learn from its past history that without justice and peace, development cannot be sustained, and without development, peace and justice cannot exist. Development has been slow and economic performance has been sluggish in the past decade due in part to the absence of justice and peace that cause disunity amongst our citizens.

A Common National Identity for Fiji is the only way to go. It may take some time before it is accepted and we have to be patient. The commitment of our leaders and extensive consultation are the prerequisites. A new educational curriculum and programmes, learning others' languages, sharing national events, and the assistance of the media are all essential in promoting national identity and unity: they need to be supported.

In support of national identity, it is fundamental that we have national narratives, national symbols and rituals that we identify, articulate and own.

The education system and curriculum need to play a crucial role in cultivating and promoting national identity, narratives, rituals and symbols which will enhance national unity and an appreciation of our pluralistic society.

CHAPTER 3.   ENDING THE CYCLE OF COUPS

3.1   Introduction

The vast majority of the population of Fiji desperately wants to see Fiji put an end to the cycle of coups. There is a universal prayer for Fiji to enter a new era of peace, progress and change. The people of Fiji recognise that coups ruin lives; destroy social and economic opportunity; and leave lasting fissures within society. Nearly all of Fiji's people want to see this end. However, there is also within Fiji considerable skepticism about what can, in reality, be achieved.

The relative frequency of coups in Fiji has given rise to the term 'coup culture'. The term has to be understood in the context of five inter-related aspects: usurpation of State authority; the coup as part of political culture; the development of a coup psyche amongst the population; the normalisation of the coup language; and living under the coup environment and its impact on society.

Figure 3.1: Global coup scene
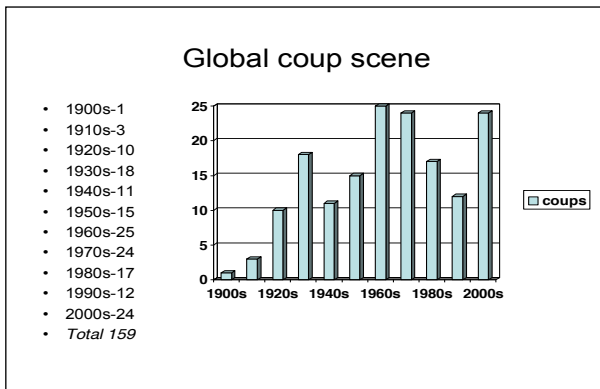
By and large most coups consist of five stages: planning, takeover, consolidation, transformation, and re-democratization. Since 1900, as outlined in figure 3.1, about 159 coups have taken place in the world. The largest number, 25, was in the 1960s and by the 1970s, 80s and 90s the number had dropped considerably. For instance, in the 1990s the total number of coups was 12. However, the number increased significantly to 24 since 2000. Since 2000, Fiji is the only country where two coups took place. Altogether Fiji has gone through four coups — in May 1987, September 1987, May 2000 and December 2006.

Although these coups were different in many ways, they also shared some characteristics, and in some ways they influenced each other. Study of the various coups does identify the range of factors that need to be ameliorated to end the coup culture. It is naïve to think for example, that just addressing issues related to the military will end the coup culture.

In order to explore practical and lasting ways of ending the coup culture, this part of the SNE Report examines some of the causes, dynamics and results of coups in Fiji and provides a list of recommendations to break the cycle of coups. As an integral part of this, it also discusses and makes recommendations on a new role for the Republic of Fiji Military Forces (RFMF) and enhances national security coordination.

While all of Fiji's coups since 1987 involved the RFMF in various ways, the instigators and driving forces for the coups were often political and business groups outside of the military

who used ethno-nationalism and the military to serve their political and economic agendas. While issues shape conditions for coups, the contribution of coup players and their motives is also important. Players differed from coup to coup but by and large, they comprise the military, politicians, political parties, church leaders, chiefs and businessmen. Their roles are sometimes different and sometimes similar in various circumstances. As Father Kevin Barr put it in a recent paper[11]:

> '*I have tried to point out that we should not place the blame for military coups entirely on the army as though they were the sole agent at work. History shows that the instigators of coups elsewhere (and maybe also in Fiji) have been foreign governments, business interests, traditional elites and a complex mixture of all of the above. Ethnic issues and racial tensions and misunderstandings have also been manipulated by the instigators of coups to muddy the waters and obscure the real motivation behind a coup. Some churches in Fiji have also often been in collusion with the instigators of coups or have supported the coup after the event*'.

So there can be many stakeholders behind a coup whether we call them the 'suspicious and shadowy figures' lurking in the background or whether we can identify them and call them by name. The Army may be the executor of a coup but the instigators may be quite a different set of actors. The 'men in suits' may, in reality, be far more culpable than 'the men with guns.'

The impacts of the coups in Fiji are wide-ranging: at the national and local levels: at the collective and individual levels; and differing from community to community and person to person. By and large every citizen of the country has suffered from the series of coups since 1987, and thus, the need to look for solutions is now imperative. In broad categories, the impacts are political, economic, social, physical and psychological.

As a way forward, NCBBF emphasises that it is important to work through, and to build upon, existing institutions and relationships with a view to achieving long lasting rather than temporary solutions. There is a need to remove the conditions which have led to coups — to change people's perceptions — as well as re-look at the role of State and non-State institutions and processes, and consider how they can contribute to creating and sustaining peaceful relations in Fiji.

3.2   Factors Contributing to Coups

Seven factors have been identified as contributing to coups in their own different ways.

First are the ethno-political factors which refer to the complex relationship between ethnicity and politics and how this leads to tension.

Second are socio-economic factors, referring to how people's socio-economic conditions lead to political grievances and the creation of political scapegoats.

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[11] Barr, Kevin (2008), "Fiji's Coup Culture".

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Third are **issues of governance** and how poor and unjust systems of governance can provoke conflict.

Fourth are **socio-psychological** factors, which relate to how people's state of mind can readily propel them to inflict harm.

Fifth are **socio-cultural factors**; that is, how issues relating to identity and culture become politicised and become the basis for mobilization.

Sixth is the **role of the military** itself; and

Seventh is the **impact of other sources of power** in Fiji, such as the churches and the media.

3.2.1 Ethno-Political Factors

Both the 1987 and 2000 coups were driven by ethno-nationalist mobilisation, whereas the 2006 coup was an attempt to restrain the influence of ethno-nationalism. Ethno-nationalist mobilisation was a natural development from the highly ethnicised and ethnically differentiated political climate. Although ethno-nationalism is a normal result of communal identification, in the case of Fiji it expressed itself in the form of destructive political violence. Again, this is the direct result of the dynamics of ethno-political competition. While no-one can stop ethno-nationalist movements, the question that needs to be considered are how to de-politicise them and, more so, how to ensure that they do not become violent and destructive.

While *ethnicisation* was taking place at the political level, there was also considerable ethnicisation of different levels of the community. The 1990 Constitution decreed that at least 51 per cent of the civil service jobs were to be reserved for indigenous Fijians. Although civil servants were theoretically 'neutral' they, through their unions and informal associations, were very highly politicised along ethnic lines and either influenced or were directly part of political conspiracies. This phenomenon reinforced indigenous dominance in the State system. Some trade unions have always been divided on ethnic lines, despite the trans-ethnic issues of bread and butter, and these were linked to respective ethnic-based political parties. The same could be said of political party-led local councils. The organisations at the grass-roots level also tended to be very ethnically separated. Provincial, district and village councils tend to be indigenous Fijians based and the Rural Advisory Councils are largely Fiji Indian in composition. Local councils also became hot-beds for ethno-political mobilisation as well as trade unions, provincial councils and grass-roots organisations. Even civil society organisations took sides and became part of the political confrontation.

Fiji has also experienced the influence of ethnic entrepreneurship and demagogy. These refer to elite individuals, groups or political parties who mobilise people along ethnic lines to serve their political interests. Often these people inflame passion through public

speeches, influencing community groups and organisations, taking advantage of their status in society or parliamentary privileges, using the media and operating through religious organisations. Ethno-nationalism is often used as a cover to hide their real interest which is for the acquisition and control of power or wealth.

It is to be noted that ethnic entrepreneurs and demagogues, from both sides of the ethnic divide, used these means to promote their interests using communal appeal. Indigenous Fijians ethnic entrepreneurs were more aggressive and inciting while those from the Fiji Indian communities were more provocative and in the process fueled aggression from the other side. The role of ethnic entrepreneurs was evident mostly in the 1987 and 2000 coups. Some entrepreneurs had political while some had commercial interests, which they wanted to satisfy and they used ethno-political means of achieving them.

3.2.2 Socio-Economic Factors

Often socio-economic grievances can be transformed into political and ethnic mobilisation. One of the reasons for the support for the 1987 and 2000 coups amongst indigenous Fijians was the feeling and perception that they were economically retarded compared to other ethnic groups. Poverty and unemployment within the rural and urban areas has been increasing and rural development is not progressing. Urban drift is a growing phenomenon. In a climate of ethnic politics, usually people's sense of economic grievances can be easily channeled towards political anger by nationalist politicians and ethnic entrepreneurs. Other ethnic groups become the scapegoats for what is really a complex situation.

The most vulnerable targets for ethno-nationalists anger have been symbols of wealth and achievement by Fiji Indians and other ethnic groups. By and large, particular groups of Fiji Indians dominated local wholesale and retail, while indigenous Fijians dominated the civil service. Although an equal number of indigenous Fijians and Fiji Indians live in poverty, the fact that a small but very visible and powerful group of Fiji Indian businessmen dominated retail within the urban areas in Fiji was wrongly perceived by many indigenous Fijians as representative of the entire Fiji Indian population.

During the 1987 and 2000 coups, the street riots which followed the takeover were targeted towards visible symbols of Fiji Indian wealth. This was a demonstration of class and ethnicity intersecting in a particularly violent way. The economic grievances of the poor and unemployed indigenous Fijian youths were channeled towards ethno-nationalist anger and destruction. Part of the problem can be traced back to the so-called Native Policy of the colonial era, which emphasised a particular form of paternalistic communalism which saw indigenous Fijians locked into their subsistence village life and a low standard of living. This communalism has effectively marginalised indigenous Fijians from mainstream commerce and education. In 1953, the per capita cash income for indigenous Fijians was only $60 compared to $468 for Europeans and Part-Europeans, $279 for Chinese and $133 for Fiji Indians.

The Issues Relating to Ethno-Nationalism

Father Kevin Barr, in a recent paper on Fiji's Coup Culture[12] has sought to explain the issues surrounding ethno-nationalism as follows:

'To a large extent the suggestions of Winston Halapua are confirmed by the earlier thesis of Simione Duratalo (1986) who wrote just before the 1987 coup predicting that it would actually take place. The title of his booklet sums up its thesis - *The Paramountcy of Fijian Interests and the Politicisation of Ethnicity*. In simple language he maintains that the rich, powerful and privileged elite of Fijian society have deflected the criticism of the lower classes (farmers and workers) away from themselves (the upper class) to the myth of 'Indian domination of the economy' and so used ethnicity to cover up what is basically a class issue.

'Because many Fijians have fallen for this strategy of their leaders, they have developed a nationalistic consciousness (based on ethnicity) rather than a class consciousness (based on economic inequality). The elite realises that if the masses of people become united on a class basis which cuts across ethnic lines, their wealth and privileged position will be seriously questioned in the political arena. In fact this began to happen with the emergence of the Labour Party in 1985. Labour's dominance in the elections of 1987 and 1999 could not be tolerated and so we had coups in 1987 (as Durutalo predicted) and an attempted coup in 2000.

'Both coups were said to be executed for ethnic reasons — the protection of 'i-Taukei" rights against fears of an Indian take-over.

'In Fiji, ruling class political domination has used ethnic divisions to prevent the masses from understanding the true dynamics of capitalist society and so gaining their rightful place in the economic and social development of the nation. What emerges is that it is really class issues not ethnic issues which explain the problems currently facing Fiji. However it is in the interests of the rich and powerful elites in Fiji to perpetuate ethnicity as the explanatory factor and so deflect attention from themselves and the growing inequality emerging in the country.

'Communalism' (the division of the masses along ethnic lines) has been used as an 'ideological device' to prop up and support class interests.

'Communalism in Fiji seeks to deflect the economic and socio-political grievances of the 'i-Taukei" masses from its objectively anti-imperialist and anti-capitalist content into an ideological support for the 'i-Taukei" ruling class and its local European and international allies.

'Ethnicity thus becomes a mask for class privilege. The masses are confused and tricked into seeing their problems in ethnic terms — not as class concerns. Consequently the masses are prevented from acting as an integrated and unified political force. And so communalism emerges as the particular political form in which the economic exploitation of the oppressed is obscured.

'The ruling class enjoys its position at the top of the pile in the social stratification order due to its unequal access to material and non-material rewards. These include the best food, best housing, best jobs, and an unequal access to educational opportunities, health services and particular participation. They therefore are strong supporters of the *status quo*, in which they benefit the most, and will oppose any individual or group who aims to bring about any significant social change. One technique used by the ruling class is 'divide and rule'. They seize upon and use to the fullest extent possible any ideological rationale that will aid in dividing the exploited population into mutually distrustful groups … and weakening opposition to a ruling class. Historically, perhaps the most important such lines of cleavage have been the division of society into different racial groups.'

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[12] Father Kevin Barr, The Coup Culture of Fiji, Paper presented to Working Group 3, NCBBF, 11 April 2008

3.2.3 Governance Factors Leading to Coups

There is insufficient respect for, or commitment to, Fiji's framework for democratic governance. That framework has yet to take root to the extent that it could be said to be part of the dominant culture as compared to aspects of the traditional culture, such as the *vanua*.[13] The various coups that have been conducted have been practical manifestations that at times other values such as protecting the power interests of ethno-nationalists and other external influences are regarded as more important than preservation of democracy and acting within the law under the Constitution.

Thus, while Fiji has the external trappings of democratic governance, the institutional framework for the conduct of governance is in fact weak and ineffectual. In part this is because the Constitution is a source of conflict in that it has provided an election system which is regarded as unrepresentative and divisive (see Chapter 1). It has encouraged both extremism and the emergence of political parties focused on supporting particular ethnic interests. Moreover, Parliament does not scrutinise the activities of the executive Government in an effective way.[14] While, Fiji has had periods of governance when respect for democratic values mattered, such respect has been less so in recent years.

Representative government, notions of accountability and the operation of the rule of law, are not well understood or accepted. Democratic values are professed by all politicians but often, in reality, for many they have been fig leaves behind which the interests of ethno-nationalist causes have been advanced through ethnicised governance institutions and norms. This attitude has sometimes meant that governance has lacked a sense of concern for basic fairness, for alleviating poverty and for ensuring justice. Thus, concepts such as public interest have taken second place to competition for power by leaders which has more been centered on attempts to maintain and pursue the interests of narrow elites, and private interests through opportunistic behaviour. At times, a 'winner takes all' approach has been taken to winning Government with policy priorities centered on ethno-nationalist causes. There has been little formal opposition politics with political parties being more concerned with political favouritism and deal making, which sometimes has involved corruption.

3.2.4 Socio-Psychological Factors

Socio-psychological factors often are not seen as part of the political problem because they are more subtle. It is precisely because of this subtlety that they can be powerful factors in shaping people's behaviour.

Of particular significance in this regard is the indigenous Fijians sense of masculinity and machoism which has been a powerful drive behind Fijian politics, nationalist agitation as well as projection of military power. Indigenous Fijian males see themselves as tough, uncompromising and courageous, perhaps more than do males in any other ethnic group. Their prowess in the game of rugby and soldiering has won international accolades and

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[13] Fijian term used to describe the indigenous Fijian community, people and land.

[14] These issues are further considered in Chapter 4.

importantly, they have internalised these reputations as part of their persona which is readily projected in situations which require physical confrontation. Often, indigenous Fijians machoism is rekindled in times of coups and this helps to drive ethno-nationalism.

3.2.5 Socio-Cultural Factors

Although there has been a certain degree of cultural mix and integration, certain ethnic groups (in particular indigenous Fijians and Fiji Indians) want to maintain their cultural and ethnic distinction through constructed boundaries. These boundaries have been a barrier to integration. Some groups fear being dominated and overwhelmed by other cultures and in the process they build cultural barriers around themselves.

Since 1970 the official policy of the State has been 'multi-racialism'. Paradoxically, multiculturalism meant two seemingly opposing features. Firstly, is the idea of different cultures and ethnic groups co-existing and sharing common values. Secondly, it also means that the various cultural ethnic groups should maintain their distinctive cultural identities. There has always been a contradiction between the two tendencies and during the 1987 and 2000 coups, the idea of distinctiveness came to the fore, in the form of ethno-nationalism.

One of the manifest dynamics of multi-racialism was the perpetual contradiction between communal and civic nationalism. Communal nationalism, which refers to the exertion of separate identities by the various communities, is a natural result of maintaining distinctiveness. On the other hand, civic nationalism, which refers to developing a collective national identity, was related to the notion of co-existence. Over the years, the tensions between communal nationalism and civic nationalism have defined ethnic relations in a profound and permanent way.

3.3 The Role of the Republic of Fiji Military Forces (RFMF)

The Military is the one armed institution in Fiji with undoubted capacity to mount, or to combat, a coup. The role of the Military needs very close examination because it has played a very significant role in all of Fiji's coups. In 1987, the Military staged the two coups and in 2000, it intervened to thwart the coup led by George Speight with the support of a unit within RFMF. In 2006, it once again staged the coup. The involvement of the Military in all of these coups differed considerably.

In 1987, the Military staged the coup on behalf of indigenous Fijians ethno-nationalism. Although institutionally, the Military was supposed to be an independent and professional State institution, politically it was very closely aligned with the Fijian establishment which consisted of the Alliance Party, the chiefly system, the Great Council of Chiefs (GCC), the Fijian Administration and indeed the indigenous Fijians community generally. More than 90% of the members of the Military were indigenous Fijians at the time and naturally, their ethno-political loyalty was to their ethnic roots. The Military ethos consisted of a mixture

of the professional praetorian values and ideological commitment to upholding chiefly and indigenous values.

This orientation has been part of the Fiji military tradition since the colonial days. Chiefs were given high ranking positions and loyalty to the *vanua* and inculcation of indigenous Fijians sense of machoism was part of the process of socialisation which the soldiers went through. It was thus easy to mobilise soldiers to take part in a coup which was carried out in the name of indigenous Fijians. In May, 1987, the military was used by the Alliance Party elites to forcefully repossess the political power they lost during the election one month earlier.

It is noteworthy that in the 1990s, the Fiji Military went through a process of transformation in terms of leadership and professional orientation. There was an attempt to steer the Military away from its ethno-nationalist focus which inspired it to stage the 1987 coup. This change was evident during the 2000 coup when the military leadership decided against supporting the ethno-nationalists in favor of supporting an ideologically and ethno-politically neutral stance. Since then, the role of the Military as a non-political institution has been established but this did not sit well with the Government of the time, which had a strong pro-indigenous Fijians stance. The ensuing tension over some of the Government's policies was a major contributing factor in the coup of 5 December, 2006.

Of the four coups Fiji has gone through since 1987, three were executed by the Military. The other, which involved an army unit, the Counter Revolutionary Warfare Unit, was stopped by the Military. The reality of the matter is that no coup will ever succeed without the direct role of the Military. Thus, the question of how to stop the 'coup culture' to some extent rests with the role of the Military itself.

3.4 Other Sources of Power in Fiji

In considering the factors leading to coups, there is also a need to take account of political and ideological contestation by the elites. As has already been discussed, factors also include the influence of some churches (including through religious fundamentalism), the role of the media, and the insidious impact in the development of coup cultures caused by the silence of educated indigenous Fijians.

One of the most powerful and worrying forces which drives indigenous ethno-nationalism in Fiji is Christian fundamentalism. The hierarchy of the Methodist Church, for instance, provided both ideological and direct political support for the 1987 and 2000 coups. Some fundamentalist-inclined churches saw themselves as spiritual guardians of indigenous Fijians rights. Non-Christians were perceived as undesirable 'heathens' who needed to come under a 'Christian State'. Christianity was perceived as indigenous Fijian religion and the idea of a Christian State was promoted to consolidate indigenous Fijian political and cultural supremacy. The opposite trend happened in 2006 when the church hierarchy did not support the coup because it was perceived to be 'anti-Fijian'.

The media also has an important role to play in promoting good governance and countering a coup culture. At times, though, the perception has been that the media's portrayal of sensitive issues has incited racial feelings and undermined good governance. There are important and sensitive linkages between the role of a media in pursuing free speech, while not infringing on realistic national security concerns through ensuring responsible, balanced, accurate and fair reporting.

As Table 3.1 indicates, despite the ostensible short term success for some, *there are no long term winners in coups*: all sectors of society suffer in one form or another. Coups thus have led to considerable political, social and economic instability. They have had many effects, as shown in Table 3.1:

On the issue of how to break the cycle of coups it is important to be forward looking and optimistic and be guided by a number of positive principles. The principles need to embrace changes to culture, value systems, institutions, leaders and individuals.[15]

3.5 Important Principles to Ending the 'Coup Culture': a 13-Point Plan

The thirteen points are listed below.

1. Acknowledge that the 'coup culture' can only be ended once and for all by removing the political, economic and social conditions for coups and by strengthening the sanctions against coups.

2. Set up processes to build national reconciliation and healing through use of dialogue, acts of forgiveness and actions addressing the traumas experienced by particular groups and individuals caused by past coups, including through the setting up of conflict resolution mechanisms at the national as well as community levels.

3. Redefine the role of the RFMF to remove its sense of separation from society by including in its role the concept of human security involving a partnership relationship with the citizens in national development, addressing citizens' basic needs, community outreach and enhancement of economic and social opportunities.

4. Transform the role of public leadership in politics, institutions, the private sector, civil society, trade unions, the churches, the media and the chiefly system to build national unity, national identity and advancement of the interests of all of the people of Fiji.

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[15] See also Peace and Stability Development Analysis in the Fiji Islands: A Framework for Action (2007), UNDP..

5. The introduction of legal measures to empower the courts to impose harsher penalties or sanctions, including the dissolution of political parties for engaging in activities that breach important Constitutional principles

6. Take action to improve ethnic relations at the personal, communal, institutional and national levels and through the media; also through anti-discrimination legislation.

7. Look into the overall national security system and enlarge the responsibility for security from State monopoly towards a participatory and mutual partnership between the State and citizens.

8. Reform the electoral system to ensure that it contributes to ethnic integration rather than segregation and tension and end discriminatory behaviour by political parties.

9. Strengthen the institutions of the State, para-state, civil society and community governance so as ensure greater accountability, transparency and openness and enhanced traditional and modern leadership.

10. Establish a comprehensive, ongoing and well resourced civic education process at different levels of the community, as well as replicate it to raise awareness about democracy, good governance, multi-culturalism, peace-building, law and order, the importance of leadership, and the injustice and illegality of coups.

11. Give more attention to rehabilitating and transforming the institutions and the various categories of individuals and groups including business, the media, chiefs and particular churches which are most prone to being implicated in coups.

12. Ensure the Constitutional intent of a separation between Religion and State becomes a reality.

13. Encourage an inclusive and participatory approach to all aspects of governance, involving the citizens at large putting in place mechanisms to facilitate the process.

Table 3.1 Impact of Coups in Fiji

Area	Impacts
Ethnic Relations	Weakened ethnic relations generally. Widened the gulf between ethnic groups and heightened ethnic suspicion. Created intra-communal tension and tension between various political, professional and citizen groups. Caused some inter-communal violence, including desecration of temples.
Governance and Politics	Caused political instability and uncertainty. Undermined democratic institutions and laws of the State and weakened good governance. Led to a loss of confidence in the political leadership of the country. Further weakened the rule of law and the role of courts. Led to redistribution of political power between winners and losers. Led to breakdown of law and order on occasions.
Socio Economic Impacts	Led to economic decline (eg. in GDP growth), business failures and uncertainty. Created a negative environment for investment. Caused collective psychological trauma amongst many citizens. Left victims; e.g. those sacked from jobs. Ruined many professional, working and personal relationships. Created a sense of fear and unease amongst the citizens. Violated people's human rights. Undermined people's sense of being and belonging. Spurred increased emigration of scarce skills, e.g. skilled workers; university academics; the professions Caused a decline in the number of tourist arrivals and devastated the tourist industry. Limited some citizens' freedom of movement. Caused an increase in Government debt and decline in Government revenue and spending. Increased poverty and unemployment as businesses cut wages, lay off staff. Imposed bank limits affected lending for local business and household borrowing. Disrupted university and schools programs, e.g. in 2000, USP students from outside of Fiji were compelled to return to their countries for a few months.
National Security	Created and perpetuated a culture of political violence. Undermined law and order. Reproduced the coup culture through leading on to the conduct of further coups. Impacted on reputation of army.
International impact	Disturbed good diplomatic relations with neighboring countries. Led to external government sanctions such as the withdrawal or freezing of development aid and governance programs; travel bans against coup participants and loss of student scholarships. Suspended diplomatic relations and membership of international organisations such as the Commonwealth (tied to loss of aid as well). Restricted access to international banks like ADB, World Bank and IMF; Sustained a negative media reaction in Fiji and overseas for a long period.

The following matrix sets out the foregoing 13 principles adjacent to the NCBBF's recommendations for ending the 'coup culture':

Action to End the 'Coup Culture'	
Principle	Specific Recommendations
1. Remove the political, economic and social conditions for coups and strengthen the sanctions against coups	See the recommendations in Chapters 5 and 6 of this Report, many of which relate to removing the economic and social conditions that lead to coups. Require all public servants to swear allegiance to the state and also to take an oath not to participate in coups. Strengthen penalties and operation of criminal law in relation to offences related to coups. Amend the Constitution to say that no coup can abrogate the Constitution. Prohibit participants in coups from holding public office in future. Exert greater effort in addressing the situation of the rural and urban poor in order to avoid social alienation and political manipulation. Encourage Fiji Indians and indigenous Fijians mutual partnership in development, commerce and investment. Encourage Fiji Indians to share their business skills with indigenous Fijians and indigenous Fijians to share their land in a cooperative-type arrangement to benefit both communities. Put in place a participatory partnership program involving the landowners and the Government to ensure full utilisation of indigenous Fijians land, development of entrepreneurial and motivational skills and socio-economic discipline in rural villages to promote wealth and well-being. Any conviction of treason is to be subject to automatic life sentence subject to an urgent review of the life sentence term so that it actually is a life term rather than the current practice of 14 years. As part of their oath of loyalty to the State ensure that every politician who enters Parliament makes a commitment not to participate in any future coups. Participation in a coup to lead to immediate vacation of a public or chiefly office and forfeiture of all property owned by the individual.
2. Set up processes to build national reconciliation and healing	Create a Commission to conduct public hearings and explore ways in which true healing can be achieved across Fiji. Create conflict resolution services to address specific conflicts across Fiji. Exert concerted effort to put in place conflict resolution and peace building expertise and mechanisms within the State system to help address the differences and conflict between State institutions, within State institutions, between political parties and between the State and other organisations (use of the legal mechanism often encourages tension). Set up comprehensive counseling and community healing systems within State institutions, Government departments, military, police, corporate and civil society organisations to respond to the problems of Fiji. Exert concerted effort in reconciling communities across Fiji, with the support of the NGOs.

Action to End the 'Coup Culture'	
Principle	Specific Recommendations
3. Redefine the role of the Republic of Fiji Military Forces	See recommendations for redefining role of RFMF below. Approach UNDP to conduct a parliamentary oversight program for the military to ensure accountability of the military to Parliament instead of just to the Government in power. Such a program has worked admirably in many countries.
4. Transform the role of public leadership	See recommendations for development of a more selfless, inclusive and visionary style of leadership in Chapter 8 of this Report.
5. Strengthen the legal framework to enforce serious breaches of the Constitution.	To review the current law to enable the courts to impose harsher penalties or sanctions for breaches of important Constitutional principles including the dissolution of political parties for engaging in such activities.
6. Take action to improve ethnic relations	Introduction of anti discrimination legislation. Prohibit political parties behaving in a discriminatory way. Reduce incidence of racism, as discussed in Chapter 2 of this Report.
7. Look into the overall national security system	Make changes designed to make sure the national security system reflects contemporary threats such as terrorism and transnational crime. Provide for civil society, the military, police and other important stakeholders having a say in national security policy as per this Report. Put in place a comprehensive security framework for systematic and participatory engagement between the State and the citizens to bridge the gap between the State and the community. This framework to include how State security institutions such as the police and military can take part in normal institutional engagement with civil society organisations, religious organisations and other community organisations in various programs. This institutional engagement should be an ongoing process. The National Security Council should expand its membership to incorporate wide representation including the military and police. Measures should also be taken to facilitate appropriate inputs when possible from civil society organisations, women's organisations, academic institutions and community groups. There should be a comprehensive early-warning system involving the security institutions, State and civil society organisations about the possibilities of future political difficulties.
8. Reform the electoral system	Abolish communal seats and alternative voting and replace with proportional representation system, as discussed in Chapter 1 of this Report. To minimise ethnic tension and political patronage at the local level, elections for municipalities should be on the basis of citizen groups and individuals rather than on the basis of political parties.

Action to End the 'Coup Culture'	
Principle	Specific Recommendations
9.Strengthen the institutional framework for good governance	Institutional strengthening to build up the capacity of weak institutions with good governance roles. Strengthen the capacity and independence of the courts system, as discussed in Chapter 4 of this Report. Strengthen the effectiveness of the Parliament through changes to its procedures and a review of parliamentary remuneration, as discussed in Chapter 4 of this Report. Amend the Constitution to ensure that political parties are more democratic and transparent. Their constitutions must have provisions for multi-ethnic membership, gender inclusivity, multi-ethnic and multi-gender executives and clauses which ensure that members do not get involved in any coup. Political parties who conform to these must be 'rewarded' with some State funding and other privileges. The Government should put in place good governance and ethics guidelines for corporate institutions, civil service, civil society organisations and community organisations to ensure transparency and accountability and to avoid corruption. Implement Public Sector Reforms to improve institutional performance and service delivery.
10. Establish a civic education process	There should be a comprehensive civic education process in the school curriculum and in communities at different levels geared towards good and democratic governance, multi-ethnic engagement, peace-building and inter-cultural understanding.
11. Rehabilitate the attitudes of institutions and the various categories of individuals that lead to coups	Make efforts to set up comprehensive counseling systems within State institutions, Government departments, military, police, corporate and civil society organisations to respond to the problems of trauma that could exacerbate tensions. Members of all public organisations to take oaths not to participate in coups. Use change management programs to reshape organisational cultures —see the recommendations in Chapter 7 in this Report relating to the Public Sector.
12. Ensure the Constitutional separation of religion and state	Require religious organisations to respect the provisions of the Constitution. Remove direct involvement of churches in the conduct of elections, particularly with regard to support for particular political parties.
13. Encourage an inclusive and participatory approach to governance	Create a National Peoples Charter Council and supporting sectoral bodies with membership from civil society and other quarters. Provide opportunities for RFMF to engage with Government on good governance issues, including through membership of the National Peoples Charter Council. Government bodies should incorporate representation from the community at large including women and youth organizations, civil society organizations and other community groups.

3.6 Redefining the Role of the Republic of Fiji Military Forces (RFMF)

While most people may wish that the world is a saner and safer place where military power is not needed, current international norms obligate States to provide for their own defence. In addition, 'good international citizenship' can involve assisting with United Nations collective security obligations by providing military force. This obligation may not always require a standing military force of a particular size or capacity but it does require some attention be given to self-defence.

Fiji is one of only three of the 14 Island members of the Pacific Islands Forum to have an established military. Papua New Guinea and Tonga are the other two. The Solomon Islands and Vanuatu have paramilitary capacity while all the other Pacific States rely on a combination of augmented domestic police forces, regional mechanisms and international agreements to protect their sovereign interests.

Section 87 of Fiji's 1997 Constitution declares that His Excellency the President is Commander-in-Chief of the Military Forces. According to section 112, he appoints a Commander of the Forces on the advice of the Prime Minister. The Commander exercises executive command of the military subject to the control of the Government. In general, the RFMF is distinct from the Public Service but both of these bodies are part of the State service. Further legislative provision for the RFMF is contained in the RFMF Act.

Figure 3.2: The size of the Fiji military from 1997 to 2008

Source: RFMF Strategic Headquarters
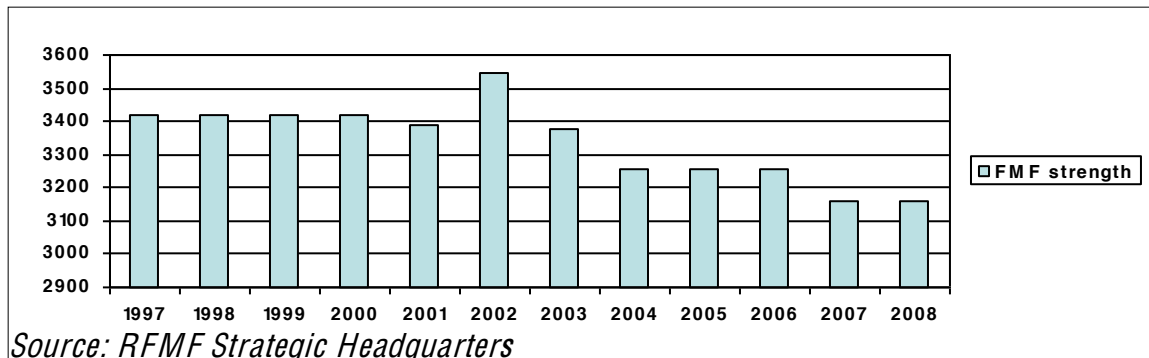
Fiji's military has been in existence since 1870. It has a long and proud tradition of service to Fiji. As at 20th May 2008, the RFMF had 3,095 members out of the expected capacity of 3257 force strength, with 80 per cent of its membership indigenous Fijians; and 57 are women. About 1,300 members are serving overseas, most of them being on peace-keeping duties in the Sinai.

The breakdown of this strength is as follows within the RFMF's 11 units: 274 in Strategic Headquarters, 149 each in Force Training Group and Deployable Force Head Quarters; 131 in Queen Elizabeth Barracks; 300 in Logistical Support; 575 in 3FIR; 394 in Engineers; 79 in Signal Squadron; 416 in Land Force Group; 290 in Maritime and 338 in 2FIR. [16]

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[16] Figures provided by the RFMF.

One international gauge for the size of the armed forces is derived from the ratio of a country's armed forces to its population. This is a measure of the national military burden known as the 'force ratio'. Reaping the peace dividend at the end of the Cold War generally saw a decline in armed forces and consequently a decrease in the force ratio for many States. In 1999, the global average was 3.6 service personnel per 1,000 of population. The force ratio in 1999 for developing States was lower, standing at 3.1. The current force to population ratio for Fiji is approximately 3.8.

Despite its proud history, since 1977 the RFMF has had a dual image: as a respected institution with an international reputation as a fine fighting and distinguished peace-keeping force; and as a military responsible for coups acting as an instrument of indigenous Fijians ruling class and its political and cultural interests.

Since Independence, the RFMF has had to operate within the framework of two philosophies. First was the philosophy of liberal democracy and associated principle of civic accountability and second was the notion of primordial loyalty and associated values of chiefly authority. Thus, while the Military saw itself as an independent praetorian institution established along the lines of the liberal democratic State system, it also saw itself as a guardian of indigenous Fijians establishment.

This contradiction surfaced during the 1987 coup, when the Military intervened on behalf of indigenous ethno-nationalist interests after a Fiji Indian dominated but indigenous Fijians led Government, in the form of the NFP-Labour Party coalition, came into power. The perception of the Military as an indigenous institution was reinforced by the preponderance of indigenous Fijians in the Military. Especially after 1987, Fiji Indians came to see the Fiji Military as a symbol of their perpetual subordination and vulnerability.

The 1987 military coups were significant in a number of ideological and political respects. Firstly, the Military re-asserted Fijian political hegemony, displacing a democratically elected Government in a violent way. This action re-defined the political paradigm where democracy became legitimate only when indigenous Fijians establishment was returned to power. This attitude was a consequence of the highly ethnicised political culture and political institutions in Fiji, where democracy had become a means for contesting ethnic control of State power rather than a vehicle for political legitimacy and national unity. Secondly, the coups revealed the fundamental contradictions within the ideological content of the military institution.

On one hand, the Military was a national security apparatus and on the other hand, lay the assertion that the Military was a Fijian communal institution. Thirdly, the coups brought to the surface tensions between the institutional structure and agency, 'structure' referring to the Military as an institution and 'agency' referring to individual soldiers. Many officers and soldiers who remained loyal to their professional oaths were under pressure to support the coup. Coup leader, Lt. Col. Sitiveni Rabuka used his charisma and forceful character to reshape the loyalty of officers, and transformed the Military institution along the lines of his aspirations. Fourthly, the coups reinforced ethnic differentiation and distrust in a manner not experienced before, although the social, cultural and political divide between

the two ethnic groups had existed in various forms and degrees over the years of the colonial and postcolonial periods.

The Military has needed to review its role in the light of emerging threats in the national security environment: these changing threats are best discussed in the 1997 Defence White paper.[17] Nevertheless, over the years (especially since 1990) the military has gone through institutional and ideological transformation which has drastically altered its ethno-nationalist image and ideological orientation. The Military redefined its image and in the process discarded its old ethno-nationalist image and embraced and exerted a new multi-ethnic one. Loyalty to Fiji's multi-ethnic community rather than to indigenous institutions became the new norm. This new image caused considerable discomfort amongst the traditionalists within the Fijian political establishment, including the largely indigenous Fijians Methodist Church.

The intervention of the Military during the 2000 coup was for the purpose of dislodging and crushing the ethno-nationalist civilian and some military coup makers who had taken the Government hostage. The Military provided the framework for the post-2000 coup re-democratisation process in Fiji but a few months later, the differences between the elected Government and the Military simmered, in particular regarding their different approaches to dealing with the arrested coup perpetrators. The Military accused the Government of sympathising with the ethno-nationalist coup perpetrators by trying to set them free through the controversial Promotion of Reconciliation, Tolerance and Unity Bill. The Military was adamant that the coup perpetrators were to face the full brunt of the law. However, the tension between the Government and the Military, following the 2000 coup did not total disengagement and accountability to the elected civilian Government easy. In the years leading up to 2006, the working relationship further deteriorated as outlined below.

3.7 A New Role: Maintaining Human Security

While its traditional role in maintaining the nation's security should continue, the future role of the RFMF, at least in part, needs to be redefined to accommodate the notion of 'human security'.

Three critical questions are:

1. How can the RFMF take on a constructive and effective role in national development, and one to which it adheres?;
2. How can the RFMF mend its fractured relationship with the public in a peaceful and mutually engaging way?; and
3. How can the RFMF address the long term security issues of the country through peaceful means?

Since 2000, the RFMF has transformed itself. Its allegiance has moved from the ethno-national interests to commitment to the multi-ethnic State and to good governance. The

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[17] Parliamentary Paper No.3 of 1997.

RFMF's transformation has been a consequence of a change in leadership within the military; the re-professionalisation process; and increased public pressure on the Military to conform to the principles associated with the politically impartial role of the Military in the modern State. This transformation caused discomfort amongst the ethno nationalists, including some traditional chiefs and the Methodist Church's leadership.

While many saw the Military as the saviour of the nation in 2000 for putting down the Speight coup and restoring civilian rule, the relationship with the newly elected Qarase Government soon deteriorated. Issues of good governance were a frequent area of concern for the RFMF as corruption and cronyism were perceived to become prevalent. The Government also made a number of attempts to remove the Commander, RFMF from his post. More importantly, the SDL Party's plans to legislate the release of the 2000 coup perpetrators, as well as to put in place legislation supporting ethno-nationalist land rights causes, such as the Qoliqoli Bill, created immense tensions leading eventually to the events of December 2006.

Today, the RFMF through its Military Council sees itself as needing to play a continuing guardian and leadership role in ensuring that good governance is entrenched in Fiji. It sees the Peoples Charter process as an indispensable part of restoring good governance and, through the national election moving Fiji back to sustainable parliamentary democracy. On the other hand, the Military's critics continue to deplore the claimed illegality of the December 2006 seizure of power and to decry the military's interest in issues of good governance. Critics have called for an election to be held as soon as possible and for the Military to return to barracks. Some have gone so far as to call for the disbandment of the Military.

This stalemate presents a number of dilemmas. Putting to one side the legal aspects that are being litigated, there is the question whether the military has any role to play in relation to good governance: it is sworn, for example, to uphold the Constitution.

The first question concerning the right of the Military to be concerned about good governance has been claimed in a number of other countries such as Thailand; the Philippines; Indonesia; and Turkey. The way that the Military has sought to exert power has sometimes been helpful in the face of weak and ineffectual governance; but in other cases power has been abused. It is not normally regarded as the role of the Military to run a country, although in times of national emergency that has sometimes been necessary.

However, there needs to be an institutional mechanism whereby the Military and civil society can contribute to good governance. Where this is not so, there is a gap in the democratic governance framework and this in itself be a major problem — as transpired in Fiji in 2006. The NCBBF believes that for the future, many stakeholders have a legitimate interest in contributing to good governance from a national security perspective amongst others. These stakeholders include the Military. Thus a legitimate mechanism is required to facilitate dialogue between the Government, the Military and other stakeholders on worrisome governance issues well before they become a national security threat.

That is not to say that the Military runs the country: that is the role of the Government. Nevertheless, it would be foolish if Government did not provide a forum where it can listen, solicit opinions and discuss advice from the military and from civil society. The NCBBF believes that the proposed National Peoples Charter Council — plus an enlarged National Security Council with Military and police representation and inputs from civil society — should enable regular contributions to be made by stakeholders such as the military to the governance of Fiji.

Second, the Military and other stakeholders need to accept that Fiji's new framework for democratic governance will be respected without question, reservation, or resort to coups or other Military action to undermine it. This acceptance needs to be reinforced through the oaths taken by members of the RFMF; by penal sanctions contained in the Constitution and military law; by the denial under the Constitution itself of any possibility of immunity for future coups; and through the series of measures elsewhere recommended by the NCBBF for ending a 'coup culture'.

Third is the question of how to respond to the perception that the Military appears to have lost support amongst a significant portion of the population, in particular because of the 2006 coup but also because of previous ones. The Military has a significant task ahead of it in rebuilding and reshaping its relationships within Fiji society. As part of this, a national dialogue is needed. This dialogue needs to be part of a broader focus under the Peoples Charter towards national reconciliation that includes opportunities for healing with those persons or groups in society who feel traumatised and bruised by the events of one or other coup.

Fourth, as part of this national reconciliation, there is a need for a national dialogue on the question of what is the future role for the Military in Fiji. It is important to recognise that as a result of the events of December 2006, any debate in Fiji about the role of the Military runs the risk of quickly becoming submerged by passionate debates about the decisive action that is believed to be needed to end the coup culture. Some of the population in Fiji has drawn the conclusion that Fiji is better off without an Army; others want to see the Army downsized to an extent that it cannot mount another coup. These are not credible answers and are likely to create their own set of new problems. Any national debate needs to get well beyond the emotional and the pejorative, to focus on the practical future national security needs of Fiji.

The NCBBF does not consider the question of size of the RFMF to be especially relevant to the question of a 'coup culture' since size alone is not associated directly with a propensity of the armed forces to defy civil authority and depose its civilian masters. More important is the effectiveness of the military command structure. In weak States, the Military may well have a stronger and more efficient organisation than any other structure and thus can easily be tempted to act against an established political order if the Military regards that order as venal and ineffectual. The experiences of Algeria, Bangladesh, Burma, Pakistan Thailand and Turkey show something of the range of motives and consequences of such intervention.

The mismatch in organisational capacity, however, presents the democratic society with a genuine dilemma. If a society fears that the military may depose its own Government, then diminishing the effectiveness of the military command may make this less likely but only at the cost of a competent and professional armed force. Yet in turn, the armed forces have a moral obligation to reinforce the very substantial legal duties for military leadership and follow the lawful commands of the civilian authorities in response to the trust and power the community puts in the Military's hands. The other action that is needed is to strengthen the power and the capacity of other parts of the democratic framework of governance along the lines discussed in Chapter 4 of this Report.

In this regard, the NCBBF considers that the need for Fiji to continue with an Army is beyond argument. Disbandment of the Military would leave Fiji unprotected against significant and possibly disastrous national security threats. There is an important national security role that must continue to be played by the RFMF as there will continue to be great potential for disruptive politics in Fiji in the immediate future, as we have seen in the past. The 'hard security' professional role played by the RFMF thus needs to continue but with some basic changes to build re-engagement with civil society and Government.

Fifth, as part of the national dialogue, Fiji's communities need to be educated on how the Army can add value to their lives. For example, that over the years, the RFMF have provided excellent assistance to national development through engineering and construction assistance on infrastructure and housing projects and in trades training activities, appears to go unrecognised. Furthermore, the value of the RFMF as a national resource available to assist even further in national development is often not appreciated. It also appears to go unrecognised that in terms of training, proficiency and general skill level, the RFMF has probably some of the most capable employees in the country. In the NCBBF's view however, the RFMF's reputation has been questioned — not only because of its actions but in part because of a perceived sense of its real level of separation from society rather than its integration within it.

In thinking about difficult and complex problems such as how to address the future role of the RFMF, sometimes what is needed is to find a new way of looking at the problem. In other words, a paradigm shift is required.[18] The new paradigm of human security that is proposed moves away from solely seeing the security framework as the use of physical power, to one of human security. Human security is more concerned with engaging with society and supporting it, than with retaining a separatist 'hard security' outlook: it equates security with people rather than with States and territory; it sees the human being as central to national security's concerns and the best security is therefore to address people's basic needs. This new UN-sponsored paradigm is winning increasing interest from governments around the world.

In considering the future role of the RFMF, the NCBBF believes that in addition to the hard security role the concept of 'human security' has strong appeal. This Human Security function should be managed and coordinated by individual government ministries and departments. Demonstrably, the RFMF would be adding value to the lives of ordinary

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[18] "See Redefining the Role of the Army ", Issues and Discussion Paper, TASS, April, 2008.

Fijians. It would be a means for the RFMF to throw off that sense of separateness and re-engage with Fiji society in providing practical support in national development. It is a way of changing the image of the Military over time. It is also a way of making better use of the under-utilised capacity and special skills that are found in the RFMF. It also helps to address questions about the size, cost and value of the RFMF. Over time, it would also help to address and lower perceived threats to national security.

Thus, incorporating the new human security concept into the Military would be a means of addressing and overcoming the negative assumptions that underlie the existing national security policy. That policy may be described as:

(i)   tending to be too narrow, mechanical and exclusivist in nature;
(ii)   offering security only to some against some members of the society;
(iii)   casting citizens in a negative light and as stereotypes;
(iv)   creating a social gap between the State, Military and citizens;
(v)   tending to promote suspicion and consequently tension between the military and citizens; and
(vi)   thrusting the Military in an aggressive and coercive role and consequently generating a negative image of the Military among citizens.

On the other hand, the human security approach sees national security as an inclusive and mutual partnership between the State, the Military and the citizen and not as isolating, disempowering and potentially divisive.

There are a number of ways that the RFMF could consider becoming more engaged in human security, such as through involvement in:

Marine conservation. One of the important areas relating to food and resource security is marine conservation to protect the environment as well as increasing people's food supply.

Micro-finance and job creation. At this time when jobs are scarce there is a need to build people's self-employment capacity through acquisition of small business skills. This is an opportunity for the military to train some of its officers in collaboration with the National Centre for Small and Micro Business Development (NCSMED), Training and Productivity Authority of Fiji, and so on. Those qualified can be used in the urgent need of training potential small business entrepreneurs around the country.

Agricultural development. Given the global food shortage world-wide and Fiji's current inability to be self-sufficient in food, concerted effort should be made to increase food production for local consumption and export. The Military can play a very important role here by training a number of its officers in appropriate agricultural methods to help landowners develop their land and generate income.

Engineer Corps. The work of the Engineer Corps needs more resources and needs to be expanded to include building roads and bridges. Boat-building for coastal villages would also be a great community development initiative. The Military can generate finance by taking up building contracts for the Housing Authority and other public bodies.

Sanitation and the clean environment. The Military can mobilise its human resources to become involved in dealing with excessive garbage and lack of proper sanitation in our urban and rural areas. In fact Fiji's low ranking in the Human Development Index (HDI) is partly related to these issues. The Military could become directly involved in this area in collaboration with villages and municipal authorities.

From peacekeeping to peace-building. While the Military is known for its peacekeeping proficiency, it should also build up its capacity for community peace-building. Conflicts in the community abound. Thus new and innovative approaches are required to manage and resolve community conflicts before they become major national security problems. For this to happen, a cadre of Military peace-builders need to be trained in collaboration with existing peace institutes and training units at USP, UoF, UNDP and ECREA and some international training institutes. These trained peace-builders can then help train trainers located around the country. The concept of 'from swords to ploughshares' applies here.

Professional counselling. There is a high level of post-traumatic stress in the community with which people have been finding it hard to come to terms. This stress in good part was caused by coups. A well trained unit could be deployed in the community to carry out counselling services.

Village discipline. The Military can help re-build confidence and discipline through partnership with villages in building infrastructure (this has been happening to some extent), helping design and implement a structured village development plan, and instilling discipline in the youth through re-organisation of their work programs.

Youth Training. The Military could play a useful role in communities through providing disciplined training to unemployed youths and offering them skills useful to employment as well as inculcating attitudes of thrift, hard work and self reliance. The proposed Compulsory National Youth Service could be an integral part of this programme.

Prisoner rehabilitation. The Military can work together with the Prisons Services in the prisoner rehabilitation programme by training some prisoners in engineering and other skills. It could also recruit some former prisoners.

Applied Information Technology (IT) skills. The Military needs to build up its capacity in the I.T. area to enable it to respond to some community needs such as installing and teaching.systems in rural schools, villages and other areas of need.

Corporatisation. The Military can be engaged, and generate income, in corporate activities in collaboration with corporate stakeholders. For instance, joint cooperatives with landowners and farmers for commercial agriculture can be explored.

Brass band music teaching. Another area of engagement would be to utilise the brass band skills and link up with institutions such as UoF, USP and FIT for further music development. Qualified music teachers can teach brass band music in schools.

Security guard training. The Military may also be able to generate income through professional training of security guards, either for local companies or for overseas companies. The Military has, over the years, developed high quality security skills.

Security consultancies. Lately there has been a steady increase in security studies and consultancies. The Military needs to be given the freedom to bid for some of these. A pool of highly trained senior officers with security or governance background can be formed to bid for consultancies.

Emergencies. The role of the Military in emergency and national disaster needs to be expanded. Joint training with the Red Cross, St John and other organisations is vital. There should be an emergency unit within the Military to mobilise Military personnel and link up with organisations involved in emergency service.

Public relations. The Military can be very effective in carrying out public education in relation to issues of crime, law and order, HIV/Aids, emergency preparedness, human rights and other issues of public concern. The PR unit in RFMF needs to expand its role to include school visits and public demonstrations. With the help of relevant organisations, an information pack can be put out.

Policy/governance related work. As in other countries there should be the opportunity for secondment of military officers to work in the bureaucracy on policy/governance issues.

The above are but a range of possible options and their practicality and impact needs to be explored further, in particular what it might mean for the average soldier and how it might impact on the RFMF's hard security role and deployment within Fiji. Clearly, a great deal of re-training would be required to perform some identified roles. The developmental role of the Military need to be strengthened to ensure that its professional, technical and social potential is fully realised so that it can respond effectively to the socio-economic situation in the country.

The fundamental thrust in regard to the way forward is to create a military-community development partnership targeted at addressing people's basic needs. This is important in terms of human security. Failure to address people's basic needs can lead to anger and has the potential to mobilise grievances and make them vulnerable to easy political manipulation. Rather than simply responding by force in a reactive way to emerging instability, the Military can contribute a lot through provision of human security in a peaceful and long term sustainable way.

The new concept of security partnership should also include making use of the military skills and capability in the policy making process. Qualified senior military officers can be attached to Government departments such as the National Planning Office to provide input into the development policy process. From the security angle, this is to ensure that the military is incorporated and usefully engaged in the policy process rather than isolating it. Isolating and marginalising the Military from mainstream policy and governance processes can be a security threat in itself.

Inter-institutional partnership should be built between the Military and other educational, policy, social and religious institutions. This partnership should involve attachments, exchange of programmes and skills transfer. For instance, joint projects with key tertiary institutions may involve joint research on security and governance. Another example would be a partnership program with the churches where joint projects on issues of social justice can be arranged. The idea is to ensure that there is a constant interactive flow of ideas, values and principles between the Military and the public institutions as a way of learning from each other and reducing institutional suspicion and tension. The idea is not to 'militarise society', as some may argue, but to 'civilianize' the military culture in a mutually engaging and partnership way.

As to the RFMF's peacekeeping role, the NCBBF concludes that this has been of value to Fiji, to its participants, and to their families. The NCBBF suggests that further cost benefit analysis should be undertaken and shared with the people of Fiji to ensure that peacekeeping remained a worthwhile activity.

The NCBBF is of the view that there is a need to examine the human and social implications of service abroad, be it as members of RFMF, service in the British Army, on peacekeeping missions with UN, or as mercenaries hired by private companies. A few of the issues are that families can be placed under serious strain by the long absence of the family head: the families live under constant fear he might be killed; children grow up without their fathers; women have to cope without their husbands and death can leave families without breadwinners. In addition, there can be difficulty for demobilised soldiers to re-integrate into communities. Any psychological trauma has to be healed and families have to cope with that (such as increased domestic violence). Some demobilised soldiers can become a threat to social peace and security. There have been cases of exploitation of recruits by private security companies (paying fees for work that did not materialise). These recruits can face poor working conditions abroad and partial non-payments. Recruitment by private companies is unchecked (for example, it made possible recruitment of Fiji mercenaries for Bougainville in 2007) in the absence of related legislation. Furthermore, the recruitment of soldiers by private companies is being challenged by the Fiji Human Rights Commission under the UN ban on mercenaries. Fiji was visited by the UN Working Group on Mercenaries in May 2007 and the Group made several recommendations. There are some other fundamental issues to be considered in redefining the role of the RFMF.

As outlined, building a more engaged relationship between the Military and the Government is essential so that, as opposed to 2006, there are avenues for the military to legitimately contribute to debates on good governance issues, while also remaining politically neutral. The Military must always be accountable to the civilian Government but this relationship must be clearly redefined. The current structure assumes that the lines are clear.

The NCBBF suggests there is certainly a need to conduct a national dialogue by which to consult and seek civil society's views as part of the process of reaching an agreement on the future role of the Military. This process cannot simply be left to the State to determine. The public should be invited to provide input on how their security interests could be best

served and the role of the security institutions. Such consultation should culminate in a security summit where representatives of the various sectors of society (state, military, police, corporate organisations, civil societies, religious organisations, churches, community organisations, youth groups, women's organisations) should be represented and come to a national consensus on a common definition and approach to national security.

Clarifying the existing Constitutional provisions related to the military is essential. These provisions are considered as vague and need clarification as a matter of priority. Fiji's national security policy needs to be redrafted with a human security face, with the consequent need for appropriate amendment to the Constitution.

Clarifying the relationship between the Military and the police is another need. The clarification must be understood by the public, particularly in time of crisis. Recognising that the police will need to maintain a rapid deployment force for ready deployment and the military must be capable of deployment as soon as possible, the lines of demarcation between this unit and the Military needs to be clearly spelt out, to avoid confusion and even inter-institutional tension, as happened in 2006.

Reviewing the Military Act so that instructions used to maintain order are not abused in a time of crisis is also an important issue. The potential for human rights abuses should be reduced with clear follow-up procedures where any abuses are reported. In addition, there is a need to develop partnership security alliances between the RFMF and other groups in the State- such as with the Great Council of Chiefs;

Pressing on with the RFMF improving its gender and ethnic composition is crucial. In the NCBBF's view, affirmative action is needed to improve this situation, with quotas set as part of new recruitments.

3.7.1 Recommendations

The NCBBF therefore makes the following recommendations:

(i)   The role of the Military as a security institution should continue as it is, given the real potential for disruptive politics in the country in the future, as we have seen in the recent past. However, the role should be redefined under national security policies and expanded along the human security paradigm, with the relevant Constitutional and legislative provisions amended.

(ii)   The concept of human security should be incorporated into the security framework to redefine the partnership relationship with the citizens in the areas of development, addressing basic needs, community outreach and enhancement of opportunities, with the RFMF being restructured to give effect to this role change.

(iii)   Within the human security framework, effort should be made to improve the relationship between the Military, Government ministries and the public as

well as improve the image of each other and enhance the security system through mutual engagement.

(iv)   There should be a national dialogue on national security and the role of the military.

(v)   The Police should be the primary law and order institution but the point at which the military must intervene needs to be clarified.

(vi)   There should be provision for the clear accountability of the military to the civilian government but through a redefined relationship.

(vii)   The Military must remain politically neutral at all times as a pre-requisite for stability.

(viii)   The possibility of abuses of human rights by the military should be reduced through legislative change and a clear enforcement strategy.

(ix)   The Military must forge alliances and work together with various institutions and organizations around the country to consolidate the process of security partnership.

(x)   The developmental role of the military needs to be strengthened with it playing a lead role in the implementation of the Compulsory National Youth Scheme, to ensure that its professional, technical and social potential is fully realized.

(xi)   Parliament should enact legislation to ensure that mechanisms of accountability are in place. A parliamentary security oversight committee should be set up to oversee the operations of the military.

(xii)   As part of greater engagement between the Military and citizens, there should be direct representation of civil society and citizen groups and others, together with the Military and Police, in the proposed National Peoples Charter Council, with the military and police represented on the National Security Council and inputs able to be made to that Council by civil society, women's organizations and related groups

(xiii)   There should be affirmative action policies in place to ensure greater representation of women and adequate representation of different ethnic groups in the military. Perhaps quota systems would be desirable.

(xiv)   Set up an independent commission, made up of independent military experts, to recommend the appropriate size and ethnic make up of the military based on changes made (i.e. human security).

(xv)   The oath taken by RFMF Members should be to the President, the Constitution and the Laws of Fiji.

3.8   National Security Coordination

The vital national interests of Fiji express the interests of the people and the State based on the values assumed and pursued by various communities by which it ensures prosperity, protection and safety of its people and the stability, existence and functioning of the State.[19]

The NCBBF considered a paper by the Ministry of Defence, National Security and Immigration, which suggests that the following national interests should be asserted, achieved and safe guarded:

(i)   Guaranteeing and maintaining Fiji's sovereignty, territorial integrity and independence;
(ii)   Development and preservation of democracy, welfare, security and safety of Fiji's citizens;
(iii)   Ensuring the sustainable socio-economic, environmental and cultural development of the society;
(iv)   Maintenance of human security and stability in the society; and
(v)   Meeting regional and international commitments.

These national security interests are rather broadly expressed but in using the words 'development' as well as 'preservation' of democracy they appear to encompass aspects of democratic governance that are normally the role of other organs of the State- this aspect is relevant to other issues on ending the coup culture and the role of the military. Upholding the rule of law, as the Police are required to do, is one aspect of democratic governance that should also be emphasised.

National security interests also need to deal with Fiji's interests in protecting its tourism industry or offshore environment; in border security; in protective security; in providing coordination and support in responding to emergencies such as in cyclone relief.

Fiji's national security requirements for the future are as follows:

(1) Domestic

(i)   To prevent any internal or external security challenges and to deal with them effectively should they occur.
(ii)   To have a security system to respond effectively in time of disaster, to issues related to maintenance of law and order, aid to civil power and in national development.

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[19] See paper provided by Ministry of Defence, National Security and Immigration.

(iii)   To maintain a security system that provides a basis for response and expansions to meet emerging threats, in particular for transnational crime and terrorism.

(iv)   To maintain a peaceful, secure and stable internal environment that is conducive to economic development and prosperity;

(v)   To provide effective coordination of all national security issues.

(2) Regional

(i)   To maintain a peaceful, secure and stable internal environment so as to be able to assist other countries in the region if required.

(ii)   To contribute effectively to the maintenance of security and peace in the region by supporting the Pacific Forum.

(3) Global

(i)   To fulfil Fiji's obligation and responsibilities under the United Nations Charter and other International commitments.

(ii)   To demonstrate Fiji's commitment to the maintenance of global security and peace.

(iii)   To demonstrate Fiji's standing in the international community.

The NCBBF also identified a number of major national security challenges for the future. They include trans-national crime- as terrorists and crime groups could proliferate due to globalization leading to crimes such as money laundering, illegal drug importations and people trafficking; environmental and Energy security issues may need greater attention in view of the rising and fluctuating oil prices and changing climatic trends, in particular global warming; and the threat of an outbreak of a pandemic as a result of the 'bird flu' virus prevalent in Asian countries remains a concern. In addition the possible continuation of current levels of economic growth will impact on standards of living and the propensity of individuals to commit crimes; the growing sophistication of terrorism could continue to dramatically change the security landscape globally; and the need for cooperation of inter-agency stakeholders in future security operations, including on a regional basis, wherein the changing nature of warfare demands new capabilities and requires RFMF to be restructured.

The NCBBF noted the advice that there are gaps in the capability needed to deal with these threats- both as to leadership; coordination; technology; intelligence capability; and counter-terrorism; and asymmetric threats. The development of these capabilities is necessary to ensure effective crisis management, be it internal or for peacekeeping.

Towards ensuring a secure Fiji, the NCBBF suggests that a national security policy must also contribute to the protection of sovereignty and national integrity; early identification of significant threats to national security; ending a 'coup culture'; building a credible integrated security approach; enhancing peaceful and harmonious relations between races; and contributing to international peace and stability. Thus, the NCBBF agrees that the national security strategy should be reworked so as to aim at:

(i) Developing a more inclusive approach to national security that involves engagement with civil society;
(ii) A more active National Security Council that is providing leadership in national security;
(iii) Including the RFMF and Police Force as members of a National Security Council, with inputs provided from civil society;
(iv) Strengthening the relevant Ministries;
(v) Promotion of peace and stability in Fiji through helping to strengthen the forces for racial harmonies and eradication of corruption;
(vi) Protection of Public Order, Safety and Security such as State institutions functioning effectively;
(vii) Strengthening of the police and the judiciary;
(viii) Consolidation of agencies to fight crimes, drugs and corruption;
(ix) Protection of national borders;
(x) Protection of citizen and property and upholding the rule of law;
(xi) An active role in regional and international cooperation;
(xii) Strengthening institutional structures to deal effectively with civil emergencies;
(xiii) Ensuring Environmental Security and protection of the public health;
(xiv) Reducing environmental pollution from existing resources;
(xv) Enhancing transparency in public information and assurance of consensus for the strategic solutions and increase of resources for national security strategies success; and
(xvi) Ensuring more effective implementation of existing Defense Policy through the Ministry of Defence, National Security and Immigration.

3.8.1 Recommendations

To improve national security coordination the NCBBF recommends:

1. The national security policy should be reworked:- to take account of contemporary national security threats and the new paradigm of human security whereby national security forces will play a more engaged part in national development in Fiji;

2. The development of a comprehensive national security framework for systematic and participatory engagement between the State and the citizens should be put in place to bridge the gap between the State and the community. This includes how State security institutions such as the Police, Military etc; can take part in normal institutional engagement with civil society organizations, religious organizations and other community organizations in various programs. This institutional engagement should be an ongoing process.

3. The National Security Council should expand its membership to incorporate wide representation including the Military and Police. Measures should also be taken to facilitate appropriate inputs when possible from civil society and women's organisations, academic institutions, community groups, as well as the private sector.

CHAPTER 4. STRENGTHENING DEMOCRATIC GOVERNANCE

4.1 Introduction

Deteriorating governance has been a major problem for Fiji since its independence in 1970. A reformed electoral system is an essential prerequisite but is not by itself sufficient to ensure good governance throughout the country. Much more is needed. This Chapter identifies the other major components that are required and is divided into two parts covering the law and justice sector and the accountability framework.

The NCBBF considered six major issues that need to be addressed.

1. How to entrench good governance?
2. How to enhance the Local Government Framework to more effectively meet the demands of ratepayers?
3. How to strengthen operation of the rule of law, and in particular the effectiveness of the courts, other legal institutions, the police and prisons service?
4. How well is accountability working in Fiji and what action might be needed to strengthen the operation of the various institutions that are responsible for accountability and enhance the transparency of government activities?
5. How to ensure the media make a much more effective contribution to the promotion of good governance and national development in Fiji? and,
6. In overall terms, how to entrench democratic governance through reforms in each of these areas?

4.2 Good Governance

Figure 4.1: Characteristics of Good Governance[20]
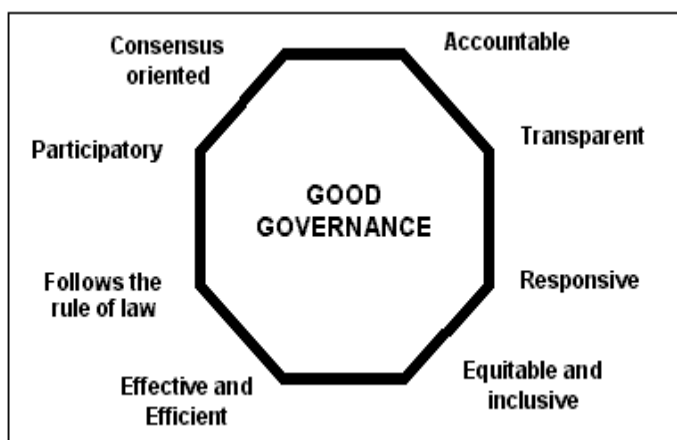
There are many definitions of good governance. The definition used by the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP). ESCAP, and several other UN bodies, describe good governance as having eight major characteristics. It is participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive, and follows the rule of law. It assures

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[20] Source: http://www.unescap.org/pdd/prs/ProjectActivities/Ongoing/gg/governance.asp

that corruption is minimised; the views of minorities are taken into account; and that the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society.

Former U.N. Secretary-General Kofi Annan proposed that: 'Good governance comprises the rule of law, effective State institutions, transparency and accountability in the management of public affairs, respect for human rights, and the meaningful participation of all citizens in the political processes of their countries and in decisions affecting their lives'. Good governance raises the need for transparency, accountability, efficiency, inclusiveness and adherence to the rule of law as the most effective means of ensuring sustainable democracy and improving social and economic development.

In Fiji, there is a need to entrench a culture of democratic good governance such that it becomes the dominant political thinking and behaviour of the people of Fiji. Principles of good governance need to be applied to both the formal governance framework, to the institutions within it, and to how the country is governed on a daily basis in terms of policy formulation and decision making. An even more practical application of these principles can begin with their incorporation into the People's Charter as the basis for reforms to key areas of the democratic governance framework. The NCBBF considered a number of specific measures to reform the system of governance in Fiji with the aim of promoting and entrenching a culture of good governance.

Furthermore, other broad measures can be taken through:

1. Education: Civic education programmes on the People's Charter; and incorporation of good governance principles into civic education curriculum for schools;
2. Increased support for civil society work to entrench democratic good governance at the local level;
3. Increased cooperation with international and regional donor agencies on programs designed to promote good governance; and
4. Improved public awareness campaigns by Government through the Ministry of Information and the media, including educational programmes.

4.3   Enhancing the Local Government Framework

4.3.1 Background

The Reeves Constitution Review Commission[21] considered the issue of Local Government in a broad sense covering both municipal councils and the appointed bodies or Government Departments that exercise functions locally such as advisory councils and rural local authorities.[22] In this Report the term Local Government is used to describe the municipal

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[21] Chapter 18, page 627, Reeves, Vakatora and Lal, *Towards a United Future*, Report of the Constitution Review Commission, Parliamentary Paper No. 34/1996, Government Printer, Suva

[22] Consideration of the development assistance framework for rural areas is dealt with in Chapter 7 on Institutional and Public Sector Reform.

councils elected to provide services to ratepayers within cities and towns under the Local Government Act (Cap. 125). These services include rubbish collection and disposal, parking, street lighting, roads, market facilities, parks, libraries and other amenities. They also perform regulatory functions relating to public health and town planning.

The Reeves Report settled the debate on whether formal recognition for Local Government should be provided under the Constitution recommending that Fiji should continue to be a unitary state. Based on this the authority to recognise Local Government remains with Parliament, which has always allowed local forms of Government to exist. The rationale for this is explained in the Reeves Report, which recognised "the almost universal desire of human beings to organise themselves into small units so they can collectively control matters that affect their daily lives. The same desire underlies the concept of local government. A local form of government allows the people of an area, linked by a community of interest or a common dependence on services or amenities, to identify themselves as an integrated community and thereby manage their common interests and dependence in an orderly and meaningful way."[23]

The Local Government Act regulates all aspects relating to local government in Fiji including the declaration of townships and municipal boundaries, the election, composition and terms for councils and mayors and their functions, powers (including the power to make by-laws) and general administration, which also includes the provision of municipal services and the assessment of rates. The right of the Government to regulate the local government system and the operations of municipal councils in Fiji is exercised by the Minister for Local Government. Some of these powers include:

i. orders for the declaration of any new municipality (town, city or district) for the purposes of the Act or the redefining of boundaries for existing municipalities; and
ii. regulating the control and audits of accounts of municipal councils as they relate to the keeping of records, transfers between accounts and the appointment of auditors.

Furthermore, the Minister of Finance has the authority to provide advances or grants from the Consolidated Fund to municipal councils to enable them to carry out their duties and responsibilities under the Act.[24] Elections are conducted by the Supervisor of Elections every five years under the first past the post system.

4.3.1 Issues

The ability of municipal councils to provide adequate and efficient services to ratepayers within their municipalities remains an ongoing concern. In relation to the financial performance of municipal councils the Auditor-General has continuously highlighted several matters that need to be addressed relating to their annual budget process; measures

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[23] Page 627, Reeves, Vakatora and Lal, *Towards a United Future*, Report of the Constitution Review Commission, Parliamentary Paper No. 34/1996, Government Printer, Suva

[24] House of Representatives, Report of the Sector Standing Committee on Administrative Services, Local Government (Amendment) Bill (No. 6/2006), Parliamentary Paper 47/2006, Dept. of the Legislature, 2006

that regulate corporate governance – regular review and updates of operational manuals, the operation of trust funds and the strategic and corporate planning structure for municipal councils; and the need for the effective enforcement of ethical standards under a Code of Conduct for municipal councils, which includes a public register of all pecuniary interests. The awarding of contracts by municipal councils is a serious problem, and their have been instances where companies in which councillors have a vested interest (normally registered in the name of a spouse or child) are awarded contracts by a Council. There is often no evidence of competitive quotations being obtained before contracts are awarded to companies owned by the councillor's spouse or child.[25]

Municipal councils continue to lobby for public funds from National Governments to enable them to carry out their responsibility to maintain roads within their municipalities. There are also a large number of squatters settlements situated within municipalities. Debate continues on whether municipal councils should receive a portion of funds from national poverty alleviation and housing programmes to provide ratepayer services to squatter settlements within their areas. Villages situated within municipalities are, under the Fijian Affairs Act (Cap. 120), subject to a different set of rules and regulations. While being exempt from city or town by-laws and payment of rates municipal councils are still expected to provide municipal services to villages, and also to squatters and other non-ratepayers residing within their municipalities. Politics at the local and national level can and does have an impact on the relationship between national Governments and municipal councils. This has impacted on the effectiveness of certain national development programmes within towns and cities, which municipal councils are in a better position to implement. This political impediment to development assistance also arises within the District Advisory and Provincial Councils.

4.3.2 Findings and Recommendations

The NCBBF does support the view of the Auditor-General that more effective conduct standards are needed for municipal councils.

There is a need to create a more amiable relationship between national and local governments to allow for more effective national development programmes to be carried out in towns and cities through municipal councils. Options are needed that lessen or remove the political impediments to this relationship. One option is to restrict the participation of registered political parties in local government elections. The NCBBF also notes the recent decision by the Interim Government to commission an independent review of the Local Government framework to be carried out with assistance from the Commonwealth Local Government Forum. One of the aims of this review is to consider the merging of several councils or the possible dissolution of local government in favour of an Urban Planning Authority.

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[25] Submission of the Auditor-General to the Sector Standing Committee of Administrative Services, House of Representatives, Report of the Sector Standing Committee on Administrative Services, Local Government (Amendment) Bill (No. 6/2006), Parliamentary Paper 47/2006, Dept. of the Legislature, 2006

The review also aims to rationalise and re-orient municipal councils on delivery of services, which incorporates greater accountability mechanisms; ensure municipal councils have the capacity and resources to properly discharge their duties; to direct efforts and make resources available to develop each municipality in line with internationally recognised standards of development that incorporate well established principles of urban development in improving roads, drainages, street lights, market facilities and other amenities; and to ensure municipal councils practice good governance. The NCBBF fully endorses this independent Local Government Review by the Interim Government with the assistance of the Commonwealth Local Government Forum in particular as regards how the Local Government framework can be best shaped to promote good governance and ensure effective urban development.

The NCBBF recommends:

i. that the Leadership Code enacted to regulate conduct standards for holders of high public office as required under section 156 of the Constitution also regulate the conduct municipal councillors and town clerks;
ii. that consideration be given to restricting registered political parties from contesting local government elections; and
iii. to the recommendation by the Reeves Constitution Review Commission for an inquiry into *Local Government for rural areas*, which should also take account of the functions of District Advisory and Provincial Councils and the removal of political impediments, which hinder national development initiatives.

4.4   The Effectiveness of Fiji's Legal System

Background

The rule of law must be a basic feature of an effective system of democratic governance. The people of Fiji not only need to know what the law is, they also need to be assured that they live in a society where the law is respected, honoured and obeyed by all; and where all citizens are treated equally by the various courts and other legal institutions. The 1997 Constitution sets out at some length the basic legal rights intended to be enjoyed by all citizens.

For there to be effective and efficient rule of law, the different parts of the legal system need to operate and interact in the following way:

i   Constitutional Rule: the existence of a set of basic rules and principles by which the people of Fiji have agreed to be bound;
ii   Government and other State institutions are subject to the law;
iii   Impartial and independent courts exist to interpret the law;
iv   Laws are transparent and accessible, particularly for the most vulnerable;
v   Laws are enforced and interpreted consistently and their application is efficient and timely;
vi   Laws uphold and protect basic human rights; and

vii Laws can only be changed by an established process that is transparent and accountable.[26]

Box 4.1: *Fiji's Law and Justice Sector*

Legal Framework:
As provided for under the Constitution, Acts of Parliament, regulations and decrees, and the common law of Fiji.
The Courts:
Consisting of the Supreme Court, Court of Appeal, High Court, Magistrates Court and Small Claims Tribunal
Law Enforcement:
The Fiji Police Force, public agencies that enforce specific laws like FIRCA, FICAC, LTA etc. and non-government policing initiatives like private security firms.
Law Officers
Fiji's Attorney-General and the Solicitor-General and all Government lawyers
Prosecution Services:
The National Prosecution Service, which consists of the Director of Public Prosecutions and Police Prosecution Service plus some of the other agencies referred to above.
Parliament:
This includes the Justice, Law & Order Sector Standing Committee of the House of Representatives
Mediators and Arbitrators:
Permanent Arbitrator, Agricultural Tribunal, Commerce Commission, Public Service Appeals Board
The Penal System:
Fiji Prisons and Corrections Service
Legal Profession:
Members of the Bar and the Fiji Law Society. The work of the Public Defender's Office and the Legal Aid Commission is also relevant in this regard.
Human Rights and Law Reform Bodies:
Fiji Law Reform Commission and Fiji Human Rights Commission
Civil Society Organisations:
Non-Government organisations and community bodies focused on the promotion of human rights and other matters related to the administration of justice.

The three components of Fiji's legal system dealt with in this Report are the Courts; the Legal Profession, including the provision of legal aid and prosecution services; and the Fiji Law Reform and Revision Commissions. Also covered are the Police Force, and Prisons Services, which are two additional, closely related components of the overall system. A number of priority areas have been identified by the NCBBF where improvements can be made to strengthen access to justice in Fiji, particularly for the most vulnerable.

Only relatively recently has the Law and Justice Sector started to think of itself as a Sector whose effectiveness in part depends on the ability of the different institutions to operate

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[26] *Equal Access to Justice and the Rule of Law*, Development Assistance Committee, OECD, Issues Brief 2005.

together in a coherent, coordinated and mutually supportive way.[27] The basic features of the Law and Justice Sector in Fiji are outlined in Box 4.1.

The NCBBF considers that, in a technical sense, the Law and Justice Sector is operating reasonably well. In many areas of the legal system where significant problems existed a few years ago, progress has been or is being made. The Australia/Fiji Law and Justice Programme, now suspended,[28] has made a number of improvements, with the Sector now starting to operate more effectively in community policing; and in the operation of the prosecution service.[29] The laws of Fiji have now been revised[30] although access to the new laws for those not on the internet remains difficult. As is discussed below, the NCBBF considers that there is scope for further improvement in:

    a) overcoming the impact of the coups;
    b) accountability in the judiciary;
    c) giving effect to law reform recommendations;
    d) strengthening the effectiveness of law enforcement; and
    e) public awareness of the law and access to justice for ordinary people.

Impact of Coups

There is no doubting the severe impact that repeated coups have on the operation of the rule of law in Fiji. The last coup is at the moment subject to litigation which makes it inappropriate to comment on that coup in any specific way. Suffice it to say that coups mean that the operation of the rule of law is called into serious question, perhaps even to the extent that the rule of law can be seriously undermined and lawlessness takes over. But in Fiji post coup, rather than any attempt to put the law to one side, there has been much preoccupation with whether Fiji has a legal Government; what legal powers it might be able to exercise; and using the courts properly constituted in accordance with the Constitution to resolve the legal questions that are in issue. This at least demonstrates that what is the law remains very important to many citizens and the Government of this country.

It will be very important in moving back to an elected Government that Fiji ensures that the measures put in place under the Peoples Charter include strengthening the operation of the rule of law, in particular through:

    a) executive governments explicitly recognising the independence of the courts;

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[27] This followed the establishment of the Australia-Fiji Law and Justice Sector Program in 2003 (through AusAid) to look at improved coordination on law and justice issues between the Judiciary, Police, Prisons, Director of Public Prosecutions and other components of the sector. Under this program certain law and justice sector priority objectives were identified as needing to be addressed to maintain law and order and uphold the rule of law efficiently and effectively.

[28] Some programmes remain in place mainly relating to direct community action.

[29] *Annual Performance Evaluation Report, Jan. – Dec. 2005*; Australia-Fiji Law and Justice Sector Program, AusAid, Feb. 2006. Suspension relates to direct assistance provided to State institutions. Some programmes involving direct community remain place.

[30] Progress Report, Law Revision Commission,

b) ensuring that the governments at all times comply with the law, including through avoidance of human rights abuses; and

c) promoting the operation of the rule of law within civil society.

Courts are placed in a particularly difficult position by coups. Coups can be divisive for courts in trying to continue to grapple with the ongoing daily need to dispense justice fairly, while not wishing to in any way to compromise their judicial independence from executive government under the separation of powers provided for under the Constitution. Particular Judges have not found it possible to continue to sit on the courts. As an article by Justice Robert French of the Federal Court of Australia in the Australian newspaper points out, the challenge for any recently appointed Judge could be particularly difficult:

> *'The position is different for a judge appointed by the interim Government. Even so, it is not black and white. Judges and courts will be necessary to maintain the basic framework of the rule of law, which is essential to the continuance of civil society in Fiji. But such an appointment may be seen as involving an implicit bargain with the interim Government. The judge so appointed may vow honestly and fearlessly to uphold the rule of law in accordance with his or her oath. But when faced with a challenge to the lawfulness of the government itself, such a judge could be seen to have a conflict of interest. Can a judge decide that the government that appointed him or her lacked the legal authority to do so?'[31]*

There have been some efforts at stirring controversy about the judiciary both after the 2000 coup and after the 2006 coup. However, by and large, with the appointment of an acting Chief Justice by the Interim Government, the courts have got on with their work in administering justice, despite a recent attempt to create debate in the *Fiji Times* regarding judicial performance, as the Attorney-General pointed out in his response:

> *'Fiji now has a full complement of very highly qualified, respected and eminent judges sitting in the High Court, the Court of Appeal, and the Supreme Court. They comprise a mixture of local and expatriate judges. The public continues to bring matters before the courts, they are heard in a timely manner, and in the event they do not receive the judgment they want, they are able to exercise the option to appeal the decision. It is business as usual for the courts in Fiji.'[32]*

Similar issues arise in relation to the continued operations of the Police Force and other law enforcement agencies.

The NCBBF endorses the view that as part of the ending of a coup based culture, the Peoples Charter should include measures strengthening the operation of the rule of law, in particular through Government and other State institutions:

a) explicitly recognising the independence and importance of the role of the courts;

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[31] See John Cameron, *When is a Judge Not a Judge?,* Fiji Times, 27 April 2008

[32] Aiyaz Sayed-Khaiyum, *Court Not Media Will Decide*, Fiji Times 1 May 2008

b) ensuring that the Government at all times complies with the law, including through avoidance of human rights abuses; and

c) the promotion of the strengthened operation of the rule of law within civil society.

The Courts of Fiji

Implementation of some of the recommendations made by Beattie (1994)[33] in relation to case management by the courts are showing signs of improving the effectiveness of the courts particularly in relation to the disposal of civil actions by the High Court of Fiji. Delays in the court system, particularly in the High Court, have been reduced with most cases now being disposed of within a calendar year. The establishment and appointment of a Master of the High Court (with similar powers to that of a judge sitting in Chambers) to handle all pre-trial matters in civil actions filed in the High Court along with the implementation of formal case management processes [34] has, in the past two years, seen a significant reduction in the number of civil cases pending before the High Court. In 2005-06 the total number of civil actions disposed of by the High Court doubled where the High Court, particularly in Suva and Labasa, is now mostly dealing with civil actions initiated in 2006-07.[35] Prior to the implementation of these measures, it could take up to three to five years to bring a civil action to trial. However, there are still some long outstanding cases that have been heard, but where judgements have not yet been handed down.

In relation to criminal matters, there are still problems relating to the effective and efficient disposal of criminal cases. Efforts are on-going to address these issues many of which are set out in the Reports on Fiji's Law and Justice Sector. Measures to be taken call for greater cooperation and coordination between major stakeholders namely the Judiciary, the Director of Public Prosecutions, and also the Fiji Law Society. The establishment of a National Prosecutions Service is one measure (discussed below) and greater cooperation between prosecutors, the Fiji Law Society and the Judiciary particularly in relation to the development of standards that need to be met to ensure cases are handled properly and disposed of efficiently. Some of these standards for specific types of prosecutions are currently being developed by the Office of the Director of Public Prosecutions, to strengthen its performance.

The NCBBF acknowledges the Commission of Inquiry Report by Justice John Connors[36] on the Magistrates Court, part of which aims to improve the disposal of pending cases more efficiently and effectively. There is also a sensitive inquiry going on involving the Chief Justice.

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[33] Beattie, *Commission of Inquiry on the Courts, Fiji*, Govt. Printer, 1994.

[34] Practice Note, Case Management Pilots in the High Court, Appendix 6, Beattie, *Commission of Inquiry on the Courts, Fiji*, 1994; see also Master J.J. Udit, *Expeditious Disposal of Civil Proceedings: The need for a court driven litigation process*, Paper presented to Attorney-General's Conference, 2006

[35] High Court of Fiji, Monthly Returns, Feb. 2005 – Nov. 2006; Master of the High Court of Fiji Records

[36] Fiji Government Press Release, Commission of Inquiry into the Magistrates Court in Fiji Report, http//www.Fiji.gov.fj/public/printer_11870.shtml

Strengthening Judicial Independence

The independence of the judiciary is a continuing issue in the minds of the public. The need for fiscal autonomy and the provision of adequate resources to enable the effective performance of its functions is one particular area that does require consideration. The UN Basic Principles on the Independence of the Judiciary provides that it "is the duty of each Member State to provide adequate resources to enable the judiciary to properly perform its functions."[37] The Commonwealth Latimer House Principles set out guidelines for member States on issues to preserve the independence of the judiciary that relate to court administration as follows:

> *'Funding*
>
> *Sufficient and sustainable funding should be provided to enable the judiciary to perform its functions to the highest standards. Such funds once voted for by the legislature should be protected from alienation and misuse. The allocation or withholding of funding should not be used as a means of exercising improper control over the judiciary. Appropriate salaries, benefits, supporting staff, resources and equipment are essential to the proper functioning of the judiciary. As a matter of principle, judicial salaries and benefits should be set by an independent body and their value should be maintained.*
>
> *Training*
>
> *A culture of judicial education should be developed. Training should be organised, systematic and under the control of an adequately funded judicial body. Judicial training should include the teaching of the law, judicial skills and the social context including ethnic and gender issues. The curriculum should be controlled by judicial officers who should have the assistance of lay specialists.'[38]*

Some of the recommendations made by Mr Justice Beattie (1994) to improve the administration of the judicial department and strengthen judicial independence are still relevant today and should in fact be fully implemented. Some of these recommendations were as follows:

> *'Although the proposal [by the Judiciary] for a separate judiciary controlled court administration system (as in South Australia) is premature in my opinion, preliminary steps should be taken against the time when Fiji could consider taking*

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[37] Article 7, Adopted by the Seventh United Nations Congress on the Prevention of Crime and the Treatment of Offenders, Milan from 26 August – 6 September 1985, endorsed by General Assembly resolutions 40/32 of 29 November 1985 and 40/146 of 13 December 1985, OHCHR
http://www.unhchr.ch/html/menu3/b/h_comp50.htm

[38] Commonwealth Latimer House Principles on the Three Branches of Government, As agreed by Law Ministers and Endorsed by Commonwealth Heads of Government Meeting, Abuja, Nigeria, 2003, pp.16; (Commonwealth Secretariat, Commonwealth Parliamentary Association, Commonwealth Legal Education Association, Commonwealth Judges & Magistrates Association and the Commonwealth Lawyers Association, April 2004)

this step. Meantime, Fiji should establish by statute a Court Services Department. It should endeavour to provide a pool of appropriately qualified administrators. As to the objectives I recommend those followed in South Australia. The duties of the Chief Registrar are appropriate to the administrative head of the proposed Court Services Department. Progressive career paths should be provided for court staff. Re-drafting of job specifications for staff should be considered… A machinery for grievances for court staff should be considered…'[39]

The FLRC Bribery and Corruption Report (2003) has raised the following issues:

'Corruption in the judiciary is not limited to conventional bribery. An insidious and equally damaging form of corruption or influence arises between the Judiciary and the Executive. This is inevitable where the Judiciary is obliged to rely on the Executive for its funding and resources as 'whoever holds the purse calls the tune'.

As a result there has been a tendency for countries to empower their Judiciary to manage the courts with a single line operational budget approved by the Legislature. A political figure is formally responsible for the budget i.e. to the Legislature, which approves the funds. This approach was endorsed by fifty independent countries of the Commonwealth in 1993, whose law Ministers noted that to provide judiciaries with their own budgets 'both bolstered the independence of the courts and placed the Judiciary in a position to maximise the efficiency with which the courts operate''.

The question of improving conditions of service should receive regular attention and there should be a 'self improvement scheme' in place where judges at regular intervals attend meetings with others to interact and to prepare research papers on topics of interest[40].

To strengthen the independence of the judiciary and enable the more effective administration of the judicial department, some of the recommendations made above should be revisited along with a consideration of appropriate measures that continue to maintain accountability such as the continued application of provisions of the Finance Management Act in relation to the preparation of estimates and annual reporting on performance along with minor amendments to public service conduct standards for court staff to reflect their obligations to uphold the integrity of the court. Provisions of the High Court Act 1998 give the judiciary a great deal of autonomy in relation to the appointment of court staff and currently, major issues relate to control of resources. The legal framework envisaged by Beattie for the establishment of a Court Services Department exists and, while not fully implemented, recommendations for more complete autonomy should now be considered. Improved reporting requirements are also an issue – the last annual report to be tabled in Parliament by the Judicial Department is for the year 2000 (tabled in 2004).

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[39] Beattie, *Commission of Inquiry on the Courts, Fiji*, Govt. Printer, 1994; pp. 240-259; 425-6.

[40] Fatiaki, Vakatora & Patel, *Building an Anti-Corruption Culture for Fiji*, Fiji Law Reform Commission, 2003, Parliamentary Paper No. 85/2004, pp.73 Chapter 3.

Improving Judicial Accountability

There is still doubt as to whether judges and magistrates will also be subject to the conduct standards and enforcement mechanisms to be prescribed under a 'Code of Conduct' law to give further effect to subsection 156(2) of the Constitution. The judiciary has maintained that while some of these standards are applicable, any code of conduct adopted for the judiciary needs to take account of the special role of judges and magistrates and that its enforcement should not compromise the personal independence of judicial officers.

The Bangalore Principles of Judicial Conduct 2002[41] were compiled by an international forum of judges and contain a comprehensive list of guidelines, which can be used to regulate the conduct of judges, magistrates and other judicial officers to strengthen their accountability. The principles set out the standards expected of judicial officers and leave the issue of enforcement measures open to each national judiciary.[42] Noting that these standards have been adopted by the Judiciary under their Guiding Principles for Judicial Officers 2005, further assessment is recommended to determine what particular standards, if breached, can invoke the mechanisms under the Constitution for the suspension and dismissal of judges and other judicial officers as opposed to those where breach will simply result in private admonition by the Chief Justice or the Judicial Services Commission. The issue of whether the Code of Conduct to be promulgated or enacted under subsection 156(3) of the Constitution will actually apply to judges and magistrates will also need to be resolved, which may negate the need for the enforcement measures being recommended.

While allegations of corruption within the judiciary (the magistracy) and the public sector as a whole remain a pressing issue – the establishment of the Fiji Independent Commission Against Corruption (FICAC) and creation of new criminal offences which deal with all issues of corruption, appear largely sufficient at this stage to address this issue. However, the adoption of the conduct standards recommended above should also have some impact on addressing these concerns.

Magistrates Courts

Case Management Systems. The performance of the Magistrates Court to effectively deal with both civil and criminal matters continues to be a major concern. In this regard, several recommendations made by the Beattie Report warrant further consideration particularly in relation to court management where the following principles need to be reinforced: parties are advised of fixtures at a reasonable time in advance; trial pressure is maintained so that cases will settle; to set cases for a definite time and hold to it; and to have magistrates ready and willing to hear the case in order to dispose of it. To provide incentives for the magistracy the recommendation was made that 'at the stage the magistrates enjoy the confidence of judges, the Law Society and the public, then an increase in status to that of

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[41] Round Table Meeting of Chief Justices, *The Bangalore Principles of Judicial Conduct 2002*, The Hague, November 25-26, 2002.

[42] Commonwealth Latimer House Principles on the Three Branches of Government, As agreed by Law Ministers and Endorsed by Commonwealth Heads of Government, Abuja, Nigeria, 2003, pp. 20; (Commonwealth Secretariat, April 2004).

District Court Judge and an increase in jurisdiction in both civil and criminal work should be considered.'[43]

While noting these recommendations the NCBBF recognised that the inquiry into the magistracy just completed by Justice John Connors was timely, given the current concerns over its performance. The findings in the Commission of Inquiry Report reinforce the initial observations that public perception of the Magistracy is not favourable. Most of the submissions received raised common elements relating to a weak appointment process, competence, delays in proceedings, bias and corruption, a lack of accountability, weak record keeping and generally weak administrative processes. The role of the legal profession in contributing to this situation is also highlighted. The NCBBF believes that the recommendations designed to improve the operations of the magistracy should be implemented as soon as possible.

The efficient implementation of reform measures designed to improve the efficiency of the court system and access to justice are a cause for concern and there are two notable examples. As recently as 2005, recommendations by Beattie made in 1994, were still in the process of being implemented – the appointment of the Master of the High Court (enabling legislation to make this appointment was enacted in 1998) and the establishment of the National Prosecution Service. The Interim Government has already made decisions on initiatives aimed at providing better and quicker access to justice through the Magistrates Court. These involve increasing the jurisdictional limit of the small claims tribunal to $5000. The Government has also increased the civil jurisdictional limit of the Magistrates' Court to $50,000 as the former limit of $15,000 is too low and therefore a lot of minor cases end up in the High Court. Increasing this jurisdictional limit makes the implementation of recommendations to improve efficiency of the courts even more urgent.

Specialised Courts

The issue of creating specialised courts has also been raised as one way of assisting the people of Fiji by giving particular and specialised attention to specific sorts of legal cases. There is already a specialised division of the courts to deal with family and juvenile matters, and the recent Employment Promulgation establishes a separate division for employment matters. FICAC supports the creation of a corruption division of the High Court. In relation to specialisation in the High Court, Beattie concluded that it 'was not desirable to create separate civil, criminal, commercial, family and administrative divisions in the High Court' stating that the better approach was that 'a reasonable degree of specialisation should be encouraged whenever practicable on an administrative basis, i.e. on a managed case flow basis'. Special divisions for courts to deal with specific matters are usually created under Act of Parliament (or in the case of the Employment Division, presidential promulgation) after comprehensive review of particular areas that are likely to generate a lot of work for the courts.

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[43] Page 96 – 133, *Supra.*

Another issue, indirectly related to specialised courts, has been the ongoing debate over the establishment of Fijian Courts in rural areas. In this regard, the NCBBF endorses the findings of the Review Team on Fijian Administration in 2002 which noted that 'the establishment of courts solely for Fijians is a retrograde step because it will encourage two systems of justice. They instead proposed that the 'jurisdiction of the Magistrates Court should be extended to ensure easier access and more timely justice in the rural areas. These courts would administer village by-laws and minor offences based on the contravention of those by-laws and other remedial measures to be applied locally. This would allow people in rural areas to be dealt with in their environments.'[44] The NCBBF accepts the prevailing view that separate courts are not an option and that equality under the law and respect for the rule of law must not be compromised.

4.5   Effectiveness of Police and Prison Services

Table 4.1 Five Year Comparison of Recorded Top Ten Offences

Offences[45]	2003	2004	2005	2006	2007
THEFT	3205	2843	3380	3492	3648
A O A B H	2943	2858	3333	3237	3230
H B E L	1237	1137	1190	1172	1034
R W V	833	806	914	884	807
DRUGS	417	312	312	333	329
U U O M V	326	326	363	328	247
DEFILEMENT	106	75	81	84	133
RAPE	88	92	138	162	130
ARSON	59	48	56	44	31
MURDER	32	23	23	24	22

Without effective law enforcement by the Police Force that combats and constrains criminal behaviour there is a risk of a drift towards an increasingly lawless society, increasingly fearful citizenry and a consequent reduction in economic and social opportunity. Without an effective Police Force and Prisons Service, periods of incarceration could become brief respites from a lifetime of crime and even more heightened anti-social behaviour.

The NCBBF noted that overall; the public perception is that the crime situation in Fiji appears to be worsening. However it depends which years you compare the crime rate with. In 1997, for example, 22,149 crimes were recorded; whereas in 2007, 18,623 crimes were recorded. However, if just examined over the last five years, crime has increased from 17,276 to 18,623. Serious crime has remained at a relatively high level but has not appreciably worsened in the recorded table in the last five years- theft, assault, house breaking, robbery with violence, drugs, car stealing,

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[44] *Review of the Fijian Administration Report,* Volume I, February 2002, Parliamentary Paper No. 70/2002, Ministry of Fijian Affairs, Culture & Heritage (Price Waterhouse Coopers).

[45] Act with Intent to Cause Grievous Harm (AOABH); House Breaking Entering & Larceny (HBEL); Robbery with Violence (RWV); Unlawful Use of Motor Vehicle (UUOMV).

defilement, rape have been particular concerns. When compared to increases in population, the changes in reported crime level do not appear to be particularly unusual.[46]

However, it appears likely from anecdotal information that the current crime level is being seriously under-reported. This may be due to fear of the consequences of reporting crime or lack of confidence in law enforcement. Lack of reporting of crimes against women and children is one such example. Further research is needed in order to gain a better understanding of current crime levels and the full impact of crime.

Despite the uncertainties about actual crime levels, the NCBBF feels that the key point is more the rising level of concern and apprehension in the community relating to crime. This is having a deleterious impact on the way that people lead their lives and conduct their businesses.

Nevertheless, the NCBBF notes that the Police Force's detection/resolution rate for crime is hovering close to 50%, which is higher than in many other countries.

In so far as the prisons are concerned, the majority in prison are first time offenders. The overall prison population has fallen more recently, thus reducing overcrowding, and now sits at over 900 persons per day. This is about 100 under available prison capacity, although many of the prison facilities remain in poor condition. Most prisoners are relatively young. Recidivism continues to be a major problem, at 56% of all prisoners. [47]

The trends and factors leading to crime include[48]:

- Fiji's *economic and social problems*, with the economy in a difficult state and investment and employment well down. Around 50 percent of the population is living below or close to the poverty line in difficult and often deprived situations, often without employment and with an inadequate support network. With rising food prices, food security may also soon be a growing problem.

- A *breakdown*/inflexibility of *cultural and social values*, partly as a result of increased urbanization, which leaves disgruntled youth vulnerable to criminal and other anti-social behaviour. The result of this behaviour is seen in the criminal justice system – a system which itself is challenged by the weight of numbers and inefficiencies. There is a disproportionate number of indigenous Fijians in the jails. Changing cultural and social values and new urban lifestyles have had their toll too in the increase in lifestyle diseases such as HIV/AIDS.

- The *use of force* as a means of conflict 'resolution' has set an unfortunate precedent for dispute resolution in Fiji and legitimizing in the eyes of communities the use of violence to resolve disputes. The scars of the coups

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[46] Figures provided by Police Force.

[47] Information Discussion Paper, Submission to the NCBBF by the Fiji Prisons Service.

[48] See 'Peace and Stability Development Analysis in the Fiji Islands: A Framework for Action', 2007, UNDP.

since 1987 have not been properly healed and reconciliation processes seem elusive.

- The *growth of a culture of violence* with, reportedly, small circulation of illicit weapons, coupled with the return of Fiji's peacekeepers and security personnel from international operations — often traumatised, jobless and with limited non-combat job skills. The use of force in the international and national arenas has arguably had a direct impact on the use of force in the local arena — manifested in the destruction of religious buildings, icons and an increasing incidence of armed criminal activities. This desensitization to violence is increasingly linked to issues of domestic violence and a readiness to resort to violent means of conflict resolution within families and communities.

There is growing community concern about crime leading to changes in lifestyles aimed to ensure greater self-protection and efforts to make the family home and businesses more secure. Private expenditure on security has increased markedly over the last ten years. However, as public surveys suggest, there is still room for raising public awareness on issues related to the avoidance of crime.

Organisations such as the Neighbourhood Watch Schemes, Crime Prevention Consultative Committees, Crime Prevention Community Initiated Projects and Police and Citizens Youth Clubs are making helpful and lasting contributions to addressing crime prevention issues. At the school level, the crime prevention initiative in the form of Scholastic Program has been introduced in some secondary and primary schools. The large scale involvement of members of the public in community policing and neighbourhood watch zones throughout the country has added to the success of the Police in reducing crime in Fiji.

Nevertheless, the Police Force sees itself as under serious challenge. Crime remains at a high level, with detection rates on crime not improving. While there is recognition of the need to reorient the Force, its budget, human resources, the need for enhanced training, and equipment deficiencies are of concern.[49] Police morale falls after every coup.

The image of the Police Force, however, has suffered from recurring allegations about interrogation practices involving brutality and other claimed human rights abuses. The conviction of some police officers, following recent criminal trials, has also had a seriously adverse impact.

The Police Commissioner is concerned to ensure that the Force is more disciplined and professional in policing. Modern policing should show no tolerance for abuses. However, while the Commissioner needs to have summary disciplinary powers, he is hamstrung in dealing with disciplinary problems in the Force — these have to be referred to the Disciplined Services Commission that can be extremely slow to resolve disciplinary charges. The same disciplinary constraints apply to the Prisons Service.

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[49] Police Force Submission, April 2008.

The Prisons Service needs to give effect to a 2006 Prisons and Corrections Act that would change corrective practices in Fiji for the better. Change is occurring under the new Prisons Commissioner but slowly because comparatively speaking over the years, the Service has been a poor relation when it comes to Government support even though it has recently had an increase in budget.

The Prisons Service suffers from antiquated and unhygienic facilities; low staff ratios per prisoner population of about 1:10 when the world standard is 1:4 and capacity and budget problems that have prevented sufficient focus from being given to intended rehabilitation initiatives. There are a number of promising initiatives for changing the Service that have so far lacked support. In particular, it is essential that the Service address rehabilitation issues much more effectively so that the recidivism rate of 56% starts to decline.

After discussion, the NCBBF concluded that the following interventions are needed in the Police Force and the Prisons Service:

  i improving Law Enforcement through using task forces to clean up serious and/or prevalent criminal behaviour; through using more advanced policing techniques; and through extending community policing across Fiji;

  ii placing a stronger focus on crime prevention and for this to be at the national level by establishing a Crime Prevention Board - which should aim at integrating law enforcement strategies, such as community policing, with crime prevention initiatives involving people in local communities and community crime prevention organizations;

  iii enhancing leadership, capacity and professionalism in the Police Force through participatory strategic planning, training, capacity building and improvement of equipment as well as action to improve the public image of the Force;

  iv greater community involvement in law enforcement - in protecting local communities from crime through awareness raising; in giving communities a stake in decisions about local law enforcement; and in supporting the reintegration of criminals into the community;

  v modernising the Prisons Service- through new expenditure on facilities and other programs that will enable the full implementation of the Prisons and Corrections Act 2006, including through providing alternative options such as community orders work and focusing on capacity building and greater professionalism in the Prisons Service; and

  vi changing the modus operandi of the Prisons Service from incarceration to a corrections policy with much more effort being put into rehabilitation, diversion programs and other initiatives that reduce recidivism.

Other Components of the Law and Justice Sector

National Prosecution Service

The NCBBF noted the success of the National Prosecution Service which was established in 2005. The goal in establishing the service is to ensure more efficient and effective prosecution services by merging the Police Prosecution Service with the Office of the Director of Public Prosecutions bringing all prosecutors in Fiji under the control and direction of the Director. It was also designed to create a clear division between the DPP and the Commissioner of Police in terms of their constitutional responsibilities to prosecute and investigate breaches of the law respectively. Ultimately the goal is to ensure that all prosecutions in Fiji are handled by qualified lawyers. This is of course a long term strategy, which may never be achieved, and interim measures are in place to secure proper training for police prosecutors. Minor amendments to the Criminal Procedure Code are still required to enable the DPP to become responsible (and accountable) for all prosecutions in Fiji. The implementation of this strategy is another measure designed to ensure improved adherence to the rule of law by putting in place a system that can improve the quality of prosecutions for all criminal offences.

Legal Profession

There are many measures that have been implemented in the last decade to improve the quality of the legal profession beginning with the current legal framework in 1997. This requires that all legal practitioners hold practising certificates, which are renewed annually subject to conducting oneself in accordance with the conduct standards set under subsidiary legislation; and to undergo further legal education as prescribed.

In Fiji, a perception exists regarding the ineffectiveness of self regulatory measures to ensure appropriate standards of behaviour for professional bodies like the legal fraternity. Other professionals that provide services to the public can also be mentioned in this regard, They include journalists, doctors and accountants. The most common measure used to address problems has been to remove some of the exclusive control that these professionals have to regulate how they provide their services to the public. Legal practitioners perform a wide range of legal services for their clients such as providing advice, drafting and registration of legal documentation and representation in court for both civil and criminal matters. The majority of these services are provided to the satisfaction of their clients and in accordance with conduct standards prescribed under the Legal Practitioners Act 1997. However, there are some clients who are not satisfied with the services received and complaints have been lodged (as mentioned above there are some 80 odd outstanding complaints against lawyers). The slowness in resolution of these complaints is of concern.

Beattie suggested that any disciplinary tribunal that is established should be chaired by a person who is not a member of the Fiji Law Society. He did also recommend that the majority of any such Tribunal consist of members of the Society. In 2005, the Law Society commissioned an independent review to examine this issue and part of the Australian–Fiji Law and Justice Sector programme was aimed at providing assistance to it to enable the

establishment of a more 'transparent and sustainable system of managing complaints against legal practitioners.'[50] Engaging with the Law Society to facilitate the continuation of the strategies developed under this program is another option that must be explored.

Awareness of Legal Rights

Many people living at village level in Fiji do not have a good understanding of the law. There are measures that can be taken to further strengthen the awareness of basic legal rights such as through the right to counsel and emphasising the right not to incriminate oneself. In addition, formal administrative measures should be considered to allow for greater involvement from civil society and bodies like the Fiji Law Society to assist and complement the work of the Legal Aid Commission and Fiji Human Rights Commission in terms of promoting public awareness of these basic legal rights. The work of the Legal Aid Commission is particularly relevant.[51] There needs to be on-going commitment from every Government to the strategies it has in place to generate greater public awareness of basic legal rights. Currently, education programmes are aimed at specific target groups like prisoners, prison officers, provincial councils and non-government organisations.[52] The production of information materials for general circulation should also be explored.

There is also a need for greater public awareness of the role of the Legal Aid Commission in providing assistance to those who can't afford legal services as highlighted by a community survey carried out under the Law and Justice Sector Program.[53] The possibility of extending the role of the legal aid duty solicitor to the provision of legal services to suspects in police custody should also be considered. One of the goals of the Legal Aid Commission is to establish legal aid offices in the 12 centres that have prosecution offices and this may be possible in centres where police stations are in close proximity to court facilities.

Law Reform and Revision

The NCBBF also considered greater utilisation of formal law reform processes to review certain sectors that are vital to the country's social and economic development. Of the legal reforms undertaken by the Fiji Law Reform Commission[54] in the last decade, the only matters considered have been those falling within the areas of responsibility of the Attorney-General and Minister for Justice. These areas include the establishment of the Family Court and laws that regulate the dissolution of marriage, criminal laws relating to domestic violence and child abuse, laws that regulate succession and intestacy, liquor and

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[50] 2006 Annual Plan, *Australia – Fiji Law and Justice Sector Program*, AusAid, Oct. 2005.

[51] For brief on functions and role of the Legal Aid Commission see Prasad, A., *Legal Aid Commission*, Paper by Director, Legal Aid Commission presented to Attorney-General's Conference, 1998.

[52] Director, Legal Aid Commission, Paper to Working Group 1, 19 May 2008.

[53] Ibid.

[54] For more on the role and functions of the FLRC see http://www.lawreform.gov.fj/common/Default.aspx

prisons and corrections. The current review by the FLRC is of the Penal and Criminal Procedures Codes.[55]

During this same period there has also been major legal reform resulting in the enactment of comprehensive pieces of legislation dealing with important areas like public sector reform (Public Service Act 1999 and Financial Management Act 2004); the environment (Environment Management Act 2004); immigration (Immigration Act 2003); social justice (Social Justice Act 2001); and commercial trade practices (Commerce Act 1999). The Peoples Charter will require amendment to existing laws or enactment of a number of new laws on which the FLRC could render some assistance. Therefore, the NCBBF also recommends that the FLRC, in addition to specific changes already identified elsewhere in this Report, be tasked to review and report on the adequacy of Fiji's existing laws to support the implementation of the Peoples Charter.

Accessibility to Fiji's written laws remains a concern. In relation to law revision the delays in publishing updated laws on an annual basis has led to work being carried out to produce a whole new set of revised laws in accordance with sections 4 and 5 of the Revised Edition of the Laws Act (Cap. 6). Access remains an issue as publication of hard copy sets of these revised laws although technology advances have created options — the website of the Attorney-General's Office contains an updated index of all the laws of Fiji, which in addition to all Acts of Parliament, includes presidential Decrees and Promulgations and all subsidiary legislation. Several websites (both public and private) now have substantive pieces of legislation that provide some access to these laws. The legal framework exists to ensure revision of Fiji's laws is undertaken annually and measures are being considered to merge the Law Revision Commission with the FLRC to ensure delays do not arise in the future. Public awareness through access to written laws remains an ongoing concern and measures ought to be adopted to ensure this.

4.5.1 Recommendations

The NCBBF makes the following recommendations:

i   As part of the ending of a coup based culture, the Peoples Charter should include measures strengthening the operation of the rule of law, in particular through Government and other State institutions:

   a) explicitly recognising the independence and importance of the role of the courts;
   b) ensuring that the government at all times complies with the law, including through avoidance of human rights abuses; and
   c) promoting and strengthening operation of the rule of law within civil society.

ii Any Governments of Fiji should continue to reinforce in every way its view that it is not above the law and its commitment to complying with the operation of the rule of

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[55] *Dealing with the various Acts, particular offences and the removal of obsolete offences*, Issues Papers 1 – 4, Review of the Penal Code and Criminal Procedure Code, Fiji Law Reform Commission ,2006.

law. For this to be credible, Governments needs to avoid any suggestion that it would knowingly fail to comply with an order of a court;

iii The judiciary and government should consider and implement measures to improve the independence and accountability of the judiciary in particular as regards the more effective enforcement of the Guiding Principles for Judicial Officers 2005 and greater administrative and financial autonomy for the Judicial Department;

iv That consideration be given to measures designed to improve access to justice as regards the:

  a) implementation of recommendations of the Connors Report related to improving the operation of the magistracy;
  b) implementation of strategies identified by the Legal Aid Commission for the provision of legal aid services and increasing public awareness of an individual's basic legal rights;
  c) increased support to civil society in promoting public awareness of an individual's basic legal rights; and
  d) more efficient, effective and independent enforcement of conduct standards for legal practitioners as prescribed under the Legal Practitioners Act.

v To improve the formulation, revision and reform of laws in Fiji, consideration is to be given to:

  a) other measures needed beyond the current website to make the laws of Fiji more readily available to the public, including in rural areas;
  b) expanding the work programme of the FLRC to include law reform on current issues of national importance that fall outside the areas of responsibility of the Attorney-General and Minster for Justice;
  c) beyond specific recommendations already made for enactment of new laws, specifically tasking the FLRC to review and report on the adequacy of Fiji's existing laws to support the implementation of the Peoples Charter; and
  d) support from civil society in improving public awareness of the laws of Fiji.

Given the interventions outlined above, the NCBBF makes the following recommendations to improve the effectiveness of Police and Prisons Services.

Police Force

i Set up rapid response units within the Police Force in at least four localities across Fiji to focus on and take action to clean up and reduce serious and/or prevalent criminal behaviour (such as violent crimes) so that the overall offence rate declines annually.

ii   Focus in particular on reducing crime rates against women and children, including rape, defilement, incest and domestic violence, with special facilities to be set up at police stations to deal with these crimes.

iii   Undertake a survey to better gauge the true extent and nature of crime across Fiji, with a view to overcoming the effect of under-reporting of criminal behaviour.

iv   Expand the focus on crime prevention through extending community policing across Fiji and recognizing the vital role that civil society and the private sector must play in combating crime through formalizing the establishment of a national Crime Prevention Board, including civil society and private sector membership, in developing crime prevention and other strategies for combating underlying social and economic problems that can lead to crime.

v   Focus on rebuilding the image of the Police Force through training and by making sure that established breaches of the criminal law or serious abuses of human rights lead to immediate dismissal and that action is also taken to address systemic problems in policing such as to lead to a reduction of complaints against Police .

vi   Review the disciplinary process for the Police Force as regards more expeditious processes for resolving police discipline cases by the Disciplinary Services Commission.

vii   Continue the modernisation of the Police Force including intelligence services, structure, training and equipment and by continuing work to improve its ethnic and gender composition.

viii   Develop enforcement strategies for identifying (including through better statistics) and redressing emerging problem areas in relation to transnational crime such as drug running and money laundering;

ix   Give priority to meeting the requirements of other law enforcement units such as Immigration and the Financial Intelligence Unit.

x   Provide training to the Police Force in workplace transformation, conflict resolution, cross cultural communication and anger management.

xi   Make more use of modern technology (like forensic equipment) to enable the Police Force to be better aligned with the pace of societal and technological changes so that it can deliver on its set of priorities.

xii   Reform laws that impede the combating of crimes e.g. pawn shop laws do not require proper identification of person pawning goods.

xiii   Review the appropriate legislation and make/or introduce specific amendments/requirements to the reinforcement of pawn shop laws that is legally

binding on both the buyer and seller, and also to give the Police powers to prosecute if deem necessary.

Prisons

i Complete implementation of the new Prisons and Corrections Act, change management plan and restructure by the end of 2009, with an enhanced budget to achieve these objectives.

ii Realign the priority of the Prisons Service from incarceration to corrections with a shift in focus and use of human resources under the Prisons and Corrections Act.

iii Review the appointment of the Commissioner of Prisons as regards possible appointment by the Constitutional Offices Commission. That consideration be given for more expeditious processes for resolving prison discipline cases by the Disciplined Services Commission including the delegation of this function to an appropriate body.

iv Work towards reducing the daily prison population by the end of 2010, but while ensuring that those who remain a serious danger to society remain in prison.

v For that purpose, financial assistance should be provided to make greater use of half way houses, community service orders, weekend imprisonment, parole orders and diversion programs to reduce level of imprisonment in Fiji.

vi Explore ways to reduce recidivism through enhancing use of rehabilitation programs and community service orders etc focused on providing possible work opportunities after release.

vii Enhance a constant review of the commercial activities undertaken through the Prisons Service, including by budget arrangements that allow some retention of revenue.

viii Reduce the recidivism rate by the end of 2009.

ix Develop, with NGO support, more effective programs for reintegrating former prisoners with their families and in local communities; and

x Consider the possible ways the RFMF, the Police, and the Prisons Service can assist each other in their work and thereby more effectively perform their responsibilities.

4.6 Accountability Mechanisms

Terms of Reference

In reviewing the overall effectiveness of accountability mechanisms such as the Public Accounts Committee, the Auditor-General, Human Rights Commission, Ombudsman, and the Independent Commission on Corruption, the NCBBF also took the opportunity to conduct an examination of accountability issues in general, which included familiarisation with the work touching on accountability being carried out by other NCBBF Working Groups. Four questions were considered when dealing with this task:

  i What are the issues where accountability is needed?
  ii What is the accountability framework?
  iii Is the accountability framework working?
  iv If not, what needs to be done?

The five institutional mechanisms examined are vital components of the accountability framework. In considering how the accountability framework in Fiji could be strengthened particular focus was given to strengthening the independence of these bodies to enable the more effective performance of their functions and duties and improving the accountability of these institutions. The NCBBF also noted that although not part of the formal accountability framework, the media and civil society play an important role in ensuring public sector accountability.

Definition of Accountability

Accountability involves the ways in which public officials, including Members of Parliament, Ministers and all public sector bodies are able to be called to account to answer for their actions. Effective accountability is a central pillar of a democratic good governance framework. In the absence of effective accountability mechanisms, the people are unable to ensure that Government acts wisely, lawfully and fairly in serving their interests.

While some leaders and officials have carried out their public responsibilities honourably and conscientiously, there are still serious difficulties in the ways in which accountability works in Fiji. The NCBBF's examination of the experience of public administration indicates major accountability issues have arisen relating to:

    i.   the responsibilities of leaders including Ministers, Permanent Secretaries, Constitutional officeholders and the heads of public sector bodies;
    ii.   failures of corporate governance in relation to the quasi-commercial activities of government bodies and commercial companies that have led to the loss of substantial public funds;
    iii.   corrupt activities affecting national and local government, including bribery, fraud and theft;
    iv.   claims of improper behaviour related to at least a few members of the judiciary and magistracy;

v. difficulties in achieving transparency and accountability for the activities of indigenous Government institutions;

vi. Court actions alleging official breaches of legal powers and responsibilities under the Constitution and general law;

vii. various acts of maladministration and, also, deteriorating standards of service delivery across the Public Sector;

viii. inadequate and un-transparent performance by local government bodies;

ix. the loss or misuse of public funds and the failure to comply with financial management procedures;

x. lapses in conducting particular tendering processes;

xi. favouritism, cronyism, nepotism and breaches of the merit principle in relation to public appointments;

xii. breaches of human rights, particularly after coups have occurred;

xiii. disciplinary problems affecting the work of public officials; and

xiv. the improper exercise of patronage.

These issues are continually raised in the Annual Audit Reports of the Auditor-General on the public accounts of the State and Local Government bodies and by the media. Findings in reports of the Auditor-General regularly highlight non-compliance with public service rules and regulations relating to the poor collection of government revenue; abuse of procurement procedures; irregularities in project management; abuse of resources and facilities; poor cash management; employee misconduct; and inadequate record keeping.[56]

This has contributed to the public perception that there is little or no accountability for public officials, from Members of Parliament and Cabinet Ministers to ordinary civil servants, who behave improperly in their professional conduct. Ensuring accountability for public performance thus faces severe challenges in Fiji.

The Accountability Framework

According to Morgan and Hegarty (2003) 'the cycle of accountability is the net effect of all the checks and balances on executive performance, including constitutional oversight offices, government departments, and standing committees such as the Public Accounts Committee.'[57] The accountability framework in Fiji, as is the case in most other Westminster parliamentary democracies, firstly requires effective parliamentary scrutiny of the executive Government, which holds Ministers and public servants to account. Effective parliamentary scrutiny basically involves direct examination by Parliament through its committee system and other processes of day to day public administration, which is considered an essential part of its law making and representative functions. The Public Accounts Committee of the House of Representatives is a critically important feature of this framework.

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[56] See also, Special Investigations, Reports of the Auditor-General, Parliamentary Paper No. 11/2003; 93/2003; 111/2003; 67/2004; 12/2005; and 112/2005.

[57] Michael Morgan & David Hegarty, *Report on Strengthening Pacific Parliaments: Legislative reform for Pacific Island Countries*, UNDP, Oct-Nov, 2003.

Part 11 of the Constitution establishes the Ombudsman and the Office of the Auditor-General to be accountability bodies that operate independently, reporting directly to Parliament. It is these two institutions, as well as the Human Rights Commission (established by section 42), and the more recently established FICAC that are the focus of this review. There are challenges relating to the operation and performance of each of these institutions mainly related to constraints in carrying out their functions such as the lack of control over the management of resources and staff classifications and inadequate funding. A range of reforms is needed to improve the focus, independence, powers, and resources of these bodies. These institutions have several common factors such as (1) they are all concerned with scrutiny of executive action; (2) they have special investigative powers; and (3) they are guaranteed protection under law to carry out their functions free from external control.

The specific functions and duties of these bodies are set out below.

i   The Public Accounts Committee (PAC) is a vital parliamentary oversight mechanism with a standing function to 'examine the accounts of the Government and any other accounts laid before Parliament that the Committee thinks fit to examine in respect of each financial year together with any report of the Auditor-General and shall report thereon to the House.' In accordance with its general function the PAC is supposed to convene and review any report by the Auditor-General tabled in the House of Representatives. This includes reports on the accounts of the whole Government, including all Ministries and departments, local governments, statutory authorities and other public sector institutions. Special investigations carried out by the Auditor-General must also be examined.

ii   The Office of the Auditor-General (OAG) is established under the Constitution[58] to, at least once every year, inspect, audit and report to Parliament on: the accounts of the State, its control of public money and property and all transactions relating to said money and property. In reporting to Parliament, the OAG must state whether, in his or her opinion the transactions with or concerning the public money or public property of the State have been authorised by or pursuant to the Constitution or an Act of the Parliament and expenditure has been applied to the purpose for which it was authorised. How these functions are performed is prescribed under the Audit Act (Cap. 70) and other laws, which authorise the Auditor-General to inspect and audit (including the conduct of performance and environmental audits) or review the audit of accounts and finances of: The whole of Government; Independent Constitutional Offices; Statutory Bodies; Government Commercial Companies; Municipal Councils; and Provincial Councils.

iii   Established under the Constitution[59] the Office of the Ombudsman has the authority (either of his or her own motion or at the request of a Member of Parliament or upon receipt of a complaint from a private citizen or body) to investigate any action by a

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[58] Subsection 168(1).
[59] Subsection 157(1).

public service department or 'prescribed authority' relating to a 'matter of administration'. Investigation powers of the office are prescribed under the Ombudsman Act 1998.

iv   The Fiji Human Rights Commission (FHRC) is established under the Constitution to[60]:

- o Educate the public about the nature and content of the Bill of Rights and international law and standards that promote human rights;
- o Make recommendations to the Government on matters relating to compliance with human rights including recommendations on matters relating to the interpretation of the Bill of Rights that may be referred to the Supreme Court for an opinion; and
- o Perform the functions prescribed under the Human Rights Commission Act 1999 (HRC Act), which mainly involves promoting and protecting the human rights of all persons in the Fiji Islands.

v   FICAC is established by presidential promulgation.[61] Its responsibilities are generally to receive and consider complaints into alleged corruption; investigate any complaint or possible breach of corruption offences as set out in the Prevention of Bribery Promulgation[62] and other laws[63]; scrutinise the conduct of public officials that may be conducive to corruption and examine the practice and procedures of public sector organisations and to secure a revision of such practices that may be conducive to corruption; and promote public awareness about the dangers of corruption and foster public support to combat it. In pursuing its investigative functions FICAC has enforcement powers, which may be exercised subject to the provisions of the promulgation.

The accountability framework extends beyond these five institutional mechanisms and involves other public institutions as well as the media and civil society. There are internal mechanisms within Government designed to ensure accountability such as the Internal Audit Unit of the Ministry of Finance, the Public Service Commission and the Public Service Appeals Board. The existence of civil society and its contribution to public debate on issues of national importance, which includes the accountability of public officials and institutions, is an essential element of any good governance framework. In addition to the protection of minority rights and inclusiveness in the public decision-making process the involvement of civil society and non-government organisations encourages transparency without which there can be no accountability.

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[60] Subsection 42(1).

[61] FICAC Promulgation No. 11/2007, Extraordinary Gazette, 04 April 2007, Vol. 7 no. 29, Government Printer.

[62] No. 12/2007, *ibid.*

[63] As set out under section 2A of the FICAC (Amendment) Promulgation No. 28/2007, Extraordinary Gazette, 14 September 2007, Vol. 7 No. 72, Government Printer.

Is the Accountability Framework Working Effectively?

While there are some areas of accountability framework that work better than others, the NCBBF is of the opinion that the accountability framework generally is not working effectively enough. Most in Fiji would agree that the accountability framework is not working because of the problems that continue to be highlighted. For example, the public has been critical of public service delivery and an apparent lack of accountability for misconduct. While the proper framework exists it has for various reasons failed to produce the desired results. It is not just a question of being under resourced, but also a question of not being given enough enforcement powers, and there not being enough linkage and coordination with the other accountability mechanisms.

Accountability institutions in Fiji have resource constraints that detract from their ability to carry out their functions and duties. Governments in Fiji and throughout the Pacific have used resource constraints to marginalise accountability. Often any actual calling to account occurs well after the occurrence of misconduct. More specific examples of the weakness in the framework are set out below.

Parliamentary scrutiny is not working in practice for several reasons. Firstly, with the absence of Parliament, there is no effective parliamentary process to scrutinise the day to day running of the Government and secondly, a tendency by Members of Parliament to focus on issues of adversarial politics rather than on examining matters that are in the public interest. The PAC is a forum where more detailed and intensive scrutiny of government activities should happen. However, due to delays in the performance of this function the interim PAC is focused for the moment on spending activities of some years ago. Only one final report of the PAC was ever presented to the House of Representatives during the last two terms of Parliament (October 2001 to December 2006). In 2007, prior to the establishment of the interim public accounts committee there were sixty-six reports of the OAG awaiting review and investigation by the PAC. As explained below the PAC also has a number of operational shortcomings:

i There has been very little Government response to PAC reports that have been tabled in the past. The PAC lacks the authority to take further action on a Government response that is submitted i.e. to follow up on its recommendations.

ii Scrutiny of public expenditure requires technical expertise that the PAC has never been able to resource. There is also a high turnover rate for PAC membership, which is another hindrance to effective committee enquiries given that new members often need time to familiarise themselves with procedures for scrutiny of public expenditure.

iii Government Ministries and Departments and other public sector bodies are at times not in a position to provide the PAC with the information required to carry out an effective review of the reports by the OAG.

iv The working relationship between the Ministry of Finance (Internal Audit Unit), OAG and PAC needed to sustain the accountability cycle which does not currently exist.

While the Office of the Auditor-General (OAG) is able to consistently inspect, audit and report on the annual accounts of the State, several factors have affected the performance of this constitutional function, namely:

i   the OAG has not been able to audit the accounts and finances of certain public sector organisations. There are several reasons for this – the lack of information available to complete a proper audit; disputes over whether or not information should be disclosed; and challenges to its authority to actually carry out an inspection and audit of certain bodies;

ii the OAG has expressed concern over its level of autonomy in relation to budgetary approval and its organisational structure as a hindrance to the effective performance of its functions;[64]

iii the Ombudsman's Office can investigate and resolve complaints about maladministration. It seems to work in a relatively low key way though it is claimed that it has been able to resolve all complaints made to it. There is concern, though, that some Ministries and Departments are dismissive of Ombudsman's complaints and that they were not cooperating in resolving complaints as much as they might. Other factors concerning the performance of the Ombudsman have been identified, which are;

iv there appears to be some public uncertainty regarding the scope of administrative actions that fall within the jurisdiction of the Ombudsman, which is in part related to a lack of public awareness about the office's roles and functions. A large number of complaints received relate to administrative action by the Police Force and Prisons Service. These are bodies that are specifically mentioned in the Constitution as being 'prescribed authorities'. General information is not readily available on specific types of action by prescribed authorities that may be investigated;

v   under the Constitution the Ombudsman 'can of his own motion' investigate and review a wide range of administrative action within the public and private sectors. This function has never been exercised. Lack of resources and/or perhaps issues about the potential utility of its functions means the Ombudsman's Office only deals with complaints that have been lodged. The accountability of the public sector would be enhanced even further by these types of investigations particularly when they shed light on systemic administrative processes that may be unfair or unjust;

vi the Ombudsman does not possess the authority to review administrative action by a Minister; and

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[64] Fatiaki, Patel & Vakatora, *Building an Anti-Corruption Culture for Fiji*, Bribery and Corruption Report, Fiji Law Reform Commission, 2003.

vii consideration has been given in recent years to giving the Ombudsman additional responsibilities in relation to the administration of a code of conduct enacted in accordance with subsection 152(3), and freedom of information legislation in accordance with section 174, of the Constitution. Also the Ombudsman as chairperson of the FHRC is also required to perform a wide range of responsibilities under the Human Rights Commission Act 1999. These factors may have an impact on the ability of the office to perform its primary functions.

With respect to the FHRC, the NCBBF makes the following observations.

i Since its establishment the FHRC has attempted to utilise the full range of its functions to promote and protect the human rights of all persons in Fiji. This includes receiving and following through on complaints that fall within its jurisdiction through conciliation or the institution of court proceedings even against State bodies like the Police Force. It has sought to intervene in court proceedings that involve issues relating to the Bill of Rights and continues to publish reports on human rights related issues, which includes some criticisms of Government policy and recommendations to effect change.

ii Public debate has ensued since 5 December 2006 on the FHRC's expressed views on a number of subjects affecting the current political situation and the conduct of the SDL government while in office. Reports have been published by the FHRC expressing its opinions on the military's actions on 5 December; on the conduct of the 2006 general elections; on the conduct and role of the media in Fiji; and most recently on possible violations of Fiji's sovereignty by Australian defence personnel just prior to military takeover.

iii Prior to 2007 a significant proportion of funds utilised by the FHCR in the performance of its functions was received from international agencies particularly related to public awareness strategies and human rights training and building resource capacity. Total funds committed by donor agencies can at times be greater than the annual budgetary allocation from Government. The FHRC has adopted its own accounting policies (cash basis) based on generally accepted accounting practice.

iv Another form of accountability is that illegal conduct can be, and is, prosecuted in the courts through the Director of Public Prosecutions. Unlawful behaviour can also be challenged through the court system. Since FICAC was established by the Interim Government in April 2007 it has received over 2000 complaints. Its investigations have already exposed a range of corrupt activities. However, while FICAC is trying to improve the public profile for its work, it faces capacity limitations and there is insufficient experience as yet to establish whether FICAC can make a real impact on corruption.

Transparency International Fiji has identified the following alleged or perceived acts of corruption that regularly occur in Fiji:

i **Kick Backs.** Public officials demanding levies or bribes for the provision of services they are expected to deliver.

ii **Greasing the Palms.** Companies or powerful individuals offering incentives or financial reward to public officials to facilitate the provision of goods or services.

iii **Nepotism/Cronyism.** This exists in the appointment of public officers in the public service, staff and directors of government commercial companies and the awarding of government contracts.

iv **Rank Pulling.** Where social or political status has been used to exert undue influence over decision makers.

v **Unethical or Unfair Decisions on Public Procurement.** The established machinery for large procurements has been compromised in the past both by public officials and the private sector making unsolicited offers.

vi **Abuse of Public Funds.** The misuse of budgetary authority by public officials both elected and unelected.

vii **Over Pricing by Importers.** Charging for duty that has been exempted.

viii **Bribery of Supervising Officials.** Private contractors bribing supervisors to use sub-standard materials on public projects.[65]

There are also disciplinary bodies relating to improper conduct in the public sector. These deal with charges of disciplinary offences by public officials. The Public Service Commission for example has only recently taken a tougher line with offences of dishonesty involving public servants and in the past delays investigating and penalising misconduct have weakened the accountability framework. By contrast, the Police Disciplinary Commission remains sluggish in dealing with disciplinary cases.

The NCBBF has identified the several general factors that affect the accountability framework in Fiji, namely:

i. The power and status of leaders. There has been reluctance in the past to investigate the activities of leaders and to call them to account. This became systemic with a 'spoils' culture developed in which it was accepted that leaders, if they wish, have the right to take advantage of their position.

ii. Political interference also affects accountability in Fiji. Politicians can at times discourage the asking of embarrassing questions or inappropriately interfere in matters to avoid problems being revealed.

iii. Deteriorating standards in service delivery. The lack of a client service ethic throughout the Public Sector. Public service commitment to serving the people of Fiji in delivering effective and efficient services is often questioned. Access to basic services such as health, education, water and power are seen as particular problems. A lot of Fiji's problems result from the lack of clear performance indicators and service delivery agreements, which is why corruption occurs.

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[65] Singh, H.P., & Dakunivosa, M., *National Integrity Systems Country Study Report 2001*, Transparency International Fiji.

iv. The overall lack of transparency in Government. Although improvements have been made in making the decision-making process more transparent, Government is at times still perceived as operating under a veil of secrecy and obtaining proper information on the decision-making process and policy consideration is difficult. This is accentuated by poor record keeping and in extreme cases the lack of transparency is intentionally designed to establish a conspiracy of silence.

v. Often the experience in enforcing accountability reveals deep seated and systemic problems in the way decisions are being made that requires a change in approach. Accountability institutions don't seem focused on such issues, even though they may be adversely affecting a significant proportion of the people of Fiji.

vi. Civil society is at times not well placed in Fiji to pursue accountability issues. There is a lack of public awareness in that the public is not well informed about the range of accountability issues affecting Fiji. Nor is civil society well informed about mechanisms, such as the Ombudsman, that can be used to bring officials to account. This state of affairs is not assisted by the mixed performance of the media as there is not a well developed tradition of investigative reporting in Fiji. The quality of reporting is patchy. Where governance is weak, civil society needs to play an active advocacy role. There are non-government organisations that are attempting to play this role in Fiji.

4.6.1   Actions to Entrench Better Accountability

Certain basic elements listed below can help to ensure the accountability of institutions such as the Office of the Ombudsman and FICAC.

  i   Reporting on their performance and use of resources;
  ii Parliamentary scrutiny of their activities;
  iii Checks and balances on each other's operations; and
  iv Periodic independent review of their roles and functions.

The accountability of these bodies is enhanced when: their administrative responsibility is to the legislature and not just to a Minister; annual reports are submitted directly to the legislature where they receive active consideration by a committee; Parliamentary committees have the responsibility to hold them accountable for the performance of their functions, which includes the administration of their offices; their financial statements and accounts are audited by the Auditor-General; and performance reviews are conducted at regular intervals.[66]

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[66] These elements and factors are described in a Report on Accountability and Independence Principles titled Accountability Officers of the Western Australian Parliament (2006), Commissioner for Public Sector Standards, Western Australia. See also Chapter 4, Fourth Report by the Select Committee on Public Administration, United Kingdom House of Commons (2006).

Components to ensuring the independence of these offices are independent appointment; separation under law from Government; and personal and operational independence. Such independence is enhanced when they are:

i not appointed by the executive and the process includes a recommendation from a parliamentary committee. Terms in office are fixed;

ii obligated under law, preferably under the Constitution, to perform their functions independently, which also clearly prescribes their functions and acknowledges their status as independent offices;

iii free from recrimination, which is guaranteed by putting in place clear procedures for removal from office, for fixing their remuneration, and limiting legal action for the performance of their functions in good faith; and

iv given sufficient financial resources to perform their functions, which could include parliamentary involvement in the formulation of their budgets and granting sufficient independence from administrative government control.[67]

These factors are mainly used to assess independent constitutional offices like the OAG and the Ombudsman. Many of the issues raised above are similar for measuring the effectiveness of commissions like FHRC[68] and FICAC, although it should be noted that the scope of their functions goes beyond scrutiny of the Government. These bodies are supposed to enjoy a certain amount of independence from both the Government and Parliament to carry out their functions, which raises issues with respect to their own accountability. The Public Accounts Committee as a parliamentary body is of course an oversight mechanism that is authorised by the House of Representatives to carry out its functions and responsible to it for the completion of its reports. Most of these factors do exist in relation to the institutions examined in this paper although a few areas can be strengthened to ensure they are able to perform their functions more effectively particularly in relation to operational independence, stronger enforcement powers, and adequate funding.

With respect to their accountability, this gives rise to two issues: the effective enforcement and application of sub-section 156(2) of the Constitution which sets out the conduct standards required of independent constitutional office holders; and the strengthening of procedures in relation to reporting to Parliament on their performance and activities beyond the tabling of annual reports, which also contributes to strengthening parliamentary oversight.

The performance of all accountability bodies should be subject to some sort of review, in terms of their own performance and, notwithstanding differences in expertise and resources, it would still be useful to bench-mark Fiji's accountability mechanisms against

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[67] Ibid.

[68] The effectiveness, accountability and independence of a National Human Rights Institution are usually assessed against the "Paris Principles", adopted by the UN General Assembly in 1993.

others in developed jurisdictions and against international standards. The Code of Conduct enacted in accordance with subsection 156(3) of the Constitution must provide for effective enforcement measures. The Constitution does provide some protection for independent constitutional office holders requiring independent investigation of any alleged misconduct before any action can be taken to remove him or her for misconduct.

Secondly, strengthening their operational independence may, after further review and examination, include estimates for budgetary allocations being submitted directly to Parliament for approval; greater control over budgetary resources, and the appointment or classification of staff and improvement in resource allocation. Bodies like the FHRC and FICAC, while having direct control over resources, are still subject to direct Government control in terms of budgetary allocations, which makes them subject to control by officials in the Ministry of Finance. Most accountability institutions thus do not have the capacity to be able to carry out their functions fully and effectively.

More specifically, with respect to the PAC, recommendations have been made in a UNDP Legislative Needs Assessment Report on strengthening its performance, which are as follows:

i   That the functions and powers of the PAC be clearly established and strengthened and that consideration be given to legislation, which clearly sets outs its functions, powers and membership.

ii   That the PAC seek to use its existing powers and functions more effectively particularly in relation to co-opting the assistance of experts when carrying out its reviews and its powers and functions under the Parliamentary Powers and Privileges Act (Cap. 5) to order the production of documents and attendance of witnesses.

iii   That the PAC prioritises issues under investigation in order to give appropriate time to more serious issues like mal-administration and corruption rather than technical irregularities.

iv   That the systems of exchange between the Ministry of Finance and the Office of the Auditor-General and the PAC be improved. To this end their advisory role in support of the PAC must include the provision of qualified advisers during its investigations.[69]

The NCBBF emphasises the recommendations made in paragraphs (b) and (d) above as members of the PAC, given their level of expertise, do not have the capacity to scrutinise public sector accounts. An alternative option is for the PAC to co-opt members with relevant expertise like the President of the Fiji Institute of Accountants. Similarly, membership could be extended to representatives of non-government organisations, from bodies like Transparency International Fiji. While the need for legislation requires further examination, the current processes of the PAC to ensure a proper response from the

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[69] Morgan, Delailomaloma & Hegarty, *Building the Parliamentary Process*, Legislative Needs Assessment, Republic of the Fiji Islands, Mission Report, Jan-Feb 2002, UNDP.

Government of the day to the findings and recommendations made by the PAC, needs improvement. Distinctions need to be made between policy considerations which are the responsibility of Ministers and administrative action which is the responsibility of the Chief Accounting Officer (Permanent Secretaries and Department Heads) and its ability to follow up effectively on recommendations it makes upon completion of its reviews needs to be strengthened.

More effective application of the enforcement measures available under the Audit Act (Cap. 70), which makes it an offence to interfere with an inspection and audit by the OAG, is needed to ensure the effective performance of its constitutional functions. Consideration should be given to strengthening these provisions to compel and/or punish public officials and their organisations for refusal or inability to cooperate during an inspection and audit particularly with regard to any constant inability to produce proper records.

The NCBBF believes that the role of the Ombudsman also requires further examination. There are already systems to address administrative complaints. The existence of other accountability institutions, including those examined in this review like the FHRC, the OAG, FICAC and even an independent Judiciary is relevant. The Ombudsman is being considered as the office responsible for investigation under a Code of Conduct law and for the administration of a new Freedom of Information law.

Given that the institutions referred to also require strengthening and there is a general lack of resources for the accountability framework, the NCBBF considered whether there is still a need for an Ombudsman's Office. Secondly, noting the additional obligations being considered for the Ombudsman and current obligations as Chair of the FHRC, a separation of these roles may be required. Lastly, there are, of course, the concerns with regard to the performance of its primary constitutional functions as highlighted above, in particular the lack of authority to review Ministerial administrative action, which is expressly prohibited under the Constitution. If change is to be effected in some areas relating to the role of the Ombudsman, amendment to the Constitution may be required.

FICAC has only recently been established making it difficult to effectively gauge its performance. An examination was carried out of the legal framework for its establishment and operation to determine whether further measures can be taken to improve this framework to guarantee its independence and maintain its accountability. Recent moves by the Interim Government to ratify the United Nations Convention Against Corruption 2005 are acknowledged. However, if corruption is to be checked, FICAC needs to be perceived as more powerful and effective than it has currently been able to project to the public.

In light of other constitutional amendments being considered in other areas like electoral reform, the possibility of amending Part 11 of the Constitution to include FICAC as an independent constitutional office should also be examined. In any event constitutional protections that exist to guarantee the independence of offices like the Commissioner of Police and Director of Public Prosecutions should also be considered for the Commissioner of FICAC. Amending the Constitution in this regard would also mean the conduct standards prescribed under subsection 156(2) of the Constitution would also apply to the Commissioner. In practice FICAC does enjoy operational independence similar to that of

the FHRC, but currently it requires additional resources to be more effective. The immediate focus should be on its ability to effectively perform its functions, including promotion through the media of anti-corruption themes.

4.6.2   Improving Parliamentary Oversight

The NCBBF found during its review of the accountability framework, and other aspects related to the democratic governance framework, that there is definitely a weakness in parliamentary oversight of the executive Government. This led to further consideration, beyond the measures to improve the PAC, of additional reforms needed to strengthen parliamentary oversight in general, which also includes the further development of the parliamentary committee system. The NCBBF noted that the parliamentary practice and procedure (either under written law or internal rules) in developed Commonwealth jurisdictions offer some guidelines on measures that can be taken to strengthen parliamentary oversight, some of which can operate through the committee system. These relate to the:

i   increased scrutiny of subsidiary legislation by requiring their tabling in the House of Representatives and the adoption of procedures that can facilitate their amendment and/or repeal or utilising sector standing committees of the House to review such legislation;

ii   consultation prior to the ratification of treaties by the Government through the Sector Standing Committee on Foreign Relation; and

iii   further review by sector standing committees of certain papers laid on the table, which can include the Quarterly Review of the Reserve Bank of Fiji being referred to the Sector Standing Committee on Economic Services, and reports by the Human Rights Commission to the Human Rights and Equal Opportunities Select Committee. While committees are given functions to carry out such reviews, making them mandatory will improve parliamentary oversight.

4.6.3   Freedom of Information

Although Fiji's 1997 Constitution provided that 'As soon as practicable after the commencement of this Constitution, the Parliament should enact a law to give members of the public rights of access to official documents of the Government and its agencies', no such law has yet been enacted.[70] FOI laws now exist in nearly 70 other countries- they provide rich experience for Fiji to draw on in considering the enactment of such a law.[71]

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[70] The FLP published a draft law in 2000 but this was overtaken by the coup. See "*A Freedom of Information Law for Fiji*", Discussion Paper and Draft Bill, Citizen's Constitutional Forum, March 2004.

[71] The names of the relevant laws and a further discussion of their respective provisions can be found on www.freedominfo.org. See also Toby Mendel, *Freedom of Information: A Comparative Legal Survey*, UNESCO, 2003, www.article19.org

With a rapidly changing global environment that is being significantly shaped by advances in information technology, access to information is today viewed as the oxygen of democracy. The NCBBF believes that an FOI law, if properly framed in its design and then suitably supported in its implementation, has the potential to significantly enhance Fiji's framework for democratic governance. Access to relevant information is critical to knowing what the Government, the Public Service and other public bodies are doing on the community's behalf.

Benefits to the People of Fiji of a Freedom of Information Law

   i. Facilitates public participation in the democratic process, as well as public understanding of what Government is doing;
   ii. The quality of decision-making in Government is enhanced by reason of the fact that accessibility to information about decisions that are made will mean that they are more likely to be properly and fairly made;
   iii. Improved record-keeping practices in Government;
   iv. Provides greater transparency- thereby checking against the opportunities for corruption;
   v. Gives opportunities for individuals to seek redress of grievances through reliance on the information that FOI makes available;
   vi. Improves coordination and policy development within Government; and
   vii. Creates opportunities to hold the Government accountable for its performance in office.

Under an FOI law, the enforceable rights that would be given to the people of Fiji to seek access to public information, subject to specified exemptions, would enhance transparency and accountability, while providing a check on the serious problems of corruption that have plagued Fiji in the past. The law will enable any person who has a grievance about a particular decision affecting him/her to gain the information needed to know why the decision was made and, if the action is believed to be illegal or otherwise improper, then to challenge it.

In order for there to be more transparency within the Public Sector, the NCBBF recognizes that there needs to be a fundamental change in its attitude away from the previous secretiveness towards recognizing the public's right to know. Thus, effective FOI implementation will require the bureaucracy to develop a new culture of openness that, in turn, enables the people of Fiji to feel empowered to use information obtained under FOI to insist on better standards of service delivery and higher levels of performance from government and public sector organisations generally.

The main issues arising from the proposal to enact an FOI law concern the scope of the law; its impact on the bureaucracy; its impact on the people of Fiji; and the planning needed to ensure any new workload is manageable and implementation well handled. The new law should be given a broad scope with provisions as outlined in the box below; that any

legitimate exemptions from access in the new law should not be abused; and that it should follow model FOI laws enacted in other jurisdictions. [72]

Desirable Provisions for a FOI Law

An FOI law should contain the following provisions.

- A right for any individual, organization or legal entity to request information from a Ministry or other public bodies.
- A duty placed on the public sector body to respond and to provide the information within certain time frames.
- A duty placed on public bodies to render reasonable assistance to people in making an FOI request.
- Exemptions that allow the withholding of certain categories of information from disclosure under the FOI law.
- Internal appeals mechanisms to allow the requestor to challenge refusals to disclose documents.
- External review of FOI decisions. Typically, FOI laws either create an external review body known as an Information Commissioner or Ombudsman or allow FOI complaints to be heard by a tribunal or court.
- A right to request amendments to documents held by a public body where they contain personal information that is incorrect.[73]
- A requirement for government bodies to publish information about their functions and the services they provide to the public.[74]

4.6.4   Findings and Conclusions

Ways must be found to enhance the effectiveness and efficiency of the existing accountability framework. This will involve enhancing the effectiveness of the five institutional mechanisms examined above. Some of the measures proposed may also involve amendment to the Constitution to provide for the establishment and functions of FICAC; to separate the Office of the Ombudsman from the FHRC; and to allow the Ombudsman to review the administrative decisions of ministers.

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[72] Currently, the Pacific Forum is developing draft principles for FOI laws to be introduced in the Cook Islands, Papua New Guinea and Vanuatu.[72] UNDP has also released a toolkit for Pacific Governments. The Commonwealth Secretariat of Nations has also issued a model law. In 2004 the Citizen's Constitutional Forum issued a discussion paper together with a draft law.

[73] This was recommended in the Reeves Report. See recommendations 586-591.

[74] The Pacific Forum has been developing draft principles for FOI laws to be introduced in the Cook Islands, Papua New Guinea and Vanuatu.[74] UNDP has also released a toolkit for Pacific Governments- see UNDP, Information Disclosure Policy: A Toolkit for Pacific Governments commissioned by the Pacific Media and Communications Facility (PMCF).

Transparency throughout the public sector is lacking and needs to be improved. Without open and transparent Government, accountability is impossible to enforce. The enactment of FOI Legislation, as soon as practicable, as required under section 174 of the Constitution will be an important part of the solution to this problem.

Support from development partners is essential to assist with the institutional strengthening of accountability agencies. Where necessary, needs assessments need to be carried out on accountability agencies and, for those assessments already undertaken, priority consideration should be given to their immediate implementation.

The NCBBF endorses the measures for strengthening accountability for service delivery as discussed in Chapter 7, namely that:

  i   the Ombudsman play a stronger role in service delivery reviews;
  ii ministries set up Customer Councils for consultation on service delivery issues; and
  iii that there be an annual public survey of performance of ministries in service delivery.

Greater emphasis also needs to be placed on the accountability of indigenous Fijian institutions like the Native Land Trust Board, the Fijian Affairs Board and Provincial Councils. Similarly the conduct and accountability of Government commercial companies through corporate governance standards for public business enterprises must be improved so as to enhance operational performance.

Finally, there is a definite need to put in place further measures to strengthen parliamentary scrutiny of the executive Government, which can be undertaken by further examination of the most effective and efficient way of extending direct parliamentary oversight of subsidiary legislation, treaty ratification, and certain papers tabled. Further consideration should also be given to reviewing the current processes in place for the opening of each parliamentary session to ensure improved reporting by the Government to Parliament on its activities. Measures should be put in place to formalise reporting to Parliament on the implementation of the Peoples Charter by future Governments. This can involve the current convention of an opening address to a joint sitting of Parliament by His Excellency the President or a formal address by the Prime Minister.

The NCBBF recommends that the FOI law be enacted and come into operation as soon as possible, subject to possible phasing in of particular provisions. More detailed implementation recommendations include that each Ministry or Public Sector Agency should designate an FOI officer and that there be training provided for public servants and that a public awareness/education campaign be conducted for civil society. Furthermore, beyond bringing into operation those parts of the new law giving the right to make FOI requests for access to personal information. It is suggested that implementation of other provisions of the FOI law be phased in, over a medium term period, so as to lessen administrative burden. Resources should be made available to build administration capacity.

4.6.5 Recommendations

i The NCBBF recommends strengthening the functions, powers and independence of the institutions examined in this task with particular regard to:

    a) ensuring their own accountability is maintained by the proper application and enforcement of relevant conduct standards set out in subsection 156(2) of the Constitution under a Code of Conduct and the strengthening of reporting requirements to Parliament through appearance at least once a year before a relevant parliamentary committee;

    b) broadening the expertise available to the Public Accounts Committee, imposing stricter obligations on responses from the Government to Committee findings and recommendations and extending the authority of the Committee to subject administrative responses by the Government to further review;

    c) that the enforcement powers of bodies like the Ombudsman and the Auditor-General be strengthened to give them more teeth and to enhance their ability to perform their primary functions;

    d) that the Constitution be amended to provide for the establishment and functions of FICAC and that a further review is undertaken to consider amendment to the Constitution to separate the Ombudsman from the FHRC and to allow the Ombudsman to review administrative decisions by ministers;

    e) that the operational independence of these institutions be improved through the provision of appropriate funding; reforming the procedures for their budgetary allocations; and ensuring greater control over resources and staffing appointments and classifications; and

    f) that serious consideration be given to enhancing parliamentary oversight of subsidiary legislation, treaty ratification, papers tabled in the House of Representatives; and

    g) putting in place procedures that require regular reports to Parliament on the implementation of the Peoples Charter.

ii Improving Transparency — That Freedom of Information legislation be enacted as soon as practicable.

iii That greater emphasis be placed on the accountability of Indigenous Institutions; and that Corporate Governance in Business Enterprises be improved so as to enhance operational performance (see Chapter 7 recommendations).

iv Reviewing Capacity- That support be sought from development partners to assist institutional strengthening of accountability agencies and that priority is given to the implementation of needs assessments already carried out.

v Strengthening Accountability for Service Delivery that the Ombudsman play a stronger role in service delivery reviews; that ministries set up Customer Councils for consultation on service delivery issues; and that there be an annual public survey of performance of ministries in service delivery (as discussed in Chapter 7).

vi That a new Leadership Model be developed through the Peoples Charter process that emphasises acting in the national interest in serving the people as agreed to following deliberations on leadership issues (see Chapter 8 recommendations).

vii That a Leadership Code be enacted to enforce appropriate conduct standards for all holders of high public office (see Chapter 8 recommendations).

4.7   The Role of the Media

The scope of the topic here encompasses all issues related to the public regulation of the media, including licensing, ownership and standards of conduct, as well as the role that should be played by an independent and accountable media in promoting free speech through fostering a high quality debate on issues of national interest, and any impediments to performing that role.

Four broad issues are relevant to any consideration of the role of the media in promoting good governance and national development in Fiji:

i   The extent of media freedom as provided under the Constitution.
ii   Media accountability as regards the conduct of journalists and quality of media services provided.
iii   The relationship between Government (and other State institutions) and the Media.
iv   Licensing, State and cross-ownership issues.

Several Reports have already been published that discuss the role of the media and other aspects relating to the operation of the industry in Fiji. These included the Thomson Foundation Consultancy Report: *Future Media Legislation and Regulation for the Republic of the Fiji Islands 1996*[75] and the Fiji Human Rights Commission Report.[76]   The Commonwealth Parliamentary Association and World Bank Institute Report, *Parliament and the Media Building an Informed Society*[77] was also considered when examining the issue.

There should be no question that a free and vibrant media is indispensable to the operation of a democratic society. It needs to provide a range of information and opinions to the people of Fiji that help to equip citizens to effectively play their role as citizens. One of the most important roles of the media is in the way that it provides public exposure to the actions of the government of the day and to the other institutions of governance such as the courts, the Parliament and the Public Service. The media's role in calling to account those Ministers, officials and others who are charged with managing the nation's affairs is all the more important when other institutions that are intended to ensure accountability are weak.

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[75] The Thomsen Foundation, *Future Media Legislation and Regulation for the Republic of the Fiji Islands*, Consultancy Report (Morgan & Thomas), 1996.

[76] Anthony, *Freedom and Independence of the Media of Fiji*, FHRC 2007

[77] Bouchet & Kariithi, World Bank Institute, 2003.

Fiji has suffered in the past from regular failures in governance that might not have come to light but for the media's reporting.

Fiji is fortunate in having a media that is relatively large in terms of the number of media outlets involved and that takes a robust, activist approach to its role in informing .the public about matters of public interest. The media is hard to typify as it includes print, radio, TV and internet. A new radio outlet has recently started broadcasting and a new TV station is also imminent. Outlets transmit information in English and the vernacular ('Vosa Vakaviti' and Hindi). Some of the media is relatively moderate and more concerned with entertainment while some such as the Fiji Times, Fiji Sun, Daily Post and Fiji One News can take a more political stance when reporting on current events. However, it is important not to over-estimate the influence of print media and television, given that a large part of the population still lives in the rural areas where radio is the most important instrument for transmitting news, information and entertainment. Given the size of the media industry the issue of cross-ownership has never really arisen in Fiji although formal policy measures to address this issue has received consideration given the significance of the industry and the part it plays in national development.

Some of the work undertaken by the media enjoys significant popular support. Many of its journalists are passionate and idealistic and very committed to what they see as the public's right to know. The media has not been afraid to confront and to expose bad governance-individual media organizations have been prepared to be critical, abrasive and often controversial in what they publish when that has been thought to be necessary.

The reporting by some media outlets has, however, led to a serious gulf between the Government of the day and what it perceives to be its intractable opponents. For the situation to have reached this stage is very worrying. Lingering bitterness from the 2006 coup clearly remains a major influence. Nevertheless, the relationship between the government and the media in any country will never be warm or adulatory. The media can be expected to be wary, sceptical and aloof but to be trenchantly critical where public office is abused or when taxpayers' funds are wasted.

Disputes over the appropriate role of the media and the extent of the protection of its freedom under the Constitution — particularly with regard to self regulation over its conduct — have delayed the implementation of possible reforms to other areas of the industry that require regulatory control. State ownership has been an issue for the industry as is the use of public funds for advertising purposes. The licensing regime for media organisations is outdated and does not take account of the current environment in which the industry operates.

4.7.1 Role in Promoting Good Governance and National Development

The NCBBF discussed the role of the media in promoting good governance with three key questions in mind:

  i   what is the role of the media in promoting good governance and national development?
  ii what are the obstacles that weaken the media's ability to promote good governance?
  iii what action is needed to enhance the prospects of the media impacting effectively on good governance?

Where an independent media and a government are both trying to support national development in a country they actually need each other. Both the media and the government serve the same master — namely, the people of Fiji who share aspirations for better lives, peace and stability. Thus, the media has a role to play in good governance by helping to promote what it believes are the changes best needed to serve the people of Fiji. They can, for example, act as the independent critic on what government should be doing to address the endemic governance problems facing Fiji such as corruption, poor service delivery, and low productivity. They can also float new ideas of their own or write opinion pieces on the options for dealing with some of the major economic problems of the time. They can also serve as the barometer for representing public opinion in relation to what the government is doing.

In the circumstances which Fiji now faces, when a greater proportion of its population is poor than was the case at the time of Independence, the need for changes that will move the country forward is urgent. For the media to engage on these issues is not to surrender its independence — it should remain sceptical and critical but also forthrightly committed to promoting what it believes is best in the public interest for the development of the country. Often that is what newspapers seek to do through their editorial or opinion pieces.

Unfortunately, this idealistic perspective does not work too well in Fiji. While today there is more analysis and feature writing than in the past, by and large, most reporting is straight narrative. Some of it is very superficial. Most of the articles in the daily newspapers that provide more serious analysis and commentary on current issues of governance and other national concerns are written by academics, civil society activists and other professionals and not by journalists. Fiji newspapers lack experienced journalists with in-depth knowledge to provide serious analysis and critiques of governance problems and many other issues. Journalism is not regarded as a long term career by most cadet journalists who are recruited immediately after completion of secondary school. It is usually a way station to other more lucrative jobs. To a large extent the print media is concerned with selling newspapers. Many media outlets see their role as more concerned with entertainment than with serious news. Sensational stories, and crime reports and salacious gossip, are what they think their audience wants to read, hear or view. With nearly 50 per cent of Fiji's population 19 years of age or younger, the interests of young people are a preoccupation of the media.

Both the Government's, and certain public, unhappiness with some reporting in the media should not be attributed just to the current situation. The NCBBF notes there have been many criticisms over the years from different governments and civil society regarding bias, selective reporting, a failure to check facts and failures to ensure balance between different points of view. In fact, the Thomson Report[78] came up with exactly the same criticisms that are being made today. Clearly, some honest mistakes do occur — the fact that many journalists are relatively inexperienced and that there is a high turnover of staff does lead to some difficulties. Moreover, the direction the journalists get from senior staff shapes the way they approach any story. For example, in the case of the Peoples Charter, some journalists have made no secret of the negative way in which they feel they have been told to report.

The media would be assisted in performing its independent role of promoting good governance if only it understood better what good governance involves. There are a number of initiatives that could be taken to address this — these are set out in the recommendations endorsed by the NCBBF.

Obstacles

The major obstacle to improving the promotion of good governance flows from the serious misunderstandings (between government and the media) about what it means to have a free media.

There is a need for ongoing dialogue between the Government, civil society and the media about their respective roles in an effort to reach a clear understanding that recognises that free speech is inviolable but with that comes responsibility. There should be no question of censorship. That dialogue needs to start from a true appreciation of what Section 30 of the Constitution means.

Section 30 of the Constitution provides that:

'(1) Every person has the right to freedom of speech and expression, including: (a) freedom to seek, receive and impart information and ideas; and (b) freedom of the press and other media.

(2) A law may limit, or may authorize the limitation of, the right to freedom of expression in the interests of:

a) national security, public safety, public order, public morality, public health or the orderly conduct of national or municipal elections;

b) the protection or maintenance of the reputation, privacy, dignity, rights or freedoms of other persons, including:

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[78] The Thomsen Foundation, *Future Media Legislation and Regulation for the Republic of the Fiji Islands*, Consultancy Report (Morgan & Thomas), 1996.

(i) the right to be free from hate speech, whether directed against individuals or groups; and

(ii) the right of persons injured by inaccurate or offensive media reports to have a correction published on reasonable conditions established by law.

c) preventing the disclosure, as appropriate, of information received in confidence;

d) preventing attacks on the dignity of individuals, groups or communities or respected offices or institutions in a manner likely to promote ill will between races or communities or the oppression of, or discrimination against, any person or persons;

e) maintaining the authority and independence of the courts;

f) imposing reasonable restrictions on the holders of public offices in order to secure their impartial and confidential service; or

g) regulating the technical administration of telecommunications but only to the extent that the limitation is reasonable and justifiable in a free and democratic society.

(3) In this section, *hate speech* means an expression in whatever form that encourages, or has the effect of encouraging, discrimination on a ground proscribed by section 38.'

It is important to recognise that section 30 makes clear the rights of a free media and free speech are subject to any law that provides for limitations as set out in Sub-section (2). All of these objectives seem eminently sensible and limitations that can be imposed must be 'reasonable and justifiable in a free and democratic society'. For example, many Governments in the developed world have placed restrictions on media reporting when national security issues are involved. There are also well accepted restrictions on any reporting that brings courts into disrepute. Fiji already has an old law from colonial times that enables corrections to media articles to be sought and made. However, notwithstanding Sub-section 30(2) of the Constitution, past political efforts to so legislate have been strongly and successfully opposed by the media.

One major difficulty in having a sensible debate about freedom of the media in Fiji is that just a few of the more vociferous outlets in the media tend to behave as though freedom of the media and speech are absolute rights to say what one likes and however one likes. While the majority of the media industry takes their responsibility for providing balanced and fair reporting seriously, one does not need to watch more than, for example, a few bulletins of the nightly TV news to recognize that Fiji TV often makes little pretence at offering its viewers more than one side of an issue, particularly if it is a political perspective. Yet in its submission to NCBBF's Working Group, Fiji TV asserted 'we all

understand and are committed to carrying out our collective responsibility of providing balanced, fair and accurate news reports'.

Unfortunately, as became apparent in discussion with members of the Media Council, the good intentions of many in the media in promoting good governance, is being let down by the attitudes of a few. For this minority, section 30 of the Constitution seems to be being read as though stopping at the end of sub-section (1). Any effort to suggest that these rights also come with responsibility is shouted down. However, year after year, organizations such as the Citizens Constitutional Forum have tried to make the same statements about the need to exercise media and speech rights responsibly. The Fiji media is usually very reluctant to admit accusations of bias, slanted and unbalanced reporting except to admit occasional errors of fact. Another good example of biased and unbalanced reporting combined with a refusal to provide a right of reply, as provided by the Media Code of Ethics and Practice, was the Fiji Times' decision not to publish the Minister of Finance, Mahendra Chaudhry's letters in response to the newspaper's damaging front page article about his involvement in the sugar industry.[79] Too often the daily newspapers publish articles that hurt the reputation of individuals or organizations and they do not provide opportunities for immediate redress through publication of corrections or complaints from those aggrieved. Moreover, where a media outlet does have a particular political standpoint that lies behind the views it expresses, the NCBBF believes this should be publicly disclosed.

The media also argues that they already effectively self regulate the profession under a Code of Ethics and that a Media Council exists that can hear complaints claiming breaches of the Code. Representatives of the Media Council emphasised in discussion with the National Council how seriously it takes its various responsibilities, including dealing with complaints. However, it is not clear that the Council has sufficient resources to enforce the ethical standards — as has been acknowledged by some media outlets. Unless complaints are made direct to the Council on the prescribed form they are not dealt with — this rather technical approach to accepting the validity of complaints should be changed. A related concern is that any corrective action that is taken may seem minimal by comparison with any damaging story released through the media, which often is allowed to stand uncorrected on the public record for a significant period. While adjudications on complaints are taken seriously and the results are published, the existing system for dealing with complaints does not seem to have been able to dispel continued perceptions about irresponsible reporting by a small number of media outlets. Moreover, while it is claimed that journalists are well aware of their code of ethics this does not seem so apparent when raised with some individual journalists.

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[79] Chaudhry, M., *Is the Media Playing Fair?*, Paper presented to the National Council for Building a Better Fiji, 15 April 2008.

4.7.2 Enhancing Media's Role in Fiji

Effective Regulation of Professional Standards

More recently, it has been suggested within the NCBBF that the implicit past bargain that other governments had made with the media whereby they would not legislate under Section 30(2) of the Constitution, provided the media industry had effective self regulation, has proven to be an unsatisfactory solution. In other words, self regulation is not working well enough. Legislation giving effect to the objectives set out in Sub-section 30(2) needs to be pursued. Part of the legislation should deal with the setting up of a transparent Media Tribunal, to be headed by a retired Judge, one person to represent civil society and one person from the media industry. This Tribunal should be managed by the industry but in accordance with the legislation. This legislation should provide a statutory form of self regulation through a Media Council with appeals to the independent Tribunal by people dissatisfied with the response made by the Media Council. Strict time limits should be imposed on the handling of complaints. This process should be managed by the media industry and not in any way provide avenues for government interference with the media. There should be no question of Government censorship.

The purpose should not be to muzzle the media in any way but rather to require the proper application of the media's own ethical standards in regulating the profession. Sanctions that can be imposed should include fines or the issuance of appropriate directions to a media organisation or individuals within that organisation. An appropriate level of funding must be made available by the industry for the effective administration and enforcement of its Code of Ethics to be set out under law.

Relationship between Government and the Media

In terms of the formal relationship between Government and the Media the Commonwealth Parliamentary Association and World Bank Institute Report[80] sets out some basic principles when dealing with the issue of regulation, namely that the regulation of the media should be left to independent bodies that are:

i   Possibly government funded but which operate totally independent of government or other bodies responsible for its funding in the same way as the courts or electoral commission are independent from government;

ii   Composed of strong and independently minded people of integrity and sensitivity who are committed to the concept of the duty of the media to inform the public accurately and responsibly;

iii   Appointed through an independent and transparent process that ensures those selected are free of associations with any interest that might interfere with their ability to adjudicate fairly and impartially;

iv   Governments are free to make commercial decisions but should not misuse their financial power to seek to influence or intimidate the media;

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[80] Bouchet & Kariithi, World Bank Institute, 2003.

v   It is the responsibility of the media, not Parliament, to set and supervise their highest professional and ethical standards;

  vi   Governments and Parliaments should not use examples of inaccurate reporting to legislate controls on the media[81] The media are held to account for their inaccuracies by the court of public opinion through loss of reputation and loss of market share or by courts of law;

 vii   Infrastructure Regulation — Regulations on electronics networks and infrastructures based on technical capacity should not be used as a tool for any form of censorship. Regulations put in place at a time when such capacity was limited should be reviewed in light of recent technological advances that have greatly increased communications capacity;

viii   Broadcast Content Regulation — The regulation of broadcasting should be completely independent of commercial or politically partisan influences. Indicators of independence can be found in the standards agreed by this Group for the appointment of regulators, their funding and their operations.

  ix   Internet Regulation — There needs to be greater international clarity and harmony in the regulation of and policies toward the Internet.[82]

Public relations is now an essential component for major organisations both in the private and public sector. The fact that Government is at times in the position of having to chase breaking news events highlights a need to strengthen aspects relating to its public relations particularly in individual Ministries and departments. The Ministry of Information, in particular, needs to be better organised and more proactive in its work. Unfortunately public officials responsible for dealing with the media seem at times unprepared for the questions they receive. While in some instances these officials cannot reasonably be expected to have specific knowledge of the issues raised in questions put forward, there are also times they are simply unprepared or have not been properly briefed. Generally, processes that enable access to information by the media and the general public are lacking. The enactment of a Freedom of Information law as required under Section 174 of the Constitution will do much to remedy this problem. More can also be done through the production by Government through the Ministry of Information of educational programmes, through the public broadcaster or by other media organisations, if agreed to, about the Constitution and Fiji's system of Government and, when promulgated, about the Peoples Charter.

There is also a need for increased public awareness of governance issues and for assistance to the media in its role of promoting good governance and national development. The Ministry of Information can facilitate this process by improving the briefings it provides to the media on issues relating to governance in Fiji. The NCBBF will also consider the development of a public information program on good governance under the proposed Peoples Charter.

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[81] However, in Fiji and many other jurisdictions legislation is possible to enforce the types of limitations set out by reason of the Constitution itself.

[82] Pages 2-3, ibid.

Licensing & Ownership

The licensing process for the Broadcast Media remains in the hands of the Telecommunications and Regulatory Unit of the Ministry of Information who are responsible for ensuring compliance with license terms in relation to both technical aspects of the industry (particularly relevant for television and radio) and content quality. The Thomson Report[83] recommended that the Ministry of Information be responsible for regulation of the quantitative parameters of the licenses. However, with respect to the qualitative or content aspects of broadcasting programmes, the Thomson Report recommended that regulatory power be given to a non-government body. This was to be a body responsible for both the print and broadcast media.

Government policy has been to place restrictions on foreign ownership of radio and television in that 'a foreign person' must not be in a position to exercise control of a commercial television or radio broadcasting licence. A single foreign person equity in a television or radio company cannot exceed 20 percent, or if more than one foreign person, 35 percent. Of course such restrictions have never been applied to the print media. The Fiji Times is currently owned by News Corporation. Globalisation, open markets and international obligations under the World Trade Organisation and commercial trade practice laws as provided for under the Fair Trade Decree 1992 and the Commerce Commission Act 1999 are also relevant when considering issues with respect to cross-ownership.

The CPA and World Bank Report[84] also set out useful guidelines for appropriate policy measures to deal with ownership, namely:

  i.   Owners of media outlets must recognise that ownership entails a commitment to inform which is at least equal to the need to earn a profit.
  ii.   Foreign investment in the media can be beneficial but should not jeopardise plurality of content, particularly local content.
  iii. Local regulators should set appropriate levels of local content for both news and entertainment to balance the benefits of foreign investments with the need to preserve and develop the local community and culture.
  iv.   Cross-media ownership can have an adverse effect on the dissemination of a plurality of views, so local regulators should consider whether safeguards are appropriate.[85]

In relation to licensing the Report provides:

  v.   Government should not use licensing of media organisations as a government tool to influence or censor the media;

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[83] The Thomsen Foundation, *Future Media Legislation and Regulation for the Republic of the Fiji Islands*, Consultancy Report (Morgan & Thomas), 1996.

[84] Bouchet & Kariithi, World Bank Institute, 2003.

[85] Ibid.

vi. Licensing authorities should not demand excessive financial guarantees or conditionality from existing or prospective media owners; and

vii. Governments should not licence individual journalists since licensing can be misused to impede the free flow of information.86

Appropriate Skills and Training

While educational courses for potential journalists and further training programmes which can be utilised by the media industry are available to improve quality standards, the argument has been made that media organisations are more likely to hire those without appropriate training and qualifications as reporters — this being a decision based on commercial realities. Terms and conditions of employment for reporters are also considered insufficient to ensure the industry retains experienced and qualified reporters. While some media outlets do provide training to staff, seeking donor support to facilitate training to improve investigative journalism in Fiji is one particular action that can be taken. Increased awareness of governance issues is another aspect that needs to be addressed through the training provided, which can cover issues like Freedom of Information, the role of Parliament and the system of Government in general.

4.7.3 Recommendations

The NCBBF recommends the following:

i. Recognition that the media must play a pivotal role in promoting the interests of Fiji in good governance and in national development by promoting a balanced national debate on the economic, social, cultural and other issues that are most vital to Fiji and its future; assisting in ensuring accountability and transparency in relation to governance in Fiji; furthering national unity and the development of a common national identity in Fiji.

ii. Protection of free speech and a free media are basic and inviolable principles under the Constitution, meaning that the media must not be subject to censorship but that it must be responsible by ensuring balanced, fair and accurate reporting.

iii. Professional standards should be raised in the media through recruiting suitably skilled staff and applying commensurate remuneration policies to help to ensure this, as well as providing all journalists with professional training, including in good governance issues, through existing academic and training institutions.

iv. That legislation be enacted to provide for the regulation of professional standards of journalism in particular by providing for the establishment of the Media Council and an independent Media Tribunal to enforce standards as provided under the current Code of Ethics for media organisations and individual journalists. The

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86 Ibid.

proposed Media Tribunal should be headed by a retired Judge to appointed following consultation with the Judicial Services Commission.

v. That legislation should also be considered for issues of media ownership and concentration which includes foreign and cross media ownership in particular as regards the promotion of diverse ownership, and appropriate restrictions on State and foreign ownership, and any other issues to ensure Fiji in line with best international practice.

vi. Any legislation on media standards should also take account and include provisions that give effect to the terms of subsection 30(2) of Constitution following an examination of current laws to sanction the broadcast or publication of any material that can incite sedition or that is in breach of the Public Order Act.

vii. A levy on the media industry be provided at an appropriate level to meet the costs of independent regulation of conduct standards and necessary training for the industry.

CHAPTER 5.   SOCIAL JUSTICE, POVERTY ALLEVIATION, SERVICE DELIVERY & HUMAN RIGHTS

5.1   Introduction

Fiji needs to become a more progressive and truly democratic nation; a country in which its leaders, at all levels, emphasize national unity, racial harmony and the social and economic advancement of all communities regardless of race or ethnic origin. Addressing social justice, poverty alleviation and a rights based approach to development are crucial for the achievement of this vision and for the restoration of human dignity and equal opportunities to all those who are poor and disadvantaged in Fiji.

Social justice, poverty alleviation, housing, health, education and human rights are cross cutting issues which are inter-related, inter-dependent and multi-dimensional, from a human development perspective. Social Justice programmes, which are intended to provide equal access to opportunities to all communities, have the potential to reduce inequality and promote balanced development. The Constitution provides the legal justification and framework for the implementation of Affirmative Action Programmes (AAP), designed to achieve for all groups or categories of persons who are disadvantaged, effective equality of access to: (a) education and training; (b) land and housing; and (c) participation in commerce and in all levels and branches of service of the State.

The broad social justice issues include the lack of a moral framework for social justice and affirmative action programmes; the legitimacy of the Social Justice Act of 2001 and its associated AAPs; the reliability of the statistical basis for AAPs; the need for the development and alignment of performance indicators; and strengthening the existing monitoring mechanism.

With the long term decline in economic growth, the proportion of the population living in poverty has continued to remain at high levels.   Successive Governments have implemented a number of pro-poor policies and programmes over the years. However, these initiatives have not been sufficient to reduce poverty, largely due to: lack of political commitment; political instability; a low growth economy; lack of access to economic assets, markets, and social services; ineffective coordination, implementation and monitoring; and lack of participation of all stakeholders.

Access to education, health, and a clean, safe and pleasant home environment are the building blocks of a sound society, important to the stability of the family unit, and to raising children. Economic growth theory and experience, point to shelter as one of the key hierarchy of needs. Shelter, food, water, security are all grouped together as being associated with physiological needs, which must be met as basic needs.

Education is a cross cutting issue to housing, health, poverty and to the strategic issues discussed elsewhere in this Report. Education is strongly associated with improved living

standards. People who are deprived of education are often disadvantaged throughout their lives. The vicious cycle of poverty is a factor that leads to lack of skills, poor jobs, lack of money, poor diet, housing, health, and lack of motivation.

The increasing burden of higher levels of disease, ever increasing squatter settlements and the growing numbers of school dropouts will have severe repercussion for the aspirations of people to progress and in growing the economy. Lack of access to good education will ultimately lead to limited skills and knowledge to improve people's livelihood.

The promotion and protection of all human rights - civil, cultural, economic, political, social and spiritual - is interdependent and interrelated with democracy and social and economic development. Fiji has a favourable human rights legal and institutional environment and government is very committed in protecting human rights. However, it faces many economic, socio-cultural, political and legal challenges in promoting and protecting human rights. These relate to the need for legislative reforms, ratifying all human rights treaties, mainstreaming human rights issues in the criminal justice institutions, harmonising cultural values and practices with values of human rights, strengthening human rights education and awareness, improving race relations and enhancing the effectiveness of the FHRC.

5.2   Current Status

5.2.1   Social Justice

Background

The idea of the common good is the central guiding principle in the development and governance of a society. The common good refers to the essential shared values and standards that, through public consensus, comprise its content and framework. It is by this that a society's performance in the governance and development of its people is measured. One of those shared values and standards is the duty to care for the poor and the disadvantaged.

Social justice is a fundamental aspect of the common good. It broadly consists of two key elements: justice and charity. The goal of social justice is to ensure equality of dignity, especially of those who, through no fault of their own, are disadvantaged and destitute. It is also to ensure that everyone has the basic right to a dignified life, enjoys equality of citizenship, and that no one lacks the basic necessities of life.

The NCBBF reviewed the legislative framework for social justice and a range of implementation issues affecting social justice programmes. The 1997 Constitution provides the legal justification and framework for the implementation of AAPs designed to achieve for all groups or categories of persons who are disadvantaged effective equality of access to: (a) education and training; (b) land and housing; and (c) participation in commerce and in all levels and branches of service of the State.

The Social Justice Act of 2001 (SJA) provides the legal basis for the AAP. The AAP has 29 programmes under the Act: 17 are for the disadvantaged of all communities; 10 specifically for indigenous Fijians and Rotumans; and two programmes for Fiji Indians and minority communities. The Prime Ministers Office has tabled three annual reports on the AAP for the years 2002-2003, 2004 and 2005.

Issues

The broad issue for Fiji is the articulation of an acceptable moral framework that is based on the pursuit of 'equal dignity' and which will guide the development and governance of Fiji in the future. The AAPs prior to 1987 appear to have been driven by a wider national concern to achieve equality of dignity for all ethnic groups. The goal of AAPs after 2000 seem to have been driven by a mixture of political intent and ethno-nationalism.

The previous government concluded that the AAPs, the 50/50 by 2020 Development Plan, and the Blueprint documents were legally sound. However, in 2006, the FHRC in conducting a compliance analysis of the Social Justice Act of 2001 and the AAPs with relevant UN conventions and Fiji's constitutional requirements, concluded that both the Social Justice Act of 2001 and most of the AAPs were not in compliance with international law and with Fiji's Constitution.

To be just in designing and implementing the Social Justice Act and the AAPs, it is important that reliable, highly accurate and updated information on poverty and disadvantaged communities is readily available. There is a need to design AAPs that are effective, transparent and meet the needs of the genuinely disadvantaged communities.

To measure the successes or failures of the AAPs, indicators are needed for the four broad programme categories. Qualitative indicators would be much more helpful to gauge the progress achieved in these categories. It is difficult to conduct monitoring assessments if the specific indicators and objectives of the programmes are not tied to the broad categories under which each of them fell. Each programme has its own specific objectives and indicators for measuring its successes or failures, although most of them have no historical content to indicate where a certain programme started, its achievement so far, and suggestions for a review of the indicators.

There is a need for an improved financial monitoring and tracking system that would allow for proper accounting of funds and be subject to audit by the Office of the Auditor General. It is not clear from the 2002-03, 2004 and 2005 annual reports how the funds had been spent, who were the recipients, and whether or not the funds were utilised for the purposes for which they were disbursed. Without a good financial monitoring and tracking system, which should be an integral part of the overall monitoring structure, programme funds would be open to abuse and misappropriation.

5.2.2　Poverty

Background

Most of the social indicators in Fiji have worsened recently. These include the Human Development Index (HDI), the proportion of people living in poverty, maternal and child mortality rates, and primary school enrolments.

The HDI is a widely accepted measure of a country's progress in attaining satisfactory levels of education, health and income. Fiji's ranking was 42nd in 1975 but dropped to 61st in 1997. Its position has further eroded over the late 1990s. Based on the 2005 UNDP Human Development Report, Fiji currently is placed 92nd out of 177. Samoa and Tonga which had rankings similar to those of Fiji in the 1970s have performed much better in recent years, with rankings of 77th and 55th in 2005, respectively.

Reducing poverty has been a core policy objective of successive Governments for many years. Poverty alleviation has been regularly articulated in Development Plans and Strategies, and the Annual Budget Addresses. Poverty reduction is a core objective of all Development Partners and the Millennium Development Goals (MDGs).

There is no generally or officially accepted definition of poverty. Poverty of income can be viewed in either absolute or relative terms. Absolute poverty is where an individual or family is unable to meet its basic needs for food, clothing, shelter, health care and education. Destitution is the extreme form of absolute poverty, the poorest of the poor. Relative poverty is experienced by those whose incomes are sufficient to meet basic needs but which are still below the 'average' or norm.

Table 5.1: Percentage of Households (HH) in Poverty (1977 HIES, 2002 HIES)

	Stavenuiter	CPI adjusted	CPI adjusted
BNPL	1977	1991	*2002*
BNPL per HH (4.5 AE)	28.53	75.63	*106.31*
BNPL	6.34	16.81	*23.62*
Number of HH below BNPL	17300	Est. 30503	*23886*
Total number of HH	115027	135639	*156681*
Percent of HH below BNPL	15.04	Est. 22.5	*15.24*

Source: Narsey, 2008. The Quantitative Analysis of Poverty in Fiji

Statistics collected from various HIES reports indicate the existence of high levels of poverty in Fiji. The non availability of consistent data on poverty have resulted in various view points on the actual levels of poverty in Fiji. Narsey (2008) suggests that there are evidence of worsening of poverty between 1977 and 1991 but between 1977 and 2002-03, there has not been any major deterioration in poverty, nor is there evidence of any significant improvement (Table 5.1). It should be noted that this is based on the 1977 BNPL adjusted by the CPI to 2002. The CPI adjusted BNPL is much lower ($23.62 per Adult Equivalent (AE)) compared to the current values of 2002 (around $33 per AE).

Using the differentiated values for the Basic Needs Poverty Line (BNPL), the estimates for the incidence of Poverty in 2002-03 is shown in table 5.2 below.

Statistics collected from the 2002-03 HIES reveal that the proportion of the population living below the poverty line is 35 percent based on a BNPL of $33 per Adult Equivalent per week or F$132 for a household of four AE per week. Rural Indo-Fijians are the poorest ethnic group (44%) with approximately 60% located in the Northern division. Incidence of poverty among other communities is highest in urban areas (64%) in the Eastern division. By division, Northern division has the highest incidence of poverty (53%) followed by Western (37%), Eastern (35%) and Central (26%). Overall, while there are ethnic differences in the incidence of poverty, more importantly there is significant difference between the incidence of rural and urban poverty.

Table 5.2: The Incidence of Poverty Using Differentiated Values for the BNPLs

Division	Fijian	Indo-F	Other	All
	Rural			
Central	29	29	0	28
Eastern	34		51	35
Northern	55	60	52	56
Western	38	39	7	38
All	38	44	41	40
	Urban			
Central	25	25	15	24
Eastern	33	0	64	34
Northern	33	42	31	39
Western	27	39	12	34
All Urban	26	32	17	29
	Rural and Urban			
Central	27	25	14	26
Eastern	34	0	54	35
Northern	53	54	47	53
Western	34	39	11	37
FIJI	34	37	24	35

Source: Narsey, 2008. The Quantitative Analysis of Poverty in Fiji

Fiji remains a society with deep income inequalities. The 2002-03 HIES shows that the poorest 20% of the household received 5.9% of the national income while the top 20% of the households received 47.9% of the national income.

The poverty gap is the difference between the basic needs poverty line and the average income of those below the poverty line. The cost of eradicating poverty (closing the poverty gap) can be calculated from the incidence of poverty multiplied by the poverty gap multiplied by the total population. This amounts to about F$121 million or 3% of GDP.

The cost of closing the poverty gap is only a notional figure and does not represent a practical policy choice for government to eliminate poverty in society. Making such direct transfers to the poor would present enormous difficulties of individual targeting and administration, as well as the possibility of leading to increased welfare dependency for households who might otherwise have been able to cope without assistance. Direct targeting of welfare payments to alleviate poverty can of course work in carefully defined circumstances, such as for households headed by the elderly, disabled and single parents, where clear needs can be identified.

The three major categories of poor are:

i *the destitute*: households with single mothers, widows, the disabled, the elderly and chronically ill, and family members of imprisoned heads of households;

ii *the working poor*, being those workers earning wages below the poverty line including rural agricultural workers in copra plantations and sugar cane farms,

garments factory employees, security guards, lower paid clerical office workers, employees in retail industry, the partly employed, domestic workers staying at home; and

iii   **the large category of children and unemployed young people** who are dependent on their parents for their food and material well being, but who themselves are under pressure.

Issues

Government's pro-poor policies and programmes have focused on providing a safety net to support the livelihoods of those that are genuinely poor; the creation of sustainable employment and income-generating opportunities for the poor and disadvantaged; and improving the productive capacity and professional capabilities of the poor and underprivileged so that they can take advantage of employment and commercial opportunities. However, these initiatives have not been sufficient to reduce poverty. The main reasons are: a lack of political commitment; political instability; the low growth economy; lack of access to economic assets, markets, and social services; ineffective coordination, implementation and monitoring; and lack of participation of all stakeholders. Other challenges to poverty reduction include:

Table 5.3   Incidence of Poverty Among Wage Earners 1984-1999 (%)

	1984		1999	
1997 Poverty Line	Original ($65.68)	Less 20% ($52.54)	Original ($130.34)	Less 20% ($104.27)
Agriculture, Forestry & Fisheries	69	57	82	63
Mining and Quarrying	79	32	19	8
Manufacturing	40	26	82	74
Electricity and Water	0	0	7	1
Construction	37	20	66	45
Wholesale Retail, Hot, Rest	53	21	83	55
Transport, Storage & Communication	40	17	67	43
Finance Insurance, Real Estate & Business	53	34	79	67
Community, Person, & Social	24	19	36	25
All Wage Earners	41	23	71	55
Total Wage Earners	*42240*		*68452*	

Source: Narsey, W., 2006, "*Just Wages*";34-35

i.   low success rates of small and micro enterprise projects due to lack of financial and management skills as well as lack of access to markets;

ii.   social services, particularly decent education and housing, remain beyond the reach of certain sections of the poor; and

iii. social safety nets, such as Family Assistance Allowance, cannot cater to all the poor.

Whilst the overall economy grew marginally over the last two decades, the important primary sectors of agriculture, fisheries and forestry have declined since 1990. The contribution of these sectors to GDP fell by almost a quarter over the period from 21 per cent in 1990 to around 17 per cent in 2002. This includes the decline in the sugar industry adversely affecting sugar revenues, employment and incomes in the rural areas.

Another serious cause of increased poverty in more recent years has been the sharp decline in the garment industry since 2002. According to the UNDP's latest estimates, the value of Fiji's garment exports fell by almost two-thirds in US$ terms between 1999 and 2002, and an estimated 12,000 people lost their jobs due to the expiry of the preferential access of garment exports to the United States. The impact of these job losses would not have been fully reflected in the HIES data, and they may well have contributed to a worsening of the poverty situation in 2004-05.

A large proportion of the poor are in full time employment (the working poor). According to the 1990 HIES, 83 per cent of the poor were working poor. Narsey (2006) analysed the wages of wage earners in full time employment whose wages are regulated by Government through the Wages Council. In 2002, overall 71 per cent (48,601 out of 68452) of wage earners were earning wages below the poverty line, (see Table 5.3). Even with a 20 per cent discounted 1997 poverty line the wages earned by 55 per cent of wage earners was below the poverty line.

Economic growth alone, clearly, does not translate into poverty reduction. Much depends on how the benefits of economic growth are distributed. Consequently, alleviating poverty is not just a matter of promoting more employment but ensuring that the wages of those in full time employment are above the poverty line.

There are a number of personal characteristics or factors which lead people into poverty. These include:

  i Physical or mental disabilities;
 ii Illness such as HIV/AIDS;
iii Old age;
 iv Loss of spouse and/or being the single head of a household;
  v Domestic violence;
 vi Addiction to drugs, alcohol and yaqona.
vii Laziness, handout mentality, sense of dependency;
viii Large families with many young children; and
 ix Influence and impact of inter-generational poverty which leaves individuals depressed and without motivation.

Box 5.1: Causes of Hardship	
Location	List of indicators
Urban and Peri Urban *(Indigenous Fijians, Fiji Indian, Melanesian, Mixed)*	Lack/limited income opportunities (without enough money to provide for basic needs) Lack/limited access to basic services and infrastructure particularly access to education, water supply, electricity, road and transportation Inability to continue education (drop-out from school) Lack basic needs such as food, clothing, and housing 'Living in somebody else's house' Limited land/landlessness Increased number of broken families, substance abuse, and crime rate
Rural *indigenous (Fijians, Fiji Indians)*	Poor housing facilities (house made of traditional materials and only with pit toilet) Limited access to services, infrastructure, and markets 'Having difficulty in meeting basic needs' such as food and education Lack or limited income generating opportunities (e.g., without boat to fish or tools to use in the plantation) Lacking incentives or employment opportunities especially for the youth Having a large family without sufficient resources to support them Disunity within the community 'Being in debt', 'lying to get money', involvement in criminal activities Laziness' or lack of personal motivation to use resources

Source: ADB, 2003, Fiji Participatory Assessment of Hardship and Poverty, ADB RETA 6047

The ADB Participatory Assessment of Hardship and Poverty conducted in 2003 identified the following forms of hardship: lack of income earning opportunities; lack of access to public services and infrastructure; limited access to markets; lack of access to basic services (health, education and housing) and infrastructure; and landlessness. The causes of hardship in urban and rural areas are summarised in Box 5.1.

The 2004-05 Employment and Unemployment Survey found that 10 per cent of children aged 5-14 years were not attending school. This may be due to the financial burden experienced by parents in sending their children to school, as well as the reduced incentive to do so as many school leavers cannot find jobs or do not have the appropriate skills.

Poverty is a multifaceted issue involving in government most ministries and departments, and outside the development partners, private sector, and civil society. In 2001, Cabinet endorsed the establishment of a Poverty Eradication Unit with the following functions:

i Plan and formulate in collaboration with the National Planning Office, and all sectoral Ministries, CSOs and the private sector, an Integrated National Poverty Eradication Programme (INPEP);
ii Manage the timely implementation of the INPEP;
iii Monitor, evaluate and report on the progress and impact of the INPEP; and
iv Carry out and coordinate research to develop effective poverty eradication strategies, projects and initiatives.

Accordingly, a unit was set up in 2005 to coordinate the poverty alleviation programmes of all ministries and departments. However, due to lack of support from implementing agencies, the

Poverty Eradication Unit now focuses only on the Poverty Alleviation Programmes which are implemented by the Department of Social Welfare.

In the light of the growing level of poverty and hardship, the NCBBF strongly recommends Government refocusing on the 2001 Cabinet Decision to strengthen the Poverty Eradication Unit and properly monitor the functions it was charged with. It further recommends that this Poverty Eradication Unit be moved to the Prime Minister's Office to coordinate the implementation and monitoring of all poverty alleviation programmes under the direction of the proposed Peoples Charter Council.

The private sector is of critical importance to the lives of the poor. It has the power to make their lives better by creating employment and income and by providing them with services and consumer products. Building a sound private sector requires a strong foundation in the form of a conducive policy and regulatory environment, provision of physical and social infrastructure, and ensuring adherence to the rule of law.

NGOs supplement the poverty alleviation programmes undertaken by government in a range of areas, including family welfare, education, health, shelter, employment, elderly and the disabled. The Fiji Council of Social Services (FCOSS) Report on '*FCOSS Policy on Social Development and Overview of NGOs Working on Poverty Eradication*' provides a comprehensive list of NGOs which provide services to the poor. The adoption of a formal partnership agreement on policy formulation, implementation and monitoring of poverty alleviation programmes will enhance the effectiveness of civil society.

The scarcity of poverty related data affects the planning and implementation of poverty alleviation initiatives. Comprehensive statistics on poverty are available only every ten years through the Population Census or the Household and Income Expenditure Surveys (HIES). In this regard the NCBBF recommends that HIES be conducted on a five-yearly basis. In addition, focused surveys and research should be conducted at the micro level (households) to show the impact on the poor of any structural adjustments, so that remedial actions can be identified and implemented.

5.2.3 Housing

Background

For decades Fiji's housing policy framework has focused on building sustainable communities. Sustainable communities are places where people want to live and work, now and in the future. They meet the diverse needs of existing and future residents, are sensitive to their environment, and contribute to a high quality of life.

These visionary policies, however, have not lived up to expectations despite various efforts made, via government's development policies, and budgetary provisions. Statistics show that the increase in the number of informal settlements is becoming a major challenge. There are several causes with the most significant being the lack of alternative affordable formal housing options

in urban areas in the face of increasing urbanization (the attractiveness of urban areas as centres for alternative employment, education, sporting facilities and health care which has been fuelled by the expiry and non renewal of rural native leases).

The continuous growth in population and urbanization indicate that strong demand for housing will continue. The provisional 2007 population census results show an increase in urban households by 18.4 per cent with a total increase in population of approximately 61,300. Of Fiji's total population, 51% is urban and the urban population growth rate is 1.7 per cent compared with the national population growth rate of 0.7 per cent. Approximately 90 per cent of the increased population (55,266) is in the Western and Central Division. The Suva and Nausori urban and peri-urban areas alone have an increase in population of approximately 32,300. This poses significant challenges in terms of planning, delivery and community development.

Population growth has been accompanied by a steady decline in average household size. Fiji traditionally has had a larger average household size due to close traditional structures and the subsistence economy. Prior to the 1990s there was an average of 6-7 people per household in Fiji but this has declined to 5.36 in 1996 and 4.75 by 2007. This has led to an increase in the number of households by as much as 21 per cent since 1996.

According to the 1986 Census Report, there were a total of 3,412 squatter dwellings in urban areas, or 17,060 people on the basis of an average of five members per household. In 1996 there were 9,209 urban households living in informal housing throughout the country. With an urban household size of 5 members on average, this would mean that a total of 46,045 people or 12.8 percent of Fiji's urban population was living in squatter settlements and in accommodation associated with poverty. In 2003 a survey carried by the Housing Ministry identified some 182 squatter settlements with an estimated population of 82,350 or 13,725 households. The Ministry currently estimates 200 informal settlements with a population of more than 100,000.

Issues

Fiji currently lacks a clear definition of sustainable, integrated housing/community, which is linked to other complementary sectors such as transportation. Such patterns of development are essential to underpin the longer-term success of the substantial investment in public transport. Sustainable communities are those which have integrated the provision of physical and social infrastructure such as public transport, schools and other ancillary facilities with housing to create places people want to live in.

The State fulfils an important role in providing support to households that cannot afford to meet their accommodation needs fully from within their own resources. Substantial additional investment has been made to increase output under social and affordable housing programs, with average spending of around $5 million every year. Multi-level housing assistance programs have been put in place to ensure households are supported at various levels. There are government statutory organizations such as the Housing Authority (HA), the Public Rental Board (PRB) and the Housing Assistance and Relief Trust (HART). Yet people still face difficulties in finding suitable and affordable homes. Some of the contributing factors include:

- a slow growth economy which has not generated sufficient income earning opportunities for the poor;
- the attractiveness of urban areas as centres for alternative employment, education, sporting facilities and health care which has been reinforced by the expiry and non renewal of rural native leases; and
- the inability to negotiate land for housing development in urban areas at reasonable cost.

A growing economy generates employment and income for the poor. Fiji has not been able to maintain high levels of growth. Approximately 387,000 (68 per cent) employees earn less than $7,000 per year and 430,000 (76 per cent) out of 564,000 employees earn less than $10,000 (table 5.4). This indicates the serious challenge ahead in meeting the demand for low cost housing.

Table 5.4: Number of Employees by Income Group

Income Range (F$)	Fijian	Indo-Fijian	Others	Rotuman	All	Cumulative %
0 to 2,999	86,883	39,815	4,124	1,478	132,300	23.43
3,000 to 4,999	26,976	32,108	1,825	250	61,159	34.26
5,000 to 6,999	20,203	22,948	1,020	373	193,459	68.52
7,000 to 9,999	20,107	20,024	1,393	686	42,210	76.00
10,000 to 40,000	20,665	21,732	3,204	1,062	46,663	84.26
More than 40,000	1,513	1,345	790	175	88,873	100.00
Total	176,347	137,972	12,356	4,024	564,664	

Source: 2004-2005 Employment and Unemployment Survey, Fiji Islands Bureau of Statistics

The issue of low, unjust wages is also one of the reasons why people are unable to afford proper housing. Narsey (2006) has showed that 55 per cent of those in full time employment earned wages below the poverty line in 2002.

The cost of developing housing lots and building materials continues to increase. Meeting quality housing needs in the next decade depends on the development of an effective partnership between engineers, developers and their design professionals such as architects. Architectural solutions and innovation should be seen as a means for future developments. Currently, Fiji does not have guidelines for rural housing. A good planning framework and infrastructural development together with educational support will enhance capabilities in the rural areas for structured housing in areas which could be prone to natural disasters such as hurricanes and flooding. The key objective is to maintain a vibrant rural population while respecting and

consolidating the traditional forms and patterns of housing development with modern technology in these areas.

The availability of sufficient land is crucial for sustainable housing development. Advanced planning is of absolute importance. Large parcels of native land exist around Lami, north of Kings Road and in the Nasinu area, such as Veikoba and Koronivia (Sauniwaqa). The future development of these lands depend on the willingness of land owners to convert available land to leasehold to permit residential development.

The target for social housing schemes in Fiji is to ensure facilitating those eligible for social housing to acquire a stake in their homes. Facilitating low-income families to acquire a home, can give greater stability for communities, allow for a greater tenure mix, and encourage a sense of ownership and personal autonomy. This, however, has never been successful as most PRB and HART tenants continue to occupy their flats and very few have moved to upper housing categories. This is mainly because policies have never been enforced and because of the limited options/alternatives available for people to move to other affordable housing categories. There should be some options available to social housing tenants at any stage to apply for affordable housing.

An objective and comprehensive assessment of a family's housing need is an essential first step in putting in place an effective housing program. A new means of assessment needs to be developed to provide an improved basis for policy development and service delivery. This would ensure greater participation of the community in decision making. There are a number of key concerns with regards to the present system of needs assessment. Given the changing trends in housing need, these concerns are likely to grow over time. Despite the extent of the problem there is still an incomplete picture of the level and type of housing needed.

5.2.4 Health

Background

Health services in Fiji are primarily provided by government and financed almost exclusively through tax revenues. Other sources of funding are donor assistance for service enhancements, a small cost-recovery program of user charges, a revolving drug fund account (from community pharmacies) and the Government pharmacy's bulk purchasing scheme.

The small private sector includes one private hospital based in Suva that provides a range of specialized services, and 110 private general practitioners located in the urban centres of the two main islands Viti Levu and Vanua Levu.

Government provides services through its three Divisional Hospitals, three Specialised Hospitals, 16 Sub–Divisional Hospitals, three Area Hospitals, 74 Health Centres and 100 Nursing Stations.

Services provided at outpatient departments are free. These include medical and nursing consultations, laboratory testing for diagnostic confirmation, X-ray and pharmaceutical

provision. Inpatient services are also provided freely unless patients choose to be admitted to 'paying wards' where a range of fees are charged for diagnostic services in addition to the room charges.

The 'paying ward' fees have not been subject to review since 1982 and are low compared to hospital charges in New Zealand and Australia. The Ministry of Health (MoH) has not attempted to compete with the private sector. Government has an opportunity to partly privatise all three Divisional Hospitals simply by raising the fees in the paying wards and encouraging participation in health insurance.

A master plan developed in consultation with the MoH (Tien, 2003) highlights the process required for the formation of a social health insurance scheme. However, lack of policy analysis in Fiji's context and a consequent lack of political commitment has been a major hindrance to the formation of an alternative financing mechanism for health care in Fiji.

The National Pharmaceutical Supply has experienced 'stock-out' of essential items, to the degree where patients are required to purchase both drugs and equipment (tubes and catheter bags, etc) from private pharmacies. In many instances, a total stock-out of essential drugs has deprived patients of their needed treatment (further increasing the burden of disease).

The common public perception is that health services have slowly declined over many years and are now at a critical level where public sector provision is seriously compromised.

Issues

Fiji's progress towards the Millennium Development Goals (MDGs) such as a reduction in child mortality, maternal mortality and HIV/AIDS, have not been achieving the impacts on the health of citizens which Government had intended.

The current statistics indicate slow progress in improving the infant and maternal mortality rates, immunization coverage and reducing the prevalence of HIV/AIDS. While there are justifications for the recent causes of infant mortality being prenatal in origin, the fact remains that there are substantial challenges facing our health care system. The total cumulative confirmed number of those testing HIV-positive from 1989 to December 2007 is 259. Fiji has passed the slow burning stage of the disease and is currently in the explosive proliferation stage.

Fiji faces a double burden of infectious diseases (CDs) and non-communicable diseases (NCDs), which impacts on the health of individuals and populations and has the potential to affect broader social and economic development. Health care services have become increasingly oriented towards curative care but this still represents less than half of the financial provision. Tertiary health care services for complications such as cardiovascular disease is limited or restrictive and the MoH relies heavily on medical treatment abroad for identified disease conditions.

The MoH is currently the dominant agency in the financing and provision of health services. There is a need to redefine the role of government and other health sector stakeholders in

financing, provision and regulation. Social health insurance via risk pooling is currently being considered as a health financing mechanism.

From 1993-2007 the population of Fiji increased by 11 per cent (91,000 people), Gross Domestic Product (GDP) increased by an average of two per cent while the MoH budget declined from four per cent in 1993 to 2.8 per cent of GDP in 2007. On average, over the period, the health budget in dollar values increased by five per cent. While the MoH salaries and wages bill averaged 50 per cent of the total health budget, the last five years has seen the salaries and wages bill averaging 58 per cent, suggesting that most of the increase in the health budget has been targeted towards financing human resources.

Although the provisional census data does not classify population distribution by age group, the 2004-05 employment and unemployment survey shows that 39 per cent of the population is below the age of 20. The highest per cent of population is in the age group 20-49 (reproductive age group) and approximately four per cent are above 65 years of age (table 5.5). This suggests that there are future challenges in terms of taking care of the economically active population and the aged sector of society.

Table 5.5 Population Distribution by Age Group

Age Group	Fijian	Indo-Fijian	Others	Rotuman	All	% by Age
0-4	46,068	20,519	2,567	980	70,134	8.6%
5-19	143,362	96,342	8,443	3,351	251,498	30.7%
20-49	184,347	170,582	13,299	4,315	372,543	45.5%
50-64	40,078	44,206	3,497	1,449	89,230	10.9%
65+	17,898	14,582	1,461	607	34,548	4.2%
Total	431,753	346,231	29,267	10,702	817,953	
% by ethnicity	52.8%	42.3%	3.6%	1.3%	100%	100%

Source: 2004-05 Employment and Unemployment Survey

National Health Accounts (NHA) show the community meeting 20 per cent ($27 million) of all national health expenditure from its own pocket. Almost 3.5 per cent ($4.8 million) is spent on health insurance premiums and 5.4 per cent ($7.3 million) is spent on pharmaceuticals at private providers. This is high by international standards and reflects a combination of insufficiency of allocation and inefficiency of cost-sharing arrangements.

Although the Government budget allocation to health has increased in dollar terms, the proportion of GDP allocated to health has remained low by international standards at around three per cent compared to 5-6 per cent in Solomon Islands, Samoa and Tonga, and 10 per cent in OECD countries.

5.2.5 Education

Background

Fiji needs a society that is well educated, optimistic, forward looking and enterprising so that it can take advantage of emerging opportunities and meet future challenges. The capacity to build relationships towards a genuine multicultural society, to develop creative and innovative individuals and to enhance liberating learning, is essential to achieving these goals. Education helps people to understand themselves, others and the world and to develop the values that enable us to live together harmoniously. While it is a continuing process of developing knowledge and skills, it is about personal development and growth, developing an increased and better understanding of our environment, and building positive relationships among individuals, groups and nations.

Education lies at the crossroad between the past and the future. Its role is not only to prepare young people for change but to help determine the changes that will occur. There is a world-wide recognition and acknowledgement that the nature and provision of education is fundamental to human development, social cohesion, economic development, sustainable competitiveness, environmental sustainability and the construction of peaceful co-existence. It is, therefore, our responsibility to ensure that our system of education addresses each of these fundamentals so that individuals will experience life meaningfully and live with dignity throughout their lives.

The education partnership between the Government and community has been a hallmark of our education system in this country for many years. The community involvement has led to the achievement of high literacy levels in the country. This background has given rise to the growing interest in education and the close involvement of communities in the education of their children. Notwithstanding these achievements, there are growing disparities in educational achievement, between the 'haves' and the 'have nots', and between urban and rural communities.

The education system has been facing many challenges in recent years especially as to when and how it should respond to the changing needs of the community and the economy, in ways which will support strong and progressive as well as sustainable social and economic development.

The education system has to address access and equity issues to support social justice and promote unity and harmony within the country. The difficulty of access because of poor infrastructure in rural and remote areas coupled with the meagre source of income of most families have been two of the major contributing factors to the high dropout rate, and to the disparity in academic achievement between the poor in rural and urban areas and the well to do families.

For some years now, the Ministry of Education has received the largest share of the nation's budget, which is equivalent to approximately six per cent of GDP. A closer scrutiny of expenditure in 2005 shows that three items alone consumed just over 92 per cent of the total budget. These were: salary and wages; operating grants and transfers (with major shares to USP and FIT); and the payment of value added tax on salaries and wages. The challenge is for the

efficient and effective management and distribution of this fund so that the core functions of the Ministry are being serviced well and, also that the schools that really deserve financial assistance receive allocations proportionate to their need.

Fiji needs a flexible, innovative and rigorous curriculum which addresses all areas of learning in order to support comprehensive educational development, and prepare young people for their social, economic and civic roles within the community. The current curriculum has been seen by critics as narrow, academic and elitist in nature and orientation, and irrelevant to the needs and lives of the majority of students that do not proceed to tertiary study. The examination-oriented system has encouraged rote learning and does not contribute to the development of intellectual skills such as creativity, problem solving and innovativeness. In response, the Ministry of Education has developed a new National Curriculum Framework (NCF) which is broad based and more relevant in meeting the needs and aspirations of all students irrespective of their geographic location, ethnic and intellectual background.

Issues

School Dropouts

The large number of students dropping out of the school system has been a major challenge in past years. Early school leavers have been one of the major contributing factors to the growing incidence of poverty which is impacting heavily on the socio-economic development of this country. With limited skills and knowledge to improve their livelihoods, early school leavers make up the largest number of the unemployed and also contribute disproportionately to the rising tide of crime and violence occurring in most urban centres. The 2004-05 Employment and Unemployment Survey found that 10 per cent of children aged 5-14 years were not attending school and most of them were boys.

Even though 98 per cent of school aged children are enrolled at Class 1, a large number of children leave school as they progress through the school system because of financial difficulties, difficulty of access, or lack of parental and community participation and support. The examination oriented system of education has been a push factor which contributes significantly to students leaving the system. The 2004-2006 reports of the Ministry of Education show that only about 48.7 percent of the total primary school roll made it to secondary education during those years.

While the participation rate at Class 1 is 98 per cent, the drop out or early school leaving rate is a cause of concern. About two per cent of the school aged children do not attend school. But those who do enter the school system start to drop out at an early age so that approximately only 93 per cent of the students enrolled at Class 1 do manage to reach Class 6 and 75 per cent to Class 8. The retention rate decreases as a cohort of students moves on through the system so that by Form six about 50 per cent of indigenous Fijian students have already left school. The retention rate for Fiji Indian students is consistent through out the primary and secondary system up to Form 6, while indigenous Fijian students' retention rate decreases sharply as a cohort enters the school

system after enrolling at Class 1. Figure 5.1 gives a picture of the retention rates over the period 1995 to 2003.

The graph shows a high dropout rate of indigenous Fijian students, from 12,500 enrolled in Class 1 to around 8,200 at Class 8, which is a 34 per cent dropout, then declining further to 6,300 (49.6 percent) in Form 6; while the roll of their Fiji Indian counterparts remain constant at an average of 5,500 from Class 1 to Form 6. At Form 7 the number of Fiji Indian students surpass that of their indigenous Fijian counterparts. This trend remains the same till today even though the number of Fiji Indian students entering the school system is now much lower.

Figure 5.1: Average Retention Rate for Fijians and Indians (1995-2003)
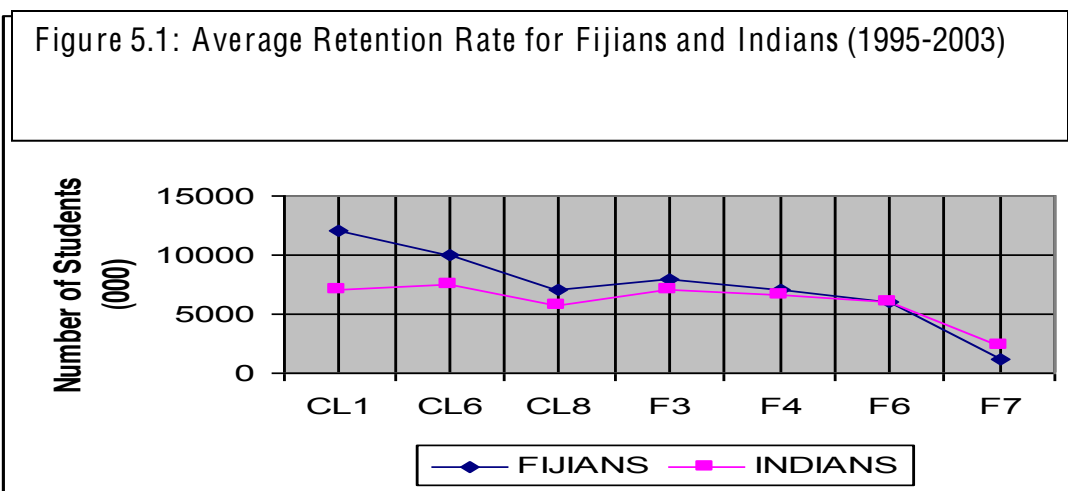
Source: Ministry of Education

One of the factors that impacts greatly on access and participation lies in the geographical distribution of schools. The schools in rural areas are located at strategic places to serve five or six village communities in a particular district. Children from some of these villages often walk more than 10 kilometres each way to attend school. Villagers along the coast often travel by outboard motors to reach the school. Villages located some distance away from the school are often accommodated in hostels. At primary level, those who board at the hostel would include children as young as five years old. Attending primary and secondary education in rural settings is quite challenging, especially when students are expected to wake up early and walk long distances to school and cross rivers at some places. During the wet season when rivers are flooded they remain home — at times for weeks. Due to this challenging situation, rural students often leave school early or, if they continue with their education, they drop out of the system because of the poor marks attained in external examinations.

It has been noted that the children of parents with low levels of education are more likely to leave school early, thus restricting their opportunities as adults, and perpetuating the cycle of poverty. The Fiji Poverty Report (1997) noted that:

> *'Education is a critical factor in getting better paid and more secure employment. Limited access to formal education is a significant way in which poverty is replicated between generations'.*

Education is strongly associated with improved living standards. People who are deprived of education are often disadvantaged throughout their lives. The vicious cycle of poverty is a factor that leads to lack of skills, poor jobs, lack of money, poor diet, housing, health and a lack of motivation. The alleviation of poverty is a priority of the Millennium Development Goals (MDG). The poverty level in the country has grown in recent years and more than one third of our population is now living below the poverty line. The recent contraction of the economy has caused a lot of hardship to many families as many have lost their jobs and are finding it difficult to make ends meet.

There is a pressing need to address the current situation faced by the poor and disadvantaged in society as they will continue to have poorly resourced and badly maintained schools. Parents in low-income communities are not able to raise funds to supplement government grants. Schools in deprived communities generally produce poor results in external examinations. In addition, teachers who are posted to these rural communities often find themselves assimilated into the laxity of community life. Hence, their attitude towards work becomes affected and their professionalism stagnates.

Financing of Education

A study of the 2005 budget has shown that there is an urgent need to review the allocation of budgetary funds to the different segments of the Ministry so that its core functions can be serviced adequately. These are to improve the efficiency of delivery so as to attain quality outcomes and improve access and retention. In 2005, for example, government expenditure on education amounted to approximately $239 million. The Ministry of Education allocated 68.21 per cent of its budget for the payment of salaries and wages, 14.81 per cent as operating grants and transfers, and 9.16 per cent for value added tax. These three items alone consumed 92.18 percent of the total budget.

The share of these three items must be reduced in order to increase allocations on essential areas which can facilitate the achievement of quality and relevant education as well as improve access and participation. Since salaries and wages cannot be decreased, consideration should seriously be given to reducing the USP and FIT grants which make up the bulk of the operating grants and transfers. For example in 2005 USP grants

Table 5.6: Distribution of Secondary School Grants: 2001

Grants	Rural	Urban	Total
Per capita grant-day school	32,752	394,466	427,218
Per capita grant-boarding school	83,610	206,090	289,700
Tuition fee free	803,273	5,522,727	6,326,000
Remission of fees	138,211	661,839	800,050
TOTAL	1,057,846	6,785,122	8,042,968

amounted to more than $35 million while FIT received $8 million. Similarly, the value added tax can be reduced drastically if salaries and wages are exempted from the value added tax. The extra funds saved after reducing expenditure on these items can be utilized in servicing the core functions of the Ministry and in the establishment of the statutory board for the Community and

Non Formal Learning Unit. New interventions can then be carried out for community capacity building such as the implementation of a collaborative model[87] on education in villages as undertaken by the Fijian Teachers Association as part of their programme on Parenting Education for improved parental participation and support.

There are problems associated with the distribution of education grants using the current criteria based solely on school roll. The Fiji Education Commission Report 2000 has shown a marked disparity in distribution where the well to do larger urban and peri-urban schools receive quite a substantial amount of funds from the government. An example is cited here in distributing school grants to the secondary schools in 2001. Even though 51 per cent of secondary schools are located in rural areas more than 84.4 percent of the 2001 grants were awarded to urban and peri-urban secondary schools. Table 5.6 shows that the wealthier secondary schools in urban and peri-urban centres were beneficiaries of a larger proportion of these grants.

The rural primary and secondary schools are greatly disadvantaged from the use of this current formula for grants distribution. Their needs are far greater than their urban counterparts as they have to put up extra infrastructure and facilities apart from the usual classroom buildings and facilities which are all their urban counterparts must provide. In addition they are required to put up teachers quarters; hostels and their accompanying facilities and equipment such as toilets, shower rooms and laundry and beds; dining room and kitchen (including stoves, cooking and eating utensils for both male and female boarders); install piped water, electricity and telephone; and other infrastructure and additional personnel.

The use of the 'differential resourcing model'[88] in distributing funds to schools based on relative levels of need and using the disadvantaged index as the basis for distribution is strongly recommended by the NCBBF. This model takes into account the location of the school, its isolation, the transportation costs, the availability and type of electricity, drinking water, telephone, library, boarding facilities, and the socio economic status of the community as factors that need to be taken into consideration when calculating the disadvantaged index.

The establishment of a statutory body for Community and Non Formal Learning Unit (CNFLU) has been discussed as an alternative way forward for raising additional resources for education. The CFNLU would be an umbrella body to coordinate the activities of all civil society groups, the private sector, trade unions and other stakeholders which currently carry out capacity building projects in communities. The aim would be to procure funds from overseas donors such as the European Union, AUSAid, JICA, NZAid and from the Fiji Government for projects such as, for example, *Parenting Education*. This project is piloting a Collaborative Model for education which includes the establishment of early childhood learning arrangements in all villages and communities with the aim of improving community and parental participation in education so as to enhance support for education, reduce the dropout rate, improve educational performance and generate scholarship funds at community and village levels by utilizing local resources.

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[87] Collaborative model of education is built on the communal way of life where the community collaboratively works together for the improvement of education at village and community level.

[88] Differential Resourcing Model is a model devised for the distribution of education grants based on disadvantaged index of the school and community.

Relevance of the Curriculum

Fiji needs a flexible, innovative and rigorous curriculum which addresses all areas of learning in order to support comprehensive educational development, preparing young people for their social, economic and civic roles within the community. The current curriculum has been seen as very narrow, too academic, elitist and generally irrelevant to the needs and lives of the majority of students that do not proceed to tertiary study. The examination-oriented system has encouraged rote learning and does not contribute to the development of intellectual skills such as creativity, problem solving and innovativeness.

To address issues such as the foregoing, the Ministry of Education has this year developed a new National Curriculum Framework (NCF). The NCBBF through its Working Group looked at the NCF and found that further improvements can be made, such as emphasis in some subject areas to drive the country forward and to build a united Fiji.

The school is a place where the seed for peaceful co-existence can be planted. In Chapter 2 of this Report, the NCBBF has explained its resolve to recommend the study of major religions; languages i.e both Hindi and 'Vosa Vakaviti', as well as the cultures of the two major ethnic groups, to be taught at all levels so as to provide a deeper understanding and appreciation of each others beliefs, cultural practices and to avoid suspicion through ignorance of each others language. The NCBBF has also argued for the integration and amalgamation of neighboring schools as well as of their management and staff and to do away with name tags which denote a racial affiliation — such as 'Fijian' or 'Indian'.

The NCBBF also emphasised the need to take stock of, and reassess, the potential of our natural resources for development, the factors which have contributed to their present underutilization, and how they might be exploited more fully in the future to generate economic growth. In small island states, given the limited population size, small internal markets and lack of capital resources for investment, it would be better to pursue a more independent development strategy from those adopted by developed and industrialised countries. This would help reduce their economic and cultural vulnerability. For example, rather than depending on the type of tourism which calls for heavy inputs of foreign capital to construct international hotels and provide imported foodstuffs, the possibility of building alternative or supplementary type of tourism with local operators owning small hotels, utilising locally grown foodstuffs, and providing services which do not depend on large inputs of foreign capital, all need to be explored. Such a strategy would need quality secondary and tertiary education for large number of not only well educated but also creative individuals with a variety of skills.

The NCBBF strongly suggests that the teaching of the principles of agriculture should be made compulsory as well as subjects that will lead to better utilisation of natural resources. However, this calls for highly trained manpower in science, technology, engineering and agriculture to undertake research on how to better utilise natural resources and generate manufacturing and service industries which are competitive in export markets.

A ten-year ongoing policy initiative with emphasis on science, technology, engineering and agriculture has to be put in place. It is proposed that the modular system[89] of learning as recommended by the Education Commission 2000 be adopted. The programme will increase options for students in areas such as the visual arts and media, eco-tourism, aquaculture, sports and recreation, culture, religion among others.

In order to bring about new directions in education there is an urgent need to upgrade the teaching fraternity through the provision of in-service training to sharpen knowledge and skills and to ensure that they are effective in inculcating the relevant knowledge, skills and attitudes which will build a multicultural, progressive and prosperous Fiji. The two teachers' unions should also strive to bring about this new mentality in members, by first amalgamating, and forging forward together for the interests of the nation.

The NCBBF recommends that an Education Service Commission be established to oversee the operations of the Ministry, provide advisory services and policy directions, and assess the effectiveness and appropriateness of all current policies. The Commission should comprise representatives from government, the private sector, civil society groups, religious organisations, youth groups, trade unions and school management bodies.

5.2.6 Human Rights

Background

Human rights are considered to be essential in preserving and protecting the integrity of human beings. There are rights that belong to the individual, such as the right to express oneself and there are rights that belong to a group, such as the right to self-determination. There are rights that apply to a category of individuals such as women, children, and people suspected of, or convicted of, a crime. Whilst human beings are entitled to human rights, such rights must be accompanied by individual and collective responsibility.

A universal set of human rights norms emerged in the mid-20th Century in response to gross violations of human rights in World War II. Prior to this time, human rights were known as natural, God-given rights in the West, or as cultural or religious norms and values such as love, caring, sharing, respect for others, compassion, and justice that provide a framework for social interaction in all civilizations. These norms are articulated in the Universal Declaration of Human Rights (1948), adopted by the United Nations General Assembly after input from States from Asia, Latin America, Europe and America, as well as intellectuals from around the world.

The Universal Declaration and the two international covenants and their optional protocols which form the International Bill of Rights recognise two categories of rights: Civil and Political Rights, and Social, Economic and Cultural Rights. Civil and Political Rights include freedom of expression, association, belief and freedom from torture, cruel punishment and forced labour, and rights to life and liberty. Social, Economic and Cultural Rights include the right to work

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[89] A system of education where students are introduced to learning in modules to allow for broad based learning and for students to develop along their interest areas of study.

(Article 6), a fair minimum wage and equal pay for equal work and a safe and healthy working environment (Article 7), the right to strike (Article 8), right to social security (Article 9), and rights to adequate food, clothing and housing (Article 10) and education (Article 13) and culture (Article 15).

Human rights are constantly evolving. A new generation of human rights, including the right to a healthy environment, right to development, and rights of persons with disabilities are currently being negotiated by the United Nations member States. Fiji is taking an active interest in the formulation of these rights as it recognises their relevance to the needs of Fiji.

Fiji has a favourable human rights legal and institutional environment and government is committed to protecting human rights. Fiji is the only country in the Pacific to have specific human rights legislation and a national human rights commission. However, Fiji faces many economic, socio-cultural, political and legal challenges in promoting and protecting human rights.

The Fiji Human Rights Commission's mandate is provided by Section 42 of the Constitution and Section 7 of the Human Rights Commission Act 10/99. The Commission has the mandate under Section 21 of the Constitution to examine the human rights compliance of the legislature (Parliament), the executive (President and Cabinet) and the judiciary (courts and tribunals) as well as all public officers. This provision shows the significance that the people of Fiji gave the Commission as a constitutional body.

It was reported by the Commission that the 2007 and 2008 Annual Reports show all human rights complaints received by it in relation to December 2006 Military takeover are either under investigation or have been referred to the courts, the Attorney-General, the RFMF and the police for their further investigations and actions. Some complaints were lodged by individuals directly with the UN High Commissioner for Human Rights and the Commission has no knowledge of the outcomes of investigations, if any, carried out by the UN High Commissioner.

Issues

The process of review and enactment of legislation is slow and hindered by interruptions to democratic rule. There have been several reviews of laws relating to the protection of the rights of women, and of children, to bring domestic legislation in line with international treaty obligations.

There are no laws for regulating the activities of private security companies recruiting 'mercenaries' from Fiji; for freedom of information; against racial discrimination; prohibiting racist, xenophobic, and homophobic speeches, activities, and organizations; protecting the rights of minority ethnic groups, especially with a view to improving access to land (Fiji Indians, Pacific Islanders, Chinese, European and landless Fijians); or for regulating and protecting the rights of rights-based NGOs.

Fiji has not ratified all of the core human rights treaties including the ones comprising the International Bill of Rights and has been slow to ratify amendments to treaties it has already ratified. Fiji has maintained reservations to crucial articles in the Convention on the Elimination of all forms of Racial Discrimination (CERD). For example, Fiji maintains its reservation on article 5 (d) 'The right to own property alone as well as in association with others' as it may, in its application, contradict the Native Land and Native Land Trust Acts.

The Fiji Human Rights Commission resigned from the ICC after it perceived the lack of due process in the observations the ICC made, in regard to the appointment of the Acting Chairperson of the Commission by the Acting President. The ICC noted the lack of vigilance of the Commission in dealing with abuses of human rights related to the state of emergency imposed after the military intervention of December 2006. The Fiji Human Rights Commission however does not agree with the position of the ICC.

The effectiveness of the Commission can be evaluated in terms of its Annual Reports to Parliament. Parliament is the sole constitutional body that can evaluate the performance of the Commission in 2002, 2004 and 2006 itself commissioned independent reports by international human right experts. Recommendations from these independent reports (e.g. Dwyer, 2007) have not been implemented due to the failure of the previous Government to adequately fund the Commission in breach of Section 15 of the Human Rights Commission Act 10/99. It is also noted that the Auditor-General's Report of 2006 advised Government to provide adequate space for the Commission due to the fact that its current premises were not OHS compliant.

The Commission has undertaken substantial human rights training as evidenced by its Annual Reports 1999-2007, including to civil society organisations, through the Commission's training of trainers programmes. However, as discussed below, lack of awareness human rights and lack of harmonisation of cultural values and human rights are major issues in Fiji and deserve more attention by the Commission.

It is of utmost importance that respect for human rights is cultivated in the police and the military as the two main security forces in the country. Abuse of persons arrested or detained and imprisoned has been common in Fiji and the extent of such abuse has been aggravated during military coups and states of emergencies.

Culture and identity are politicised in Fiji. Relations between the ethnic groups is strained under perceptions of injustice and ethnically preferential treatment of people by the government; inequitable access to land, education, commerce, and employment; religious and cultural intolerance; and racially motivated violence. Fiji is a multicultural society and like all such societies, it has benefited both economically and socially, from the diversity. At the same time, like all multicultural societies, there are tensions. The values that encourage a stable and equitable multicultural society include respect for difference, openness, humility, learning, and justice that places God at the centre of all activities.

Many of the human rights challenges facing Fiji relate to the meeting of basic needs, such as access to land, education, health and housing. This is particularly important for the disadvantaged and marginalised groups in society such as women, the poor, ethnic minorities,

people with disability, children, sufferers of HIV/AIDS, and sexual minorities who are also victims of discrimination and violence.

It is thought that human rights are poorly understood at all levels of society including among professionals, political parties, public servants, personnel in the justice system, politicians and the community in general, although the Human Rights experience is that complainants are reasonably familiar with the concepts of human rights. Human rights education needs to be advanced in all societies and this can be best achieved through the combined efforts of government, civil society and other bodies such as the Human Rights Commission, both through the school curriculum and community education, given the multi-ethnic, multi-cultural and sensitive approach. On the other hand, many traditional and religious leaders see human rights as a real threat to their power and control over the people. The content of training will be more effective if it translates human rights in cultural terms and vice versa.

There is a tension between human rights and culture, a tension that permeates through all aspects of human rights including its formulation, its implementation, and also its violations. All actors, including the State and its officials and civil societies, are equally aware of the tension. There is a need to go beyond this dichotomy. A way forward in reconciling culture and human rights is a contextual approach that is based on an honest reflection on, and review of, the benefits and limits of culture and human rights. There is a need to identify common values underlying both culture and human rights and to couch each right in cultural terms.

The indivisibility of human rights and the positive links between human rights and human-centred development, should make the protection and promotion of human rights a priority in any national development effort. Integrating or 'mainstreaming' human rights in development plans, for instance, helps coordinate various activities of the State and the private sector.

5.3 Proposed Way Forward

The NCBBF proposes the following measures and actions in the areas of Social Justice, Poverty, Housing, Health, Education, and Human Rights.

5.3.1 Social Justice

  i Articulate a moral vision of the common good for Fiji that is based on the pursuit of 'equal dignity' and which will guide the development and governance of Fiji in the future.

  ii Articulate a social justice preamble statement that will contain a shared understanding of social justice and its principles. The social justice preamble statement must receive the consensus of at least 70 per cent of the civic, religious and traditional leaders in Fiji. A proposed preamble is presented in Box 5.2 below.

  iii Strengthen the legislative framework through a review of the Social Justice Act of 2001, to ensure its legality and compliance with the Constitution, including a review of the race-based AAPs so that they are in line with constitutional requirements. Necessary ethnic-based AAPs could be included in the revised Act with the condition that these receive a 70 percent majority of the voting population.

iv   Enhance the processes and procedures for designing, implementing, monitoring and evaluating through the establishment of a Research and Analysis Commission; the development of Key Outcomes and Indicators for the Broad Programme Areas under Section 44 of the Constitution; a review of the current AAPs Indicators; a review of the current monitoring mechanism; annual narrative reporting to Parliament to the attached audited financial reports; Office of Auditor General to conduct the auditing for each APP and the overall AAP; the development and implementation of a Financial Tracking and Monitoring System; the participation of civil society in the monitoring process; and the dissemination of information on social justice and AAP to the public at large.

BOX 5.2: PREAMBLE FOR SOCIAL JUSTICE PROGRAMMES

We acknowledge and accept that social justice is an essential element of the common good and our moral vision, and, therefore, in our endeavour to build a more free and responsible nation, we believe that we are obligated to ensure that no one is deprived of a life lived with dignity and the opportunities to seek and achieve a better quality of life.

We acknowledge and accept that the fundamental goal of social justice in our society is that we take care of our poor and disadvantaged, and, in this regard, we believe that we and our government have the shared responsibility to continually work at achieving a standard of living that befits the dignity of the poor and the disadvantaged in our midst.

We believe that social justice means equal dignity and, in our aspiration to build a just and good society, we must ensure this for all our citizens by conferring on all our members an honoured place, and, therefore, we hold that the aim of social justice and affirmative action programmes is to restore dignity to all those who are poor and disadvantaged.

We are aware that social justice does not mean charity, and while we acknowledge and accept that affirmative action programmes are essential in the short term, in the long run, we hold that job creation, the promotion of employment and empowering our people to take initiative in bettering their own standards of living are much more important.

We believe that in seeking to alleviate the plight of the poor and the disadvantaged among us, and mindful of the rights and freedoms of other persons and communities and in our desire to build a nation of equal dignity for all, we hold that social justice and affirmation action programmes must not unnecessarily disadvantage any person and communities.

5.3.2   Poverty

i.   National Vision: Work towards reducing poverty to a negligible level by 2015.

In order to achieve this vision, the NCBBF emphasises that a concerted effort and the full participation of all stakeholders is required. Sustainable economic growth is a necessary condition for income generation, redistribution and poverty reduction. A robust economy will contribute to poverty reduction through three channels:

a. immediate channels through which the poor immediately or directly benefit from the endogenous growth that occurs in poor areas/sectors, through increased income;

b. indirect channels, by which the poor indirectly benefit from economic growth through the enhanced ability of government to engage in anti-poverty policy interventions such as transfer programmes; and

c. market channels, by which the poor directly benefit from economic growth occurring in non-poor areas/sectors, mainly through internal labour migration, remittances, and investment, which subsequently increases the income of the poor.

ii. Enhanced coordination mechanisms through strengthening the existing Poverty Monitoring Unit (PMU) and relocating it to the Prime Minister's Office. The PMU will monitor progress made in the implementation of poverty alleviation programmes, identify remedies, and report to the NPCC on a six-monthly basis.

iii. Strengthen Government pro-poor legislation, policies and programmes to target citizens through municipalities, provincial councils, and advisory councils in both rural and urban areas, through:

a. increasing access to economic opportunities, through the provision of microfinance, infrastructure development, regional labour mobility schemes, and technical training;

b. supporting the development of commercial agriculture, forestry, fisheries, tourism, MSME enterprises and market networks linking producers, processors and end product markets;

c. supporting the development of rural towns and regional centres with facilities and services to attract people back to villages and rural areas.

d. implementing the Public Private Partnership policy at the local government level; and

e. improving access to quality social services, health, education, housing and utilities through transparent and targeted subsidies where necessary.

iv. Strengthen existing institutions and programmes that support children of the poorest of poor to assist at least one child per household to get access to education, from primary all the way to tertiary level, as a way for enabling the very poor to get out of the poverty trap. The programmes should target the specific needs of children including food, transport, school levies, text books and stationery. Head Teachers and Principals will be responsible for identifying students who face hardship and poverty and they will also be accountable for monies and in-kind contributions towards the support of such children.

In addition, schools may be requested to exempt school levies and bus companies requested to provide free or subsidized travel for needy students using a card system or chits.

v.   Encourage a greater private sector role in poverty alleviation by creating an enabling environment for growth, including: reform of laws and regulations; fostering cooperation and partnership between public and private players; the development and expansion of commercially sustainable business; encouraging the observance of corporate social responsibility; requesting the private sector to take the initiative in addressing poverty alleviation as an 'Entrepreneurial Challenge'; and form a spearhead group to drive this initiative; and Government to consider providing tax incentives to the private sector and individuals who contribute to poverty alleviation.

vi.   A phased implementation of a National Minimum Wage (NMW) from 2009 to 2011 with full implementation by January 2012. The NMW will be based on a basic needs poverty line and adjusted for cost of living. The Wages Councils which are coordinated by the Ministry of Labour, Industrial Relations and Employment should be strengthened to improve wages of the working poor.

vii.   Enhance Government partnerships with civil society by formulating and implementing a partnership agreement between Government and Civil Society (NGOs) which establishes an understanding about their working relationship and areas of social responsibility.

viii.   The Bureau of Statistics to compile more timely poverty statistics by conducting 5-yearly Household Income and Expenditure Survey (HIES), complemented with regular focused surveys and research.

5.3.3 Housing

Owning a home is a dream to every person and this should be a national policy objective where everyone in employment should have the opportunity to buy their own home. Home ownership is an important factor in underpinning social stability and promoting good civic values. Governments should support access to housing to first time buyers, through:

     i. affordable housing, including shared ownership;
    ii. provision of incentive schemes through the effective utilization of grants and subsidies: and
   iii. provision of paths from social housing to home ownership, including purchase schemes.

Based on the need to having sustainable communities, the NCBBF proposes the following two recommendations:

1. Start a process to articulate a clear, effective and comprehensive housing strategy by:

     i. Convening a Commission of Inquiry that includes high-level designated representatives of all relevant institutions and agencies as well as non-governmental stakeholders including academics, practitioners, public housing authorities, advocates, town councils and consumers.

ii. Appoint a housing policy advisor responsible for coordinating housing policy issues.

iii. Re-examine rules of all housing finance institutions and subsidy programs to increase the participation and capacity of non-profit and other community-based affordable housing developers and public housing authorities.

2. Encourage the development of 'mixed-income'/ 'multicultural' housing by:

i. Making available land through consultations with NLTB/landowners, and in certain instances government, to acquire and make available land for development in both rural and urban areas; and

ii. Formalise settlements on 'vakavanua' land.

5.3.4 Health

The current state of the health services does not appear to have been driven by any particular political ideology. Rather, it appears to have come about by a number of factors, such as: (i) a lack of political will to charge for health services; (ii) limited advocacy for increasing financing as a proportion of GDP; (iii) outdated cost schedules; (iv) poor collection incentives due to revenues not being retained by the Ministry of Health, (v); increasing dependence on medical technology; (vi) increasing consumer demand for higher quality care; and (vii) lack of a public awareness programme.

Based on the need to have quality health care, the NCBBF proposes the following three recommendations.

1. Improve Health Revenue for Health Care by:

   i. State responsibility
      a) increase financing as a proportion of GDP by at least 0.5 percent annually to 7 percent over the next 5-10 years by:
      - Improving the existing allocation via tax financing – short term;
      - Implementing health insurance schemes in the medium to long term; and
      - Ensuring all health legislations are implemented as soon as possible.
   ii. MoH responsibility
      a) Establish Health Policy Commission as soon as possible;
      b) By regulation MoH raise non essential fees;
      c) Improve fiduciary collection;
      d) Centralise decision making but decentralise the delivery of health-care; and
      e) Push for all legislative changes.

2. Improve Health Service delivery by:

    i. Establishing hospital boards with TOR;
    ii. The Public Health Board to be revamped to tidy up the primary health care needs of the community in both rural/urban areas;
    iii. At all levels, start the process of outsourcing, where applicable, laundry, security, maintenance and cleaning services;
    iv. Restructure the pharmaceutical services to become a profit/service centre with legislative changes to allow MoH to retain revenue.

3. Meet Health Manpower needs by:

    i. MoH to actively dialogue with the PSC and the Professional Organisations, (FNA/FMA) in a time-framed period of discussion on manpower needs and a path forward; and
    ii. Train medical administrators within existing institutions.

5.3.5 Education

The NCBBF recommends the following:

1. Eliminating School Dropout phenomenon

    i. Set up a statutory body as 'the other side of the education coin' to manage and coordinate all activities that will come under the 'Community and Non Formal Learning Unit'. The new unit will act as an umbrella body that will coordinate, monitor and evaluate learning activities carried out by NGOs, civil society groups, religious organizations, private sector, trade unions, women's and youth organizations and other stakeholders which are currently undertaking community education as well as sourcing funds from government and donor agencies. Examples of such community programmes include parenting education, establishment of collaborative model in education in villages and communities, twinning of schools, and establishment of early childhood education in all communities and villages.

    ii. Establish an Education Service Commission — in collaboration with all existing boards and committees — to oversee the operation of MoE, provide advisory services and policy directions and review current education policies and programmes to verify their efficiency, appropriateness and effectiveness.

    iii. Improve standard of rural school buildings, resources and infrastructure and strengthened distance learning through the use of new technologies and the establishment of e-learning centres.[90]

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[90] These are centres of learning established in rural schools where the communities and students can go and access computers, telephone and internet services.

2. Improving Access and Equity Through Efficient Financial Management and Other Alternative Means:

   i. Strengthen early childhood education and primary education through the implementation of the new National Curriculum Framework.

   ii. Use the 'differential resourcing model' as a basis for the distribution of all education grants based on the disadvantaged index of the school. Similarly the affirmative action fund and the scholarship fund be distributed based on the socio-economic needs of individual families. A body should be responsible for the monitoring and evaluation of all these funds and should report regularly to the Minister responsible.

   iii. Establish the Collaborative Model of education at village and community level to generate scholarship funds for the community utilizing the resources.

3. Building a Just, Progressive and Prosperous Fiji through a Relevant Curriculum:

   i. Introduce the 'modular system' of learning at secondary schools to provide a broad based education for all students while at the same time giving them the choice to develop their potentials along their areas of interests.

   ii. Introduce a 10 year initiative for the strengthening of science, technology, engineering and agriculture equivalent to the Wawasan 2020 policy initiative[91] in Malaysia.

   iii. Conduct regular in-service training to upgrade teachers' professionalism and to ensure that they are effective and efficient in their teaching.

   iv. Strengthen the technical and vocational subjects by building specialist schools in rural areas and encourage other secondary schools to take up the subjects. Given the huge costs of building and equipping such technical facilities, the government has to be committed to ensuring that such institutions are being put in place and fully equipped with modern equipment.

4. Building a Pluralistic, Harmonious and Peaceful Nation:

   i. The comparative study of major religions and their principles has to be made compulsory starting from primary to Form 7 so as to inculcate in students a deeper understanding, appreciation and respect of each other's faith.

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[91] The Wawasan 2020 is a Malaysian policy document which sets the development agenda to year 2020. The government recognizes that modernization and rapid industrialization depended on the development of science and technology. The policy therefore placed a special emphasis on the teaching and learning of science and technology to establish a scientific and progressive society.

ii. Strong emphasis should be given to the study of each other's language and culture, especially that of 'Vosa Vakaviti', Hindi and other languages and encourage all ethnic groups to participate in cultural practices and celebrations other than their own. Integrate / Amalgamate small neighbouring schools with their management and staff not only to promote unity but as a cost cutting measure on education expenditure taking into consideration the Education Act and societal values.

iii. Remove school names that denote racial affiliations.

iv. Encourage the teachers unions to amalgamate in order to promote national interests in education.

5. Building National Identity:

i. The teaching and learning of the 'Vosa Vakaviti' and culture has to be made compulsory at all schools so that everyone can identify himself/herself as a Fijian citizen through his/her knowledge of the language and culture of the place he/she lives in.

ii. All schools have to hold a flag ceremony once a week to allow students to publicly announce their allegiance to the country.

5.3.6 Human Rights

1. Formulate and enact relevant human rights legislation particularly on children and young persons; discrimination based on race, religion and sexual orientation; and transnational companies involved in recruiting mercenaries from Fiji.

2. Ratify all human rights treaties starting with the core treaties and treaties more directly related to the needs of Fiji such as the treaty on migrant workers and their families. Government should speed the process of ratification.

3. Enhance the effectiveness of Fiji Human Rights Commission by considering regaining accreditation to the ICC at an appropriate time as soon as possible. The NCBBF supports the implementation of recommendations of the Handley (2002), Hosking (2004) and Dwyer (2007) independent evaluation Reports and the 2006 Auditor General's Report which states that the premises given to the Commission by the Government is not OHS compliant. Section 15 of the Human Rights Commission Act should also be compiled with in relation to adequate funding and support of the Commission by Government. The Commission's constitutional mandate to ensure that all public officers and institutions comply with the Bill of Rights provisions must be actively protected by Government.

4. Mainstream human rights in development by integrating human rights issues in national development plans and strategies.

5. Mainstream human rights issues in the State criminal justice institutions: Police, the Military and the Corrective Services. Human rights training manuals and courses should be developed for members of the Police, the Military and Corrective Services and such training should be entrenched in the normal professional training. The circumstances and limitations of the use of a state of emergency, and the rights that may or may not be suspended, should be clarified.

6. Improve race relations through a multicultural, multilingual, and multifaith approach in ethnic reconciliation programs; a review of existing legal protection mechanisms for ethnic minorities; aligning national legislation to comply with article 4(b) of CERD making illegal organizations and organized activities, which promote racial discrimination; enhancing existing, or new programs to enhance interfaith understanding and interfaith cooperation; possible electoral reform to ensure equitable representation of all ethnic groups in politics; and review the regulations for the registering of schools to prohibit discriminatory enrolment policies in private and public schools.

7. Provide greater protection of the rights of disadvantaged groups by improving programmes that meet the needs of people affected by HIV/AIDS and alcohol and drug abuse (especially among the young), victims of sexual violence and exploitation (especially, children), and people with disabilities. To ensure greater participation of women in decision making. In addition, enhance existing, or develop new, community awareness programmes on the rights of the child.

8. Strengthen human rights education by:

   i. enhancing training on specific rights such as women's rights, indigenous rights, children's rights, civil and political rights;
   ii. strengthening human rights training courses and manuals for professionals working with children, women, public servants, political parties, the private sector, religious organizations and leaders, and politicians; and
   iii. Forums to discuss FHRC Annual Reports and consultations on FHRC and NGOs Strategic Plans.

9. Facilitate efforts to harmonise cultural values and practices with the values of human rights, recognizing the critical role of the spiritual values of love, faith, and hope, instilled through religious beliefs and values, community dialogues and workshops.

10. Support the work of the Human Rights Commission and Ministry of Education through UN funding to develop a human rights curriculum in the compulsory English curriculum for schools.

5.4 Conclusion

Addressing social justice, poverty, housing, health and human rights is critical for the social and economic advancement of all communities in Fiji. An inclusive, just and a compassionate moral

vision of Fiji's common good should be made foundational to the AAPs. Social Justice legislation and policies should be congruent with the key principles of the Constitution. The processes and procedures for designing, implementing, monitoring and evaluating AAPs need to be effective, transparent and accountable.

The necessary conditions for the success of pro-poor policies, particularly a growing economy, good governance, access to assets, markets, and social services must be met. The strengthening of monitoring and implementation mechanisms and the phased implementation of a National Minimum Wage are important strategies for addressing poverty and hardships. The NCBBF acknowledges the significance of timely statistics in facilitating decision making in the planning and implementation of poverty alleviation programmes.

Housing, health care and education are all interdependent. While, on one hand, enhanced education can lead to improved health and living conditions of people, on the other hand, poor living conditions can have a severe impact on access to education and health. The recommendations contained in this Chapter include legislative reforms, improving policies, and enhancing the effectiveness of existing programmes and initiatives. While some recommendations may be generic, most are specific enough to be implemented reasonably quickly.

Whilst democracy alone is not sufficient for the preservation and protection of human rights, it is a necessary condition for its promotion. The normal options for protecting and defending human rights are legislative and institutional reform and human rights education. Progress has been made in this area but the process of reform must continue. Ethnic relations need to be improved through greater reconciliation programmes, interfaith dialogue and legislative reforms. It is important to clarify the concept of special rights and to more effectively use this to address the specific needs of various groups, including women, children and young persons.

CHAPTER 6.   GROWING THE ECONOMY

6.1   Introduction

Employment provides the quickest route out of poverty but Fiji's economy has not been able to provide the increased number of jobs needed to employ those leaving school each year, let alone the additional jobs needed to reduce the incidence of poverty. Economic growth, which has averaged only about 2.2 per cent over the past decade, has been dogged by considerable volatility.

The Fiji economy needs major structural adjustment following the loss of preferential arrangements for garments and sugar. Confidence and investment levels have both been hit hard by the series of coups since 1987. And in addition to these exogenous factors, existing and potential entrepreneurs in Fiji face many challenges arising from deficiencies in the business and institutional environment that combine to impede access to assets and add greatly to transaction costs.

Nonetheless, Fiji is a resource-rich country. Unlike many other Pacific islands nations, Fiji is well-endowed with land, forests, marine and mineral resources and has a large tourism sector with further potential for growth. There is little doubt that Fiji could grow much more rapidly if political stability returned and the country improved its institutional and business environment.

This Chapter does not present a comprehensive survey of Fiji's economy. Rather, the approach adopted in this Chapter has been to identify the major problems facing Fiji and to review the performance of some sectors of the economy selected for their strategic importance to the recovery of the economy, the creation of new jobs, and improving the quality of life enjoyed by all of the citizens of Fiji.

There is a widespread perception, particularly among business people in Fiji, that the Government plays an over-dominant role in the economy — both through its ownership of enterprises with a strategic role in a wide range of industries, and through legislation and regulations governing business activity that give the public sector a major say in the investment, funding, location and pricing decisions of private sector firms. The starting point for analysis therefore, is to clarify the respective roles of Government, the private sector, and civil society.

6.2   Defining the Respective Roles of the Government, Private Sector and Civil Society

The effectiveness of any Government depends not only upon how well it implements the programmes under its control but, even more importantly, upon whether it has identified the most important things upon which to focus. *'Doing the right things'* comes before *'doing things right.'*

Every society can be divided into three broad 'domains of governance'. They are (a) the Government (or public sector), (b) the private sector, and (c) civil society. Each of these domains has its own areas of particular competence. These areas of competence arise from each domain's comparative advantage, which emerges primarily from the nature of the institutional arrangements prevailing in each domain, e.g. the advantages provided by corporate forms of governance for private sector economic activity and the advantages of family structures and social affiliation organisations for building social capital in civil society. Even more significantly however, the allocation of roles to each domain is determined by the fact that inherently, some things can be done by only one domain. If that domain does not adequately do the things that only it can do, then those things will not be done at all — because no one else is able to do them. It is obviously of critical importance that each domain should focus first upon the things that only it can do.

It follows from this thesis that each domain should be constantly thinking about the things it should be doing but is not as well as the things it is doing that it should stop doing because they would be better handled by one of the other two domains.

6.2.1   Defining the Role of Government

The differentiating principle underlining the distinction between public and private goods is that choices about the provision of public goods can only be made through public choice mechanisms. The primary instrument of public choice is Government — where decisions are taken by voting ('voice') and some people may be reluctant participants in decision making because they have been out-voted.

The primary instrument of private choice is the market — where decisions are taken by individuals involved in voluntary transactions, i.e. they agree to each particular transaction to which they are a party or from which they walk away — *'exit'*.

Two implications follow.

1. As only Government can provide public goods, then Government should assign first priority to the production of these, e.g. the specification of property rights, defence and police, the judiciary and courts, the provision of education and health programmes, infrastructure and regulation.

2. Development strategies are generally aimed at expanding the scope for market-based ('exit') decisions and reducing the scope for 'voice' decisions. There are two main reasons for this: (i) this approach generally enhances the efficiency and effectiveness of policies – because a greater proportion of the decisions made will match people's preferences more closely; and (ii) it also enhances freedom by reducing the scope for 'tyranny of the majority'.

These implications mean that analysis of any proposals for Government involvement in particular activities should focus first on the reasons why markets may not always work and/or second, how market mechanisms can be improved.

Markets may, and frequently do, fail because of (i) the imperfect supply of information. (ii) high transaction costs, (iii) the non-existence of markets for some goods, (iv) market power and monopoly, (v) externalities, and (vi) problems of 'free-riding', which can also be a reason for the non-supply of some goods.

There are a variety of ways to cope with market failure. First, some types of market failure can be addressed by private mechanisms, and one of the most common is the formation of private clubs (e.g. tennis clubs) to provide through 'clubbing together' what no single individual can afford to provide for him or herself.

Other techniques include (i) re-defining property rights (e.g. creating fishing quotas), (ii) putting in place measures to improve the operation of markets (e.g. compulsory disclosure of information to address information asymmetries), (iii) requiring people to behave in specific ways (e.g. not smoke in restaurants), (iv) creating incentives to influence behaviour (e.g. higher excise duties to reduce the consumption of tobacco or tax exemptions to encourage investment), and (v) Government provision of goods and services in cases where the existence of problems such as 'free riding' means that the private sector will not provide (e.g. the provision of infrastructure).Economists define public goods as goods which are 'non-rival in consumption and which are non-excludable'. In practice this definition only applies to a relatively short list of 'pure' public goods; for example you cannot deny the benefits of street lighting to non-ratepayers who walk down a well-lit street, or exclude particular citizens from enjoying the advantages of being protected from external threats by a national defence force. These are benefits enjoyed by all citizens indiscriminately — whether they have voted for them or not. In the real world, there is a continuum of public goods ranging from a few 'pure' public goods (like street lighting, national defence, the judicial system and public health immunisation programmes) to goods which could arguably be provided by the private sector — such as education — but for which there are strong public policy reasons justifying public provision. The latter are sometimes called 'merit' goods to distinguish them from pure public goods.

On the basis of all of the above considerations, there seem to be five broad reasons for interventions by Government in society. A Government must:

1. undertake the activities necessary to assert its sovereignty. This includes establishing the basic machinery of Government — a legislature, executive and judiciary, defence force, police and foreign affairs, customs, a taxation authority, immigration and quarantine services;

2. specify and protect property rights (including intellectual property rights) and create an enabling environment (legal, regulatory, institutional) for business such that the sorts of contracts and financial arrangements that are commonplace in developed countries can be entered into and enforced in Fiji;

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3. regulate to minimise transaction costs, address specific incidents of market failure, and provide goods and services that are essential for development — such as infrastructure — where these are not being provided by the private or civil society sectors;

4. must intervene to maintain an equitable income distribution and ensure equality of opportunity to basic services such as education, health, housing, potable water, electricity and sewerage services. It should also ensure gender equity and the maintenance of other basic human rights and maintain intergenerational equity; and

5. maintain environmental sustainability through legislation, regulations or administrative activities to maintain the country's biodiversity and protect the environment for future generations.

6.2.2 Defining the Role of the Private Sector

The role of the private sector is to engage in entrepreneurial activities with a view to maximising profits, but also thereby creating incomes and jobs through productive employment so that people are able to improve their living standards. This process operates through increasing specialisation and the expansion of markets, including opening the economy to external trade and investment. Entrepreneurial activity is at the heart of this process.

Entrepreneurs need an enabling business environment which includes

1. macroeconomic stability — because increasing the predictability of the economic environment reduces personal and business risk,
2. a legal and regulatory environment that enforces legal contracts and allows entrepreneurs access to all of the assets they need to manage their businesses successfully (in Fiji, this requires, among other things, the computerisation of the Registries), and
3. predictable and stable tax laws to ensure that profits are not unfairly expropriated.

The activities of entrepreneurs in the private sector are at the heart of the growth process. It is entrepreneurs who discover formerly unknown gains from exchange through the discovery of profit opportunities. Productivity increases are the increases in socially useful knowledge, i.e. in knowledge that entrepreneurial activity generates. But entrepreneurship cannot exist without stable societal rules. Two sets of rules are of particular importance if entrepreneurial activity is to flourish: (i) the rules of society must facilitate access to all of the assets, skills, research and financial resources that entrepreneurial activity requires; and (ii) society must protect entrepreneurial gains from expropriation to preserve the incentives for ongoing entrepreneurial activity.

Entrepreneurs need an enabling business environment. This includes:

1. macroeconomic stability — because increasing the predictability of the economic environment reduces personal and business risk;
2. a legal and regulatory environment that enforces legal contracts and allows entrepreneurs certainty of access to all the assets they need to manage their businesses effectively; and
3. predictable and stable tax laws — so that they can build tax liabilities into their business calculations and decisions with reasonable certainty that the tax regime will not be arbitrarily changed to their disadvantage.

6.2.3 Defining the Role of Civil Society

A robust network of civil society organisations (often referred to as 'social capital') strengthens the resilience and capabilities of society. A country with strong civil society organisations is better placed to stimulate and sustain more rapid economic and social development. In the words of the UNDP publication *Reconceptualising Governance*, 'That is because civic networks and norms ease the dilemmas of collective action by institutionalizing social interaction and reducing opportunism, by fostering norms of social reciprocity and social trust, and by facilitating political and economic transactions. Well developed networks of civil society organizations amplify the flows of information and help transmit knowledge of people's reputations that lower economic and social transaction costs, and provide the means for reliable political, social and economic collaboration.'

Civil society organisations provide checks and balances to the power of Government and the private sector — challenging organisations in these sectors when their activities begin to impinge upon the livelihoods or rights of ordinary citizens.

Non-governmental organisations (NGOs) have an important role in collecting and disseminating information that is not collected by either Government or private sector agencies. This is particularly important in the environmental and social areas where NGOs are often the only bodies collecting hard evidence on environmental problems or deteriorating social conditions. In this way the NGOs fill a significant gap and help society to monitor environmental and social problems.

NGOs channel peoples' participation in social and economic activities and organise them into more potent groups. In this way they help empower the powerless and provide a voice for poorer groups in decision making. Through their advocacy they can ensure that the benefits of growth are distributed more equitably.

Civil society organisations, especially churches, have a major role to play in protecting and strengthening cultural and religious values and beliefs. They are also instrumental in defining the national identity as well as articulating the narratives, rituals and symbols that nurture the spirit of trust, belonging and unity in nation-building. These groups play a major role in establishing the ground rules for social interaction, particularly between different ethnic, religious and racial groups in society.

NGOs can also help overcome market failures and weaknesses. For example, by collecting and disseminating information about product failures and poor service delivery, consumer bodies can help redress the information asymmetries faced by consumers in the market place. NGOs operating in the health sector fulfil a similar function when they provide advice on nutrition and public health issues to the public.

Governments must provide an enabling environment for civil society organisations and allow them to operate freely. This requires both the cooperation of Government and support from the private sector. The UNDP argues (in *Reconceptualising Governance*) that Governments must ensure that there is:

- a legislative and regulatory environment that guarantees the right of free association;
- tax and other incentives to help provide support from corporate and philanthropic organizations;
- an agreed mechanism for the participation of NGOs in decision making and in the implementation of decisions taken; and
- financial support from the State, especially for start-up expenditures.

6.2.4   Cooperation and Collaboration between the three Domains of Governance

There are many situations where much more can be achieved with the limited resources available to the country if the three main sectors — public, private and civil society — cooperate with each other to build public assets or deliver services. This cooperation will allow each sector to contribute in those areas in which it has a comparative advantage thereby achieving much more efficient and effective outcomes for the country. There is undoubtedly much greater scope in Fiji for public/private sector partnerships and for partnerships between Government and civil society organisations that would be mutually beneficial to everyone by producing more effective service delivery outcomes at a lower overall cost.

6.3   Redefining the Government's Role in Fiji

The Government needs to focus more strongly upon (i) the delivery of public goods, and (ii) on working more cooperatively with the private sector and civil society. The main areas in which the Government needs to improve its service delivery programmes are (a) in the provision of adequate health, housing, and education services (discussed above in Chapter 5 of this Report); (b) in the provision of basic utilities (such as potable water, sewerage, electricity and telecommunications and forms of infrastructure such as roads, bridges, wharves, jetties and airports) to help ensure a better quality of life for the people of Fiji; and (c) in improving the regulatory and legal environment for business in Fiji.

On the other hand, there are also several areas in which the Government should consider reducing its presence or transferring activities to the private sector. For example, some of the public enterprises such as those engaged in rice milling or food processing might well be better managed by the private sector.

6.3.1 Providing Utilities and Other Infrastructure

Infrastructure is a public good. Because of 'free rider' problems, only the Government can provide (or arrange for the provision via public-private sector partnerships) of the critical items of infrastructure that underpin the activities of the private sector and the quality of life of ordinary citizens — for example, roads, bridges, ports, airports, jetties, water, sewerage, electricity and telecommunications.

There is a backlog of infrastructure work required in every sector of the economy. A concerted effort to rehabilitate and expand the country's infrastructure is essential to supporting private sector investment and the expansion of primary sector activities that is required for economic growth and stability. Infrastructure must also be maintained adequately to avoid the gradual degradation of the country's existing infrastructure.

The people living in rural areas and the outer islands are particularly disadvantaged by the lack of infrastructure. At present there are serious problems of coordination among Ministries with responsibilities for outer islands. These Ministries include the Indigenous Affairs, Multi-ethnic Affairs and Provincial Development (not to mention Education, Health, Police, and others). Vested interests might explain why attempts at reforms in 2002, and again in 2004, failed. It is recommended that the Ministry for Provincial Development be the lead agency and principal coordinator of outer islands development initiatives (especially for infrastructure).

The major recommendation is that villages should become the primary focus for all development in the outer islands: 'development must start at the village and end at the village'. The key insight here is that the provision of infrastructure and other supporting services in the outer islands will not be effective unless there is matching effort to improve human development, i.e. the knowledge and skills base of the people who live in the outer islands.

An integrated approach to development is suggested based around six main modalities:

1. a master plan for the outer islands and remote areas incorporating sustainable development planning;

2. an outer islands and remote areas trust fund;

3. a separate budget strategy for the outer islands and remote areas;

4. investment in shipping, infrastructure and ICT;

5. a food security policy and the adoption of the sustainable livelihoods framework and methodologies; and

6. greater devolution of authority and functions to villages.

The critical element in all of these areas is the greater empowerment of people in the villages through consultation and a lasting engagement in their own development; capacity building and

skills development; infrastructure development; and financial decision making about the use of their own funds (including the funds provided by Government and donors). This empowerment represents, in short, a re-orientation from an essentially 'top-down' approach to a more people-centred and consultative approach at all levels of Government.

What is emphasised is the importance of courageous leadership at the local level — in 'thinking outside of the box', in maintaining a commitment to development at the local level, and in persevering through difficult times until results are achieved.

6.3.2   Public Private Partnerships (PPP)

The NCBBF considered the concept of PPP — the benefits, optional models and the principles adopted by Cabinet to govern the implementation of the PPP initiative. PPP is another way in which the Government can cooperate more closely with the private sector. The NCBBF supports the Government's initiative and urges it to fully implement the PPP proposal as a matter of priority and without undue delays.

6.3.3   Strengthening Civil Society Organisations as Advocates and Partners with Government on Service Delivery Programmes

In considering the ways in which the Government and civil society could work more cooperatively and collaboratively, the NCBBF urges the Government to build upon the suggestions for the use of service charters; a quality management approach; customer service training; improvements to the arrangements for redressing customer complaints; and the adoption of a more open and consultative approach in the strategies adopted to improve access to services in negotiating new and innovative arrangements with civil society organisations for greater cooperation in the design of service delivery systems and, in some cases, in the joint delivery of services.

6.3.4   Improving the Regulatory Environment for Business in Fiji

There are three components in this topic: (i) improving the legal environment for business; (ii) computerising the registries; and (iii) improving other regulation.

(i) Improving the Legal Environment for Business

Efficient contracting is a core requirement for entrepreneurial activity. It calls for contracting arrangements that are effective and that ensure low transaction costs. At present however, Fiji's legal framework for business is weak. The authors of the *Private Sector Assessment of Fiji* (whose findings in this area were summarised in a background paper) have shown that Fiji's legal framework does not provide a foundation for contracting that reflects modern legal practices. In contrast, the existing legal framework mandates procedures that greatly add to the cost of doing business, and its disputes resolution mechanisms function poorly.

In practice, Fiji's markets rest on a mixture of legal and non-legal arrangements. These extra-legal (and sometimes illegal arrangements) directly affect the operation of businesses. Traditional systems may work within small communities (although even non-legal systems work better if they are backed up by an effective legal system). The problem is that while non-legal solutions may have power where personal relationships replace formal law and enforcement mechanisms, they collapse outside the local orbit. There are geographic and associational limitations to non-legal solutions. The failure to realise the limitations of local business practices has served to undermine the development of private sector practices in Fiji that meet international standards. The business laws that create competitive and efficient markets and the finance laws that promote effective financial intermediation are lacking. If Fiji wants to step up its participation in international trade — which it must do to thrive — it must improve the effectiveness and efficiency of its business laws.

The problem of kickbacks in Fiji is pervasive[92]. Much of the problem can be attributed to the nature of Fiji's laws which establish the conditions under which petty corruption thrives. The laws require a plethora of costly licences and registrations: too many officials have discretionary authority.   All investors — Fiji people as well as foreigners are adversely affected by these problems. Simpler procedures in other countries work better than do those in Fiji.

The institutional framework for the conduct of business in Fiji is clearly inadequate. In some cases the laws are insufficiently clear or precise (e.g. about the ranking of priorities) or leave large gaps in their coverage; in other cases they call for unnecessarily costly procedures and filing requirements. The laws also leave too much discretion to officials: and this situation creates the sort of climate in which petty corruption thrives. Many of the requirements serve no useful public policy purpose whatsoever and only add needlessly to transaction costs.   The investment approvals process in particular, has been a major impediment to private investment in Fiji. Seen as a whole, all of these deficiencies and problems have created a legal environment that is impeding effective contracting; increasing transaction costs; and is actively (albeit unwittingly) working against the development of a dynamic private sector in Fiji.

The NCBBF agrees with the recommendations of the Asian Development Bank study and requests that the recommendations be implemented by the various agencies involved as a matter of urgency.

Since May 2003, the Ministry of Industry, Tourism, Trade and Communications has been directly involved in the coordination of a regulatory reform project aimed at streamlining investment approvals processes. The project is part of Government's overall reform program targeted at providing the appropriate conducive environment to private sector investment.

This reform project was part of a KPMG-commissioned study to review the investment approvals processes. The study covered 17 agencies and produced 78 specific recommendations for reforms to be carried out by these agencies. Of the 78 reform initiatives, about half have been successfully implemented.

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[92] Transparency International 2001,National Integrity Systems Report, Fiji, paragraph 146.

It was argued that greater policy coherence across Government was necessary to improve the business environment. The lessons learned from the recent reform efforts are that too often reforming the approval regime has been perceived as the silver bullet expected to cure all of Fiji's investment climate ills. In practice, however, regulatory reform should be seen as just one of a number of tools available to stimulate investment and growth.

(ii) Computerising the Registries

The NCBBF also strongly supports the proposal to computerise the Companies and Business Registry offices as quickly as possible. The current manual system has many shortcomings and deficiencies, as follows:

1. Individual company files are sometimes not available.
2. Where annual returns are not filed there appears to be no system in place to contact the delinquent company, request lodgement follow-up and apply the appropriate fine.
3. Changes can be made by companies without lodgement of applicable forms.
4. Filing fees are a nominal $5 plus VAT to lodge annual returns and less to lodge company changes, e.g. directors, registered office.

This system is clearly inadequate. The importance of a viable, efficient Company and Business registration system cannot be overstated. The reasons are:

1. the need for creditors and the public to have access to up-to-date and accurate information;
2. provision of key company and business ownership and control information for key Government departments;
3. electronic searches of an up-to-date system would simplify the functions of the Fiji Islands Revenue and Customs Authority (FIRCA), the Fiji Islands Commission against Corruption (FICAC) and the Fiji Islands Trade and Investments Board (FITB); and
4. Realistic registration and filing fees should provide substantial net income for Government.

Business name registration should also be integrated into a newly computerised Companies Office. This process would mean that application for a business name, registration of a company and subsequent changes in company particulars could all be done by computer. The other fees charged by the registries should also be reviewed to make them more realistic for such an improved service. These changes would make the ownership of assets in Fiji more transparent as well as facilitating the more rapid completion of business transactions.

(iii) Other regulations

The quality of regulation is a critical factor in those parts of the economy where markets fail to operate effectively because of information asymmetries, monopoly powers or externalities.

These types of market failure typically occur in electricity generation and distribution, telecommunications and other network industries, and in the transport sector; for example maritime shipping, and environmental management (the latter is discussed separately below). [Regulation is also needed in the financial services sector: this is discussed below.) The NCBBF did not examine these issues in depth (they raise some highly technical issues) but notes the importance of well-designed regulation for the efficient operation of markets in all of these sectors. The provision of high quality regulation is another important role for Government.

6.4 Activities that the Government should consider leaving to the private sector

The Government has about $860 million invested in government-owned enterprises and private companies. This sum is equivalent to about 14 per cent of Fiji's GDP. There are 12 Government Commercial Companies (GCCs) (including a subsidiary), four Corporate Statutory Authorities (CSAs) and two majority owned GCCs (Pacific Fishing Company, PAFCO and Fiji Hardwood Corporation Limited). Considered as a whole, the financial performance of this portfolio of companies has been very disappointing: The total dividend to Government over the past ten years amounted to only about $14 million. Many of these companies have recorded considerable losses.

Some companies are involved in essential infrastructure activities such as ports, airports, electricity generation and the provision of social housing. There are others however, which are involved in industries that might more sensibly be left to the private sector — for example rice milling, ship building, food processing, an abattoir and fish processing. Many of these industries were perceived as strategic investments at the time the investment was first made — to help 'kick start' an industry such as paddy rice growing or beef production. But in most cases, the private sector has shown that it is more successful in the long run in running such businesses. Even the infrastructure companies such as Fiji Electricity Authority (FEA), Fiji Ports Corporation and Airports Fiji Ltd may well benefit from at least partial privatisation because of the entrepreneurial and business skills that private sector participation on the Boards of these enterprises could contribute.

The Government is introducing policies to improve the financial performance of these entities and strengthen their corporate governance, but it should seriously consider the divestment of those companies engaged in activities that would be better owned and managed by the private sector. The proceeds from their sale would be better invested in health, education or infrastructure, i.e. in accelerating investment in public goods that only the Government can supply, as well as reducing the time and other human and material resources absorbed by the requirement to monitor and supervise the activities of these bodies.

6.5 Macro-economic Management

Macro-economic stability is important because it increases the predictability of economic conditions and hence helps to minimise personal and business risk. There are three aspects to this topic: fiscal policy; monetary policy; and structural adjustment policies.

6.5.1 Fiscal Policy

The received wisdom from the international financial institutions such as the World Bank and the International Monetary Fund (IMF) is that countries serious about macro-economic stability should aim at balancing their Government's budget over time.

In Fiji, previous Governments have persistently run deficits and it seems to be very difficult for any Government in Fiji to avoid doing so — particularly as the Fiji National Provident Fund (FNPF) provides a ready source of 'captive' funds. In part, this situation reflects the 'weight' of the wages and salaries bill in the Budget: after accounting for personnel costs, debt servicing and other fixed charges, there is relatively little left for capital expenditure. Developing countries frequently argue that borrowing by Government for productive investments is justifiable to promote growth. Hence they argue, a fiscal deficit, if it is the outcome of borrowing for productive purposes, is also justifiable.

A joint IMF/World Bank paper in April 2007 which attempted to reconcile these conflicting perspectives of growth and stability argued for a compromise fiscal rule that would allow additional Government projects to be funded by additional Government borrowing 'provided the returns are robustly estimated, have little uncertainty and allow government to recoup its investment over time.' That is a fairly tough decision rule.

The IMF/World Bank paper concluded that the growth impact of fiscal policy varied with country characteristics (and, by implication, with the country's stage of development). This means that growth orientated fiscal policy must be customised as part of an overall fiscal package. The most important elements to look at include:

1. the efficiency of resource use;
2. the composition of expenditure;
3. the level of expenditure that can be financed effectively; and
4. the capability of financial institutions.

In Fiji, public sector productivity is low. The composition of public expenditure is distorted by excessive personnel costs which have squeezed out public investment and maintenance expenditure programmes, and there are some serious problems associated with the way the deficit has been funded through the sale of bonds to the FNPF. In turn, the FNPF has stifled financial market development. All of these factors suggest that the conditions that would justify any significant additional borrowing for additional Government investment projects barely exist in Fiji.

In an increasingly large number of developing countries with a history of over-large Government deficits, reforming Governments have adopted Fiscal Responsibility Acts to make it more difficult to continue with irresponsible deficits and mounting Government debt (Box 6.1)

Box 6.1: The Content of a Fiscal Responsibility Act

A lax fiscal tradition in many countries has been addressed by the introduction of a fiscal responsibility code based on five principles:

1. Government debt will be reduced to a prudent level
This principle acknowledged that the existing level of government debt was too high, and that the government needed to run operating surpluses for a period of time to reduce outstanding debt.

2. Once debt is reduced to a prudent level, the government will seek to maintain a balanced budget on average over the medium to long term.
This principle meant that the government could pursue counter-cyclical spending policies, but that over time deficits and surpluses were required to balance out.

3. The government will achieve and maintain a level of net worth that provides some buffer against unforeseen future factors.
This principle recognised that factors other than explicit government debt, such as public service pension liabilities or bank deposit insurance, affect the fiscal position.

4. The government will manage fiscal risks prudently.
This principle called for attention to fiscal risks, such as shifts in the demographic structure of the population and off-balance sheet State guarantees.

5. The government will pursue policies that are consistent with a reasonable degree of predictability about the level and stability of tax rates for future years.
This principle recognised the importance of tax stability for private sector planning and growth.

While credibility cannot be established by decree, stating these macroeconomic principles through explicit legislation increases the political cost of deviating from them. Clearly and formally articulating these principles helps to coordinate upon a standard to which successive governments can be held. Having an agreement on such a standard helps to foster macroeconomic policy credibility.

Many countries have passed fiscal responsibility laws, e.g. Argentina, Brazil, Columbia, Ecuador, India, New Zealand, Peru, Sri Lanka, Spain, Australia and the United Kingdom.

Similar principles of fiscal responsibility were included in Fiji's Financial Management Act of 2004. However, the principles are not binding on the Government: they need only 'be taken into account'. The NCBBF agreed that the incoming Government, following the elections, should consider amending the wording of the Act to make the principles of fiscal responsibility apply in a more binding way upon future Governments.

A related issue is that the concept of 'net worth' is meaningless (because it cannot be quantified) unless the Government adopts accrual accounting. The next Government should adopt accrual accounting because it will provide a more accurate, meaningful and comprehensive system for measuring both the financial performance of Government and the impact of government activities upon the Government's assets and liabilities.

The NCBBF supports the need for a progressive, broad-based taxation system. In a nutshell, Fiji needs a well-balanced and reasonably simple tax structure with some incentives to encourage greater investment, especially in strategic areas and particularly at this time when there is a lack of confidence. The NCBBF also noted that the Government had promised a gradual reduction in income tax rates following the introduction of VAT but this has not yet materialised.

6.5.2 Monetary and Exchange Rate Policy

The main issue examined here is the management of monetary policy and exchange rate policy.

An Issues and Discussion Paper (IDP) was commissioned on this highly technical issue, and the Reserve Bank of Fiji (RBF) also supplied some written comments on the issue.

The IDP elaborated on the advantages and disadvantages of the current monetary and exchange rate policy arrangements. It argued that the objectives of the RBF specified in the Reserve Bank of Fiji Act should be amended to include specific inflation and employment targets, further amendments should be made to the Reserve Bank of Fiji Act to include the shape and form of RBF accountability to the Government; instrument independence for the RBF (i.e. a system where Government sets the objectives of monetary policy leaving the RBF to choose the instruments it wishes to utilise in achieving those objectives); and to move, over time, to an exchange rate regime which maintained a fixed exchange rate, but one set within wider bands.

There was considerable debate on whether the RBF objectives specified in the Reserve Bank of Fiji Act should be made more specific at this time and in particular, whether both inflation and employment should be simultaneously targeted. The IDP cited academic literature that made the point that while price stability is undoubtedly beneficial, central banks should also be concerned with the stability of output. Fluctuations in output levels can cause high levels of unemployment and long term damage to the economy: a sensible balance must be struck between keeping the price level low and losing jobs. The IDP noted in this context however, that not even a specific inflation target (let alone an employment target) was included among the objectives of the RBF in its Act. In the absence of specific targets, it argued, there would always be a problem with the transparency of the RBF's operations.

The RBF, on the other hand, argued strongly that the general objectives currently included in the Act clearly state the end goal of monetary policy. Over time, the RBF has focused monetary policy on safeguarding the twin objectives of maintaining low inflation and ensuring an adequate level of foreign reserves. The rationale for focusing on these two objectives in particular is grounded both in theory and in practice. It is widely held that inflation should be the focus of monetary policy because ensuring low inflation contributes to economic stability and it is an area that monetary policy can control. The objective of ensuring an adequate level of foreign reserves originates from protecting Fiji's exchange rate regime. As Fiji's exchange rate is pegged to a basket of currencies, adequate foreign reserves are needed to ensure the stability of this peg. Therefore, by focusing on these twin objectives the broad goals listed in the Act can be safeguarded.

Although there are some general, implicit references to employment levels in the objectives set by some central banks (such as by the U.S. Federal Reserve) the RBF pointed out that an explicit unemployment target has not so far been adopted by any other central bank. The reasons are, first, because there is a trade-off between inflation and employment so a conflict between the two targets is likely to arise and, second, because it is far from clear that monetary policy can

influence employment levels to any significant degree. The RBF reiterated that the objectives listed in the RBF Act adequately encapsulate the focus of monetary policy, balancing the economic realities and fundamentals of the country. The RBF also argued that it is already fully accountable to the Government for its management of monetary policy and that it has been transparent with its policies and policy decisions.

The exchange rate policy issue was whether Fiji must always continue to live with foreign exchange controls or could move over time to a different foreign exchange regime — one that would integrate Fiji's monetary system more closely to the international monetary system with the consequential advantages of more ready access to capital and foreign exchange products entrepreneurs need by which to manage their businesses properly.

It is acknowledged that any changes to the exchange rate regime need to be very carefully considered, particularly calls for more flexible arrangements. Change cannot take place until strong economic and structural fundamentals are established to enable a smooth transition to more flexible exchange rate systems.

There are undoubted advantages at this time to the current fixed exchange rate: it anchors inflation and inflationary expectations with that of the countries to which the rate is pegged and, as Fiji's trading partners target inflation either explicitly or implicitly, it helps to maintain a low rate of inflation in Fiji. Because the exchange rate has proved to be reasonably stable in both the short and medium term, it improves the efficiency of trade. Furthermore, a pegged exchange rate is appropriate where domestic financial markets are not deep and liquid. In relative terms, Fiji's financial system is not developed and it is dominated by a few major players, with no secondary market trading.

Notwithstanding these advantages, there are also several drawbacks to maintaining a fixed exchange rate regime. If productivity growth in Fiji does not match the rate of productivity growth in its major trading partners, the real effective exchange rate may rise, making Fiji's exports less competitive in international markets. This situation could lead to an unsustainable balance of payments position. In that case, an adequate level of foreign exchange reserves will be needed to support the peg.

Furthermore, fixed exchange rate regimes need to be supported by a range of capital controls which can deter foreign investment and result in a misallocation of resources. There are also avenues for circumventing such controls and this can create further economic distortions. Nevertheless, exchange controls ensure monetary independence under a fixed exchange rate regime and assist in ensuring an adequate level of foreign reserves. Capital controls ensure an orderly flow of foreign exchange in and out of the country and tempers volatility when foreign reserves are under pressure.

Fixed exchange rate systems are less able than flexible regimes to absorb external and domestic shocks. The Fiji economy is small with a very narrow commodity base, and this narrowness makes it vulnerable to external shocks. In such times, additional foreign reserves need to be held. Various policy measures have been implemented in the past to stave off pressure on foreign reserves — these have included tightening exchange controls, raising the indicator rate,

imposing credit ceilings, recalling the offshore funds of certain institutions and, more recently, the issuing of Government's global bond. There are still other options available to the RBF to prop up the level of reserves.

On balance, the RBF argues that the fixed exchange rate regime has worked well for Fiji for over 30 years, and the RBF's approach has also been endorsed by the IMF. Consequently, any movement to more flexible exchange rate arrangements would have to be carefully considered.

Four ingredients are generally needed for a successful transition to exchange rate flexibility:

1. a deep and liquid foreign exchange market In Fiji's case, the foreign exchange market is shallow and inefficient;

2. a coherent policy governing central bank intervention in the foreign exchange market The removal of capital controls may require the RBF to hold sufficient foreign reserves to maintain or boost market confidence, lower exchange rate volatility and reduce the likelihood of a crisis. Currently however, Fiji's foreign reserves are under some strain and there are insufficient reserves to tamper exchange rate volatility with the move to flexible exchange rate settings;

3. the gradual movement to more flexible arrangements will eventually require an appropriate alternative nominal anchor to replace the fixed exchange rate. Many countries that have moved to flexible exchange rate regimes have opted for inflation targeting over monetary targeting. The weak relationships between monetary aggregates and inflation limit the effectiveness of monetary targets. This is also the case for Fiji, where also the relationship is not stable and predictable. At the moment however, Fiji does not have the institutional arrangements and macro-economic conditions in place for a move to inflation targeting. This is one of the major reasons why a move to more flexible arrangements would not be feasible in the short term;

4. there needs to be effective systems for reviewing and monitoring the exposure of both the public and private sectors to exchange rate risk. With a flexible exchange rate, the private sector bears the exchange rate risk. Prudential regulations would need to be strengthened in the area of evaluating exchange rate risk exposures — prudential measures might include limits on net open positions, foreign currency lending, overseas borrowing and bond issuance, for example. Relevant information systems, analytical techniques as well as internal risk policies and procedures would need to be in place to measure and monitor exchange rate risk. At this stage, Fiji is not ready on this front to manage and supervise exchange rate risk.

Considering the preconditions needed for a successful transition to a more flexible regime, the RBF suggests that a gradual approach is sensible. A rapid or even forced exit from the current regime would run a high risk of excessive exchange rate volatility. A gradual approach would allow the country to move towards a free float in measured steps — this might, for example, entail first moving to a crawling peg system, then to either a horizontal or crawling band.

However, the proper foundations would have to be laid in preparation for the transition, and appropriate sequencing of related policies, particularly with respect to current and capital account liberalisation, would have to be carried out. The underlying macro-economic fundamentals would have to be strong in order to support the move to flexible exchange rate arrangements, i.e. the pace and sequencing of real sector reforms must coincide with that of financial sector reforms. At this stage, when Fiji's economic fundamentals are weak as the economy struggles to recover, with foreign reserves under pressure and high inflation outcomes, a move to exchange rate flexibility would be untimely and ill-conceived.

While there is a consensus that it would be premature at this point of time to consider moving to a more flexible exchange rate regime (including a fixed exchange rate with wider bands), many of the changes recommended would fit naturally into place in a post-transition economic environment, e.g. a specific inflation target and a more transparent accountability arrangement between the Government and the Governor of the RBF might be more clearly appropriate after Fiji has moved to a more flexible regime. It would be more appropriate at that time to review the objectives set for the RBF in its Act and recommend any necessary changes.

The NCBBF therefore endorses the view that monetary policy should be considered in tandem with Government's fiscal policy regime. Successive Governments have adopted an expansionary fiscal approach to expand the economy and that policy sometimes placed a considerable strain on monetary policy. During some periods, fiscal and monetary policies worked against each other. Overall macro-economic policy will be more effective if fiscal and monetary policies are coordinated to reinforce each other.

Finally, the NCBBF strongly endorses the importance of maintaining the monetary policy independence of the RBF. This independence ensures that the Government is not placed in a position where it may encounter a conflict of interest and that policy does not become inconsistent over time.

6.5.3 Structural Adjustment Policies

The National Export Strategy (NES) is an important component of Structural Adjustment Policy in Fiji. The adoption of this strategy does not necessarily imply a complete shift from an import-substitution to an export-oriented focus. Indeed, against a background of rapidly rising food prices, Government might wish to consider introducing a food security policy in Fiji.

The NCBBF recommends that Government:

1. establish formal machinery to monitor/review the implementation of the NES and make recommendations on appropriate changes on an 'as and when required' basis (the Fiji Exporters Council might well play a role in this);

2. create a greater awareness of the NES among Government agencies to ensure that it is integrated in their respective core functions and given due prominence;

3. encourage the greater involvement of all private sector stakeholders, especially the tourism industry;

4. strengthen institutional capacity within the Ministry of Primary Industries and other stakeholders involved in export-related work; and

5. ensure that export-related/support activities are given the necessary support.

Labour market policies can also be an important component of structural adjustment. Economic restructuring usually results in demand for a range of new and different skills. This demand places additional pressures on the education system, trade training and other tertiary institutions to respond with appropriate new or additional training programmes.

In this context, the NCBBF suggests that the Government consider placing more emphasis in the promotion of non-formal education and on leadership training as a way of nurturing responsible citizenship in the country. It suggests that consideration be also given to a National Youth Service Scheme (NYSS), further developing that which is currently administered by the NYSS Unit within the Department of Youth and Sports.

6.5.4   Ensuring Environmental Sustainability

The NCBBF notes with concern that the environment in Fiji is being steadily degraded. A general evaluation of Fiji's environmental management performance, benchmarked on the Government's 1993 National Environmental Strategy (NENS), shows that of the 43 issues identified and categorised then, twelve issues are perceived to have deteriorated while only five have improved; 26 remain unchanged. Currently there are nine issues which are characterised as 'Critical' with three elevated from 'Significant' over the past evaluation. No 'Critical' issues identified in 1993 have been downgraded to 'Significant'.

A new Environment Management Act was recently enacted but there is an issue about the extent to which this is adequate and also whether the Department of Environment has the capacity to fully discharge the responsibilities it has been given. This is another technical topic, and an Issues and Discussion Paper (IDP) was commissioned to identify and discuss the main issues facing Fiji in this area.

The IDP noted that despite the NENS and other Government policies, the oversight provided by regional organisations, considerable donor support, and the Department of the Environment's growing stature, there remains a demonstrable lack of any real improvement in Government's ability to 'manage and control' environmental issues. This lack of improvement can be attributed to:

1. lack of enforcement capacity in environmental legislation;[93]

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[93] The Environmental Management Act came into force on January 1st 2008 after the Regulations to the Act were drawn up and gazetted.

2. lack of technical expertise and administrative resources in the Department of Environment;

3. weak political commitment to environmental management and consequent weak resourcing of, and administrative direction provided to, the Department of Environment;

4. the failure of other arms of Government (or related agencies) to embrace sustainable resource development and to acknowledge environmental management needs and policies (for example, departments of Lands Department, Forestry, National Roads, Water and Sewerage, the Central Board of Health, NLTB, FEA, FSC, FHCL, Fiji Pine Limited, AFL; a notable exception being the Department of Town and Country Planning); and

5. poor management of the considerable multilateral, bilateral and NGO assistance for environmental management, especially that provided for conservation and biodiversity.

The IDP also noted that Government's greatest failures since the adoption of the NES, were its inability to bring into force environmental legislation until January 1st 2008, and to improve the environmental management performance of its own departments and agencies.
The Environment Management Act provides for:

1. the setting up of the administration – the Department of Environment becomes a legal entity and is able to initiate legal proceedings against those who do not abide by the provisions of the Act;

2. the requirement for Environment Impact Assessments (EIAs) – all new developments require EIAs;

3. a new approach to waste management – there are provisions in the regulations for the re-cycling of all waste, be it solid, liquid or air emissions; and

4. a National Resource Management Plan – this is a fairly distant vision but something that the commercial sector needs to look at very quickly.

The NCBBF is concerned about the shifting of the environment portfolio from one Ministry to another. It recommends that the Department of Environment be transformed into an independent statutory authority to strengthen its independence and management capabilities.

The recommendations of NCBBF Working Group cover the following:

1. the need for a complete review of the current 'development control' administration;
2. new legislation needed for Protected Area management;

3. the Department of the Environment's lack of capacity to implement the Environmental Management Act should be addressed by enabling Environmental Health Officers and Mining officials to help implement the Act (with technical assistance from donors);

4. raise Government's political resolve for improved environmental management, especially within its own departments and agencies;

5. implement the provisions of the new Forestry Policy in respect of Forest Certification for good forest management in the forestry and plantation sectors;

6. prevent the increasing destruction of Fiji's rivers and streams through unsustainable gravel and boulder extraction;

7. address NLTB's environmental management needs;

8. effective management and monitoring of the Naboro landfill and waste management (including encouragement of recycling); and

9. better coordination and management of donor assistance for conservation and the environment, especially for Climate Change programmes and utilisation of renewable energy.

6.6   Improving the Performance of the Resource-Based Sectors

The resource-based sectors have been underperforming in the past decade (with the exception of mineral water). These sectors have much greater potential than their recent performance suggests. Given private sector leadership in marketing, production and investment, the resource-based sectors can contribute much more to development. This contribution is especially important given the positive impact that the more rapid development of these sectors would have on poverty alleviation, affirmative action and social justice, and rural and outer island development. However, strategic restructuring and reform in the way the sectors are managed is required to unleash the potential. Equitable and efficient land management is the central issue that underlies the development of the resource based sectors.

6.6.1 Agriculture

(i)   Sugar Industry

The sugar industry is an important lifeline to the economy. It contributes some seven per cent of GDP, generates on average 30 per cent of total domestic exports and provides direct and indirect employment to around 51,000 people, consisting of approximately 18,000 growers, 3,000 Fiji Sugar Corporation (FSC) employees and 17,000 cutters and drivers.

Unlike other export-orientated industries, almost all factors of production are domestic and have a high regional impact and cross-sectoral linkages. The industry was encouraged to develop during the early colonial period as the main basis of the cash economy, given that it was recognised that sizeable areas of the northern and western parts of the two main islands had very suitable soil and climate for cane cultivation.

Throughout its existence the industry has been sustained by preferential access to the United Kingdom (UK) market, assured since 1975 under the Sugar Protocol.

Challenges

Data over the last 30 years (Figure 6.1) show a general trend of declining production, more profound from the mid-1990s. The decline in output of both cane crushed and the resultant sugar content (particularly the latter) has been much more rapid than has that of either the area planted under cane or the number of growers. This decline reflects a particularly sharp deterioration in productivity at the field level, both in terms of cane yield per hectare and in cane quality.

Fig 6.1: Cane and Sugar Production Trends: 1975-2007
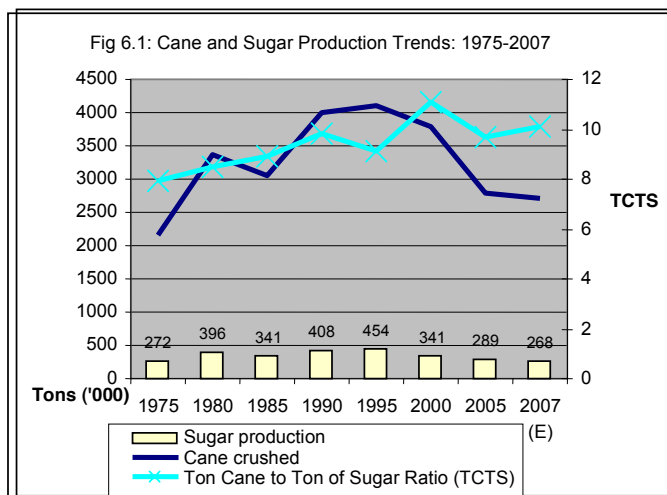
This situation is best illustrated by the ratio of a tonne of cane needed to produce a tonne of sugar (or TCTS) which was in the range of 7.9 to 9.8 between 1975 and 1990, and increasing to the range of 9.1 to 11.1 from 1990 to the present. These figures show that the industry today needs, on average, at least 15.2 per cent more cane to produce a ton of sugar, compared to 30 years ago. This need translates into increased cost for both the grower and the miller.

The decline in sugar output has been attributed to the movement of people off farms, the lower fertility of land due to unsustainable use and the ongoing use of low sugar content varieties of cane. The expiry of leases under ALTA since 1997 has seen the movement of a large number of cane farmers and their families into informal settlements in the periphery of urban centres. While new farmers (predominantly indigenous landowners) have taken over some farms, they need support to lift farm productivity. A large number of farms remain uncultivated and overgrown. The FSC estimates a loss of about 16,000 hectares in the area now planted under cane since leases began expiring in 1997.

The deteriorating performance of the industry is mirrored by the poor financial position of the FSC. The company is insolvent and has required annual Government guarantees since 2001 to undertake short-term borrowings to meeting its working capital requirements.

In addition to domestic difficulties, the external environment is also changing. As part of its Common Agricultural Policy reform, and in response to a 2005 World Trade Organisation (WTO) ruling on European Union (EU) sugar exports, the EU agreed to reform its internal sugar market conditions by providing for price reductions over a four-year period, starting by a five per cent cut in 2006-07 and increasing to the full 36 per cent cut by 2009-10. Since the EU internal price is linked directly to Sugar Protocol prices, the price of Fiji's exports to the EU will be cut by the same proportions.

The reforms in the EU market will have a wide-ranging affect on the local sugar industry and the economy, especially in the rural sector. The loss in foreign exchange arising from lower EU prices is estimated at F$65 million per year from 2009-10 onwards. This reduction in preferential prices will translate into lower domestic cane prices given to farmers from the current $55 – 60 per ton to an estimated $35 — 40 per ton.

The need for reform

A history of dwindling performance and changing external environment has necessitated the reform of various aspects of the industry from farming to transport systems and milling operations. Support has been provided by development partners such as the Government of India, ADB and EU.

While programmes targeted at addressing milling inefficiencies through equipment upgrading and replacement are at an advanced stage, initiatives to improve farm productivity and transporting efficiency are lagging behind. This is a concern given that improving farm productivity is crucial to the survival of the industry, as it prepares for exposure to the world market where lethargy and incompetence is punished severely by competitors with a competitive advantage. Competitive advantage is the real challenge of globalised trade.

Fiji's sugar mills are being upgraded to improve sugar recovery and increase the capacity to crush to about 4.2 million tonnes in a 25 week season. To complement these investments, the re-education of farmers in land and farm management is necessary not only to guarantee consistent supply to the mills, but also to build their capacity in the event that cane farming becomes unviable for them. Related to this is the issue of land fertility to increase cane and sugar productivity. Past practices where farmers overly-fertilised land to improve fertility levels need to be replaced by more ecologically friendly approaches.

The politicisation of the industry has hindered past reform efforts. Given the critical state of the industry now, the focus of reform needs to be less on institutions and machines, and more on the welfare of farmers, workers and all those who depend directly upon the industry for their livelihood.

Accountability and confidence need to be cultivated, and the industry become more incentive driven. In this regard, it is of critical importance to introduce a payment system for cane based on the sugar content of the cane. The recent signing of a Memorandum of Understanding (MOU) to sell 300,000 tons of sugar to the EU is a positive development. There should now be a shift in efforts – at all levels in the industry – towards maximising sugar production and not cane production.

(ii)   Other Agricultural Commodities

The non-sugar component of the agriculture sector, comprising crops and livestock, contributes around six per cent of GDP and accounts for 14 per cent of agriculture exports. The sector constitutes traditional food crops (dalo, cassava, yams, kumala and yaqona), tropical fruits (pineapple, pawpaw and mango), vegetables, pulses, ginger, tobacco, rice, spices, cocoa, coconut

products, beef, dairy, pork, poultry meat, eggs, sheep, goat and bee products. The major export commodities are fruits (papaya) and vegetables including dalo. Cut flowers are also exported.

The sector has been the mainstay of the rural population in supporting their daily livelihoods. While its contribution to food security has been enormous over the last 50 years, its contribution to the growth of the economy via the commercial sector has been generally subdued. Performance in the past has tended to fluctuate over time due to inconsistent production, disrupted market arrangements, natural disasters (cyclone, flooding), low productivity and poor farm management practices.

Challenges

The major challenge is to overcome traditional attitudes and demonstrate that significant income can be generated from farming. This challenge requires increasing the awareness of modern profitable agriculture techniques, including post-harvest handling and marketing. Related to this is the need to mitigate the lack of awareness in business management techniques as it relates to farming at all levels. These awareness campaigns are very much part of the Ministry of Primary Industry's immediate strategies.

Inadequate infrastructure support, whether by land through access roads, or by sea through shipping services and suitable ports, has been a disincentive to expansion in the more remote areas of the sector. The high costs involved in delivering produce to the market are a huge burden to rural farmers. In the past, Government attempted to address these marketing gaps through initiating collection centres and marketing authorities, but these initiatives were unsustainable and failed. In learning from these previous attempts, the Ministry of Primary Industry is working with the restructured Agricultural Marketing Authority (AMA) to provide outlets and collection systems for isolated farming communities.

An additional impediment to expansion within the sector has been the lack of access to finance. Farmers are still facing difficulties in accessing loans through commercial banks as agriculture is perceived as a 'high risk' venture. The situation is compounded by conflicts over land tenure and securitisation. The recent policy change by the Fiji Development Bank to focus lending towards the agriculture sector will provide some relief. However, it is the fervent hope of the NCBBF that the banking sector as a whole will take a similar view in easing credit access to farmers as economic conditions improve and existing credit caps are reviewed.

The Reform Process within the Ministry of Primary Industries

The Agriculture Department plays a key role in the sector given its extensive outreach through the rural areas. The infrastructure within the Ministry is being rationalised to reduce unnecessary expenditure while maintaining services to farmers and other producer groups. Emphasis is being placed on forging closer links with the producers and private sector processors through public-private partnerships that will reduce redundant and outdated extension and supply systems to ensure that public finance is put to the best possible use.

Additional bilateral quarantine agreements are in train that will expand the market base and the Ministry is working in tandem with the AMA to improve collection and post-harvest handling practices. More emphasis is being placed on demonstration farms using aid beneficiaries as extension resources.

To reduce the burden on domestic funds, overseas aid in the form of grants and foreign investments are being pursued. A programme of privatisation is also being undertaken where resources will be diverted from projects that are not delivering 'value for money' to other productive areas.

Efforts to strengthen linkages with the tourism industry are ongoing. By increasing production, reliability for servicing tourism outlets will improve the industry's reputation as an agriculture producer. Access into the tourism market will boost the expansion of the industry and open up opportunities in large scale projects in, for example, dairying, feed crop production and biomass for fuel production.

6.6.2 Fisheries

The sector contributes an average 2.8 per cent of GDP and generates on average nine per cent of total domestic exports. The bulk of the contribution from the industry is attributed to the harvesting sector (85 per cent) of inshore and offshore fisheries and aquaculture. Processors (10 per cent) and input suppliers (five per cent) make up the other contributors.

The tuna industry dominates the sector in terms of output and exports. It is estimated that about 42 per cent of total catch is sold to canneries, 37 per cent as fresh fish exports, and 21 per cent as domestic sales.

In the processing sector, the PAFCO is the largest processor with 60% of its revenue from loining, 38 per cent from canning and two per cent from sale of low-grade fish on the domestic market. There are other small-scale canning operations, but mainly involving imported mackerel. There are also small-scale fish smoking and fish filleting operations.

Large fishing companies such as Fiji Fish Ltd. market, package, transport, and export tuna. An estimated 17 per cent of fresh fish exports are to the *sashimi* market in Japan (graded yellow fin and big eye), 58 per cent to the U.S.A., and the remaining 25 per cent to China, Australia and Canada.

Export data for the past 15 years (presented in Figure 6.2) show a generally upward trend in fisheries exports. While canned fish exports have declined in the past five years due to the restructure of PAFCO away from exporting canned tuna to loins, the overall increase has been driven by fresh fish exports.

The growth in fresh fish exports has been due to the increase in the total number of active tuna long-line vessels operating in Fiji – from less than 10 in the early 1990s to a peak of 101 in 2001. The substantial increase in the number of licences issued by Government has been criticised

given that various reports by the Secretariat of the Pacific Community (SPC) suggested a sustainable licensing cap of 60 vessels.

Aquaculture programmes have not progressed well despite large investment from Government and donors in research, subsidised ponds and related infrastructure, hatcheries, and pilot farms. Problems and uncertainties have included declining prices, risk of disease, problems in producing post-larvae, difficulty in maintaining yield, and particularly in sourcing feed at reasonable cost. The bulk of those currently engaged in aquaculture (about 70 per cent) are in tilapia farming.

Fig 6.2: Trend in Fisheries Exports: 1992-2007
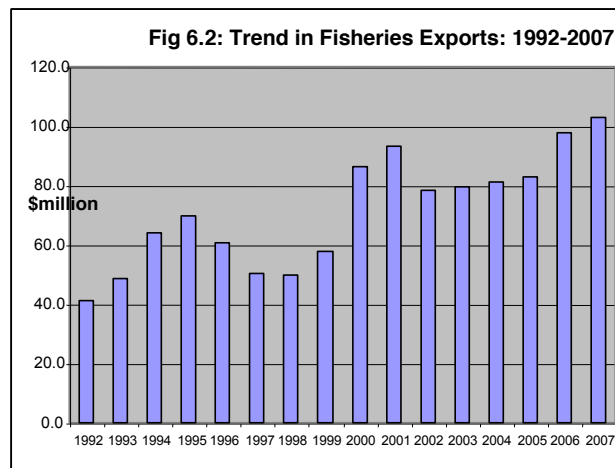
Challenges

The legislative environment under which the sector operates needs to be urgently reviewed. The present Fisheries Act, which dates back to 1942, despite amendments and additional regulations, is outdated. Similarly, the Marine Spaces Act is over 25 years old. Updating and enforcing the fisheries regulations are essential to safeguard the industry against the influx of foreign State subsidised vessels.

The current fish stock level is a matter of increasing concern. The highly-valued tuna are a migratory species and Fiji benefits from the regional stock, which is under threat from the increasing presence of foreign State subsidised fleets. The Fiji-based industry consists of 140 fishing vessels, of which 39 can be classified as domestic (i.e. licensed to fish in Fiji waters). Of the 39 domestic vessels, 29 are locally owned. While there has been a scramble for licences in the past, the current difficulties besetting the industry have seen only 39 licences issued from a cap of 60.

The rise in international oil prices has resulted in the cost of fuel rising to 42 per cent of total industry costs, compared to 14 per cent three years ago. The situation is worsened by the fall in the U.S. dollar in recent years which has reduced fish prices to Fiji exporters by approximately 35 per cent.

The domestic fleet is also facing stiff competition from international State subsidised fishing fleets. With increasing operational costs, domestic fleets have difficulty in competing – Suva harbour is littered with derelict and failed fishing vessels. The imposition of punitive duties, fees and cash-draining measures by Government solely on the domestic fleet (which comprises 28 per cent of the total Fiji-based fishing industry) has exacerbated the situation. Foreign boats are therefore able to operate with lower costs than can the domestic fleet, thereby providing these foreign fleets with a 20-30 per cent cost saving advantage.

As in the agriculture sector, the fishing industry sector is plagued by inadequate infrastructure such as ports, cold-storage facilities and slipways, as well as in accessing capital. The situation is not helped by the annual licence renewal requirement of Government which constrains the ability for forward planning, especially for capital expenditure on new boats and equipment.

A significant focus on tuna fishing has resulted in the lack of investment in research and development in other offshore commercial fisheries.

6.6.3 Forestry

Changes in the development objectives of the forest sector at both national and international level requires major reforms in the forest sector in order to support its long term sustainability. With the continual increase in population growth, societal demands for goods and services grow and forests are expected to provide timber, protect watersheds, soil, flora and fauna as well as provide shelter from natural disasters. A revised National Forest Policy, adopted in November 2007, set the platform for a coordinated sectoral development with strategies and instruments that would overcome the complex problems associated with balancing forest utilisation and protection measures consistent with the overall goals of sustainable development.

The forestry sector has been dominated by pine and indigenous (native) timber logging during recent decades. The sector contributes an average 1.3 per cent of GDP and generates on average 5.2 per cent of total domestic exports.

Fig 6.3: Trend Forestry Exports 1992-2006

Exports from forest products over the past decade have been on a generally declining trend as shown in Figure 6.3. Woodchips is the biggest export earner for the sector, comprising on average about 54 per cent of total timber export earnings, while sawn timber comprises 26 per cent, veneer 11 per cent, plywood eight per cent and other exports making up the total.
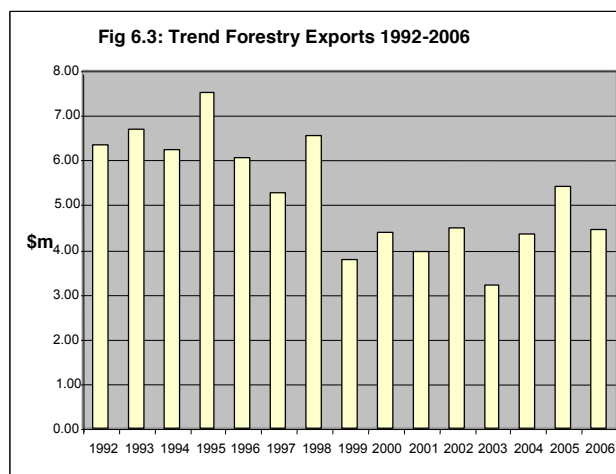
All woodchips are exported to Japan, while Australia and New Zealand are major export markets for sawn timber. Other export markets include the United States of America, Malaysia, Indonesia, Philippines and neighbouring Pacific Islands nations. The establishment of a processing mill in Wairiki Port, Bua will allow wood chips to be exported from Vanua Levu.

The development of the mahogany industry has been severely constrained by landowner disputes and poor management at Fiji Hardwood Corporation Limited (FHCL). Confronted by severe financial constraints, FHCL required a Government guarantee to secure finance for its working capital requirements. As a condition to the Government guarantee, the Board of FHCL assumed

executive control and commenced a restructure of company operations. Price Waterhouse Coopers (PWC) were engaged to oversee the restructure.

Challenges

With the adoption of a new policy framework, a major challenge for the forest sector is revision of the Forest Decree 1992 and related regulations. These revisions will ensure coordination of cross-sectoral development initiatives as well as the formulation of contemporary and appropriate laws and regulations that support sustainable utilisation of forest resources.

Discontent by landowners with existing arrangements and an increasing desire for more meaningful participation in the development of their resources is causing many hindrances, particularly when they involve renegotiation of existing agreements and arrangements. In the interest of the development of any natural resource, sustainable mechanisms for resource-owners' participation need to be put in place.

The slow pace towards increased value adding — despite incentives provided by Government — is due to the lack of capacity. A lot of preparatory work in training and up-skilling is required.

Existing infrastructure such as roads and bridges need upgrading, particularly in the rural areas where these are also frequented by the general public.

The lack of capacity and resources has also compromised the ability to enforce the Code of Logging Practices. This inability has resulted in severe land degradation by forest companies to the detriment of surrounding villages and settlements.

6.6.4   Mining

Mining and exploration in Fiji has been dominated by gold production from Vatukoula mine by Emperor Gold Mines (EGM), although other sector revenues come from industrial minerals such as sand and gravel, quarried stone and coral sand. The sector contributes on average 1.5 per cent of GDP, generates on average 8.5 per cent of total domestic exports, and at its peak supported a workforce of over 1,700 personnel as well as 350 directly employed contractors. In addition, the economic viability of the communities of Vatukoula and Tavua were dependent on EGM's operation.

Fiji has a mining history dating back almost 70 years, with mining commencing initially at Mount Kasi, Vanua Levu, followed by the discovery of gold at Vatukoula. Gold presently remains the only mineral export with the Vatukoula mine being the sole current operator. Subsidiary silver is a valuable by-product.

There has also been small-scale (but profitable) mining of manganese ore and there have been failed plans to mine bauxite at Wainunu, Bua and copper ore at Udu. Due to Fiji's location along the Pacific 'Rim of Fire', there is good geological potential for the discovery of additional 'significant' ore deposits.

The industry has had a challenging and sometimes controversial history with injuries and fatalities at the mines, environmental and health related issues, and its fair share of industrial disputes (the longest standing dispute unresolved since 1991 — some 16 years on!).

Production levels at Vatukoula over the past ten years have averaged approximately 125,000 oz of gold and $73.5 million in export earnings per annum. From 1993 to 2004, the operators of the mine, EGM, enjoyed a concessionary tax agreement (Vatukoula Tax Agreement), signed when gold prices were at an all-time low. This concession received a lot of criticism as it effectively exempted EGM from any income tax for a period of 27 years.

Challenges

The Vatukoula mine shut down in 2006 because rising operational costs and low output had severely affected the viability of its operations. After placing the mine up for sale, an Australian Company, Westech Gold purchased EGM's operations and tenements in Fiji. Recently, a UK-based company, River Diamonds, acquired the Vatukoula operation from Westech. Production is expected later in 2008 after the mine undergoes maintenance and resource assessments. The challenge of turning Vatukoula into a viable productive mine remains.

Being a high risk industry, attracting investors to this sector does not necessarily require political stability, as proven by countries like Papua New Guinea and those in Sub-Saharan Africa. A facilitative Government process, transparency in legislation and policies, security of tenure, a competitive tax regime and robust legislation are deemed more important criteria for attracting mineral investors.

The recovery of the sector now has to focus on leverage for producing mines by fast-tracking mineral exploration projects wherever possible. A more facilitative and collaborative approach is required here, given the risks inherent in this sector.

Security of land tenure is a critical issue for mineral sector investors. Without transparent and adequate compensatory policies, landowner grievances can become a significant impediment to long-term mine operations.

Inadequate technical capacity and under-resourcing of the Mineral Resources Department (MRD) constrains its ability to effectively carry out its functions. The shortage of technical experts such as geologists, for example, compromises the Department's ability to scrutinise submissions from the industry or add value to activities in the sector.

6.6.5   Mineral Water

Natural Waters of Viti Limited ('Fiji Water') is the dominant player in the local bottled water industry. The company has been rapidly increasing its production since its establishment in 1996 with export receipts from the commodity increasing from just below $6 million in 1999 to close

to $100 million in 2007. Robust growth is expected to continue as the product makes headway in the American market.

The success of Fiji Water and interest aroused in the bottled water industry, prompted closer examination of the institutional environment in which the businesses would operate.

In 2002, the United Nations Economic and Social Commission for the Asia Pacific (ESCAP) undertook an assessment of Fiji's policy, legislative and management framework for surface and sub-surface water. The report, entitled 'Water Resources Management, Fiji – Report on Mission, August 2002' highlighted constraints in water resource management such as:

1. the lack of coordination or optimised planning among the various sectoral agencies that develop water schemes;
2. absence of mechanism for resolving or optimising surface water uses which potentially conflict or operate inefficiently. Similarly, there are no mechanisms for monitoring or managing groundwater use, or resolving groundwater usage conflicts;
3. legislation for protecting water catchments does not provide strong powers or adequate penalties for water quality degradation and pollution;
4. absence of a formal leadership mandate for either surface water or groundwater, although the Mineral Resources Department has the operating mandate most closely approximating a groundwater management role; and
5. the lack of awareness among the population regarding the need to conserve water and consideration of measures to protect against periods of scarcity, and the need to avoid behaviour that pollutes or contaminates water.

Following the presentation of the report, a Water Resource Management Committee was formed. In turn, it produced a draft Water Policy Statement. The draft Policy Statement is should be considered by Cabinet in June 2008.

There remains no legislation or policy framework that addresses the extraction, use and management of groundwater in Fiji. The same applies also to the use of surface water for commercial purposes. The Rivers and Streams Act and the Irrigation Act fall far short of an appropriate regulatory framework for addressing rights/access to water and its different uses based on the principles of sustainable development.

Given the delayed work in this area, it was envisaged that the reviewed Mining Act would incorporate the necessary management and regulatory requirements for groundwater and surface water until stand-alone water legislation was put in place. The legislation would also address the issue of standards, given the prominent position of Fiji Water as a global brand.

6.6.6 Proposed Way Forward for Resource Based Sectors

Sugar

Decades of preferential access to the EU have bred inefficiency and complacency in the sugar industry. With reforms in the EU market, the local industry needs to quickly adapt and find its sustainable operating level: the industry needs to move from being production-driven to incentives-driven. Movement towards improved efficiency at the farm and milling level has a much higher probability of success if it is incentive driven. The NCBBF therefore recommends that the sugar industry be incentive-driven, beginning with the introduction of the cane quality payment system.[94]

Non-Sugar Sectors/ Industries

Fiji's economic history has been dominated by the sugar industry and for good reasons Government has gone out of its way to rescue the industry in the past. For too long however, the cost of doing that has been borne by the taxpayer and the economy, contributing to economic distortion and stagnation. Government needs to accept that the non-sugar sectors and industries provide equal or better potential to lift the economy to a higher growth path in the future.

The NCBBF therefore recommends that Government takes immediate and meaningful steps, beginning with the delivery of finances into the Ministries and supported by appropriate incentives, towards the development of other sectors and industries (crops, livestock, fisheries, forestry and value adding) to expand non-sugar agricultural production.

The contrasting treatment by Government of industries is no more evident than in the fisheries sector where the domestic fishing fleet are being forced to bear unjust costs imposed by Government and at the same time expected to compete with subsidised foreign fleets and contribute to increasing exports and growing the economy. The NCBBF therefore recommends, as a matter of priority, that Government exhaustively reconsider the discriminatory manner in which duties and levies are being imposed solely on the domestic fishing fleets while foreign vessels operate under no such imposition.

The case involving the domestic fishing fleets in the fishing industry is one such incident in which local investors are being discriminated against, whether intentionally or otherwise. The NCBBF therefore recommends that Government ensures a level playing field in the treatment of local investors and businesses and not be biased in the concessions it grants to foreign investors.

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[94] In making this Recommendation, the NCBBF is aware of the initiatives currently being pursued by Government in the Sugar Reform Programme and as part of the National Adaptation Strategy. While these initiatives are equally important, the approach of the NCBBF was to pose the question: 'What is the most fundamental and strategic event that needs to happen to begin the process of changing the fortunes of the sugar industry for the better?' The NCBBF was of the view that this event is the adoption of the cane quality payment system.

Land

Access to land is a major prerequisite for any development. Related to this is the timeliness of the supply of land accompanied by both security of tenure and the ability to use land for whatever purpose.

The NLTB exists and is mandated by legislation to ensure the interests of the landowners are safeguarded. The complexities involved with the administration of native land and the need for extensive consultation with stakeholders if changes are to be considered have been noted.

Recognising land as a factor of production, a key constraint plaguing the country is the difficulty at present in mobilising this resource for the benefit of the economy. This mobilisation is not restricted to the issue of the availability of land for agricultural, commercial or social purposes (like social housing) but also the issue of the availability of leased land as collateral in the financial market. The challenge here is how to transform the capital inherent in land into capital that can be used either to develop that land or for other economic purposes.

To effect such a transformation, it is essential that efficient mechanisms be created to make leasehold land available to potential users who are willing to pay for its use at a rate set by the market, and not by an administered or legislated rate.

Creating a market for leased land is an essential ingredient to economic development in Fiji, and will also release to landowners returns commensurate with the true value of their resource.

The NCBBF therefore recommends a common legislation for the administration of all land (include management of native, crown and freehold land) under the framework of Native Land Trust Act (NLTA), while also adopting any meritorious aspects of ALTA.

For agricultural leases, an important issue emerging out of the debacle surrounding ALTA leases is the loss of a generation of farmers and the lack of replacement farmers. Short-term leases create uncertainty for the younger generation growing up on the farms and compel them to pursue other income-earning opportunities and careers and thereby turn them away from farming as a career. Thus, short-term leases could create recurrent (cyclical) shortages in the supply of people willing to be farmers, particularly in the sugar sector.

In other ways also, the tenure of leases has a major bearing on the viability of many projects. For example, a forestry lease granted for 30 years or 50 years would not be attractive to developers given that pine plantations have a crop turn-around period of 22 years and mahogany 35 years. The NCBBF therefore recommends flexibility in the tenure of leases issued: they should be sector specific and take into account the unique needs of the various sectors.

While approximately 90 per cent of total land in Fiji is communally-owned native land, statistics provided by NLTB show that 40 per cent of the land is classified as native reserves. The statistics also show that areas leased comprise just over 13% of total native land.

The bulk of leased land has been leased for sugar cane production. Given 30 years of intensive sugar cane farming, the fertility of the soil is likely to have been greatly diminished. The potential therefore for rural farmers, and landowners in particular, to improve their standard of living revolves around the better utilisation of land under native reserves.

The NCBBF therefore recommends that NLTB (in partnership with Government, civil society organisations, and the private sector) put in place an initiative to encourage villages to better utilise their unleased land under reserve. The Government should support this initiative by providing appropriate infrastructure such as roads.

The NCBBF also recommends the setting up of a National Land Register which would incorporate data on all lands in Fiji irrespective of ownership. The Register would be an important management and planning tool to move towards a solution for allocating land based on optimal returns.

Finally, the NCBBF recommends appropriate legislative backing for the National Land Use Policy adopted by Government in 2002.

Marketing and Management

There is a long history in the Pacific Islands region of Government involvement in marketing. This involvement has been in the form of produce collection centres, marketing authorities and bodies, and marketing services (transportation and quarantine treatment). Despite good intentions, this involvement has been detrimental to the development of the sector. In some countries, including Fiji, Government continues to be involved in marketing. This can be explained by paternalistic political imperatives, inadequate institutional memory and invalid assumptions about the capability of the private sector.

The NCBBF therefore recommends that Government focus its role on creating an enabling environment for the private sector. In particular, it identifies twelve measures designed to provide supporting infrastructure and create a conducive business environment in the agriculture sector by:

1. improving main production roads and making feeder roads;
2. providing main jetties with produce shelters with priority for Taveuni, Kadavu and Koro;
3. establising an international sea port at Savusavu;
4. investment in FEA power in key production areas such as Taveuni and western Vanua Levu (Dreketi);
5. facilitating mobile phone coverage in key production areas with priority for western Vanua Levu, beyond Korovou, Kadavu and Koro;
6. assisting farmers with construction of basic shelters for produce awaiting collection;
7. extending the runway at Nadi airport to take a full load;
8. supporting a quarantine service that provides timely export protocol development and establishing efficient pest risk assessment mechanisms for importing planting material;

9. encouraging the adoption of plastic field bins by the fruit and vegetable industry to improve produce quality;

10. facilitating linkages between growers in more remote areas and produce traders — a 'marriage broker' role;

11. facilitating linkages between producers of quality handicrafts in remote locations and urban and overseas buyers; and

12. providing appropriate incentives to the shipping industry to better service the outer-islands. An example is the provision of all-weather jetty facilities which lower operating costs and encourage regular services.

However, further subsidies will still be necessary to ensure a basic level of service is provided.

Mining Sector Roadmap

Despite a long history of mining spanning over 70 years, Fiji only has one operating mine. This is despite the stated potential of Fiji given its geographic location along the Pacific 'rim of fire'. The key to boosting the contribution of the mining sector to GDP and the economy is through the opening of more mines.

The key prerequisites for the transition from exploration to production include facilitative Government processes, transparent legislation and policies, security of tenure, a competitive tax regime and robust legislation. A long-term strategy for the development of the mining sector depends on these.

The NCBBF recommends the development of a long term strategy or 'Road Map' for the mining sector, that can capture an active role for Government in realising the goal of more mines sustainably operating in the country.

The shortage of technical experts (such as geologists) compromises the Department's ability to scrutinise submissions from the industry or add value to activities in the sector. The situation has been exacerbated by decisions taken recently by central agencies (PSC and Ministry of Finance) to withdraw senior positions within the Department that have not been filled for some years to accommodate Government's targeted 10 per cent annual reduction in the cost of salaries in the civil service.

The NCBBF therefore recommends, as a matter of urgency, adequate resourcing of the Mineral Resource Department including in particular, technical capacity. In addition, the NCBBF recommends that urgent steps be taken to complete the process of reviewing the Mining Act.

'Compact' with central agencies

While Government openly champions the objective of developing the resource-based sectors to help move the country forward, experience over past decades in the manner in which its ministries collaborate with each other depicts a different picture.

Economic Sector ministries (Lands and Mineral Resources, Agriculture, Fisheries and Forests) are consistently restricted by unilateral decisions taken by the Ministry of Finance in the release of funds. These decisions act as detriments to programmes managed by the Economic Sector ministries. Although the need to ensure proper accountability in the use of public funds is recognised, Government also needs to align its own practices to the demands and practices of the private sector.

The private sector cannot become the 'engine of growth' for the economy if the budgetary and funding systems of Government operate at a much slower pace than do those of the market place where business deals and transactions are time-sensitive. In other words, the Government needs to equally play its role in supporting efforts to grow the economy.

The NCBBF therefore recommends that the formalisation of a 'Compact' or a binding agreement between the Economic Sector ministries with central agencies (Ministry of Finance in particular), which operates within the Financial Management Act 2004 and other PSC guidelines, be explored. The 'Compact' would set out flexible parameters in which the Economic Sector ministries could work to progress major development projects.

In addition, the NCBBF calls for greater involvement by the National Planning Office in decisions regarding resource allocation, in order to maintain a strategic planning perspective in the management of Fiji's economy beyond the budgetary cycles. This involvement would then ensure that funding decisions are guided by national development requirements and not reduced simply to accounting decisions.

Concluding Comment on the Role of the Resource-based Sectors

Fiji's economic progress has been lethargic over the past decade, characterised by stagnation and lack of innovation. Government policies have been inconsistent and reforms aimed at improving the public sector have actually done more harm than good. Major industries are in decline, Government finances are in a critical state, and the overall standard of living of the people is being rapidly eroded. There is an increasing housing problem, public health issues are emerging, and landowners now desire a greater role in the economic and business life of the nation.

Against the backdrop of these challenges, the NCBBF is unanimous in stating that continuing with the *status quo* will only lead to further deterioration of the economy. Breaking out of this cycle requires radical measures and a strong political will to move away from embedded political and economic positions. The natural resources sector provides the greatest potential to lead the people of Fiji and the economy back to sustained economic prosperity.

6.7   The Financial Services Sector

Background

The financial services sector comprises markets for money (credit) and for capital. In these markets the needs of those who want credit are matched by the financial institutions offering credit, and the needs of those who seek capital are matched by the providers of capital in capital markets such as the stock exchange or venture capital companies/funds. These markets also provide mechanisms for financing international trade and for minimising financial and trade risks. They allow people to buy and sell financial securities, commodities and other fungible items of value at low transaction costs and at prices that incorporate all information available to the market.

In Fiji, the financial services sector has evolved significantly over the years with innovative approaches to attract new customers, offer new products, and improve the management of liquidity. Today, the size of Fiji's financial services sector (including bank and non-bank financial institutions, insurers and credit institutions) is around $9.3 billion compared to $4.7 billion in 1997. The sector comprises five commercial banks, three credit institutions, ten insurance companies, the Fiji Development Bank and the Fiji National Provident Fund, eleven authorised foreign exchange dealers, several non-bank financial institutions, and six unit trusts. There is a small stock market with 16 listed companies and three stock brokers/fund managers, two of whom invest in companies with the potential for listing.

Fiji's licensed banking industry presently comprises five commercial banks and three credit institutions. Four of the licensed banks are branches of large overseas banks: ANZ Banking Group, Westpac Banking Corporation, Bank of Baroda, and Bank South Pacific. Colonial Bank is the only locally-incorporated bank, although owned by the Commonwealth Bank of Australia. The three credit institutions are all locally-incorporated, with Merchant Finance and Home Finance both locally-owned, whereas Credit Corporation Fiji limited is owned by Credit Corporation Papua New Guinea.

A sixth bank, the Asset Management Bank (AMB) operates for the sole purpose of winding up the residual operations of the National Bank of Fiji following its enforced restructuring in 1996. The AMB came under the control of the Reserve Bank of Fiji from 1st April 2007. The AMB is not typically counted as an operating commercial bank.

The capital market industry comprises one stock exchange with 16 listed companies, three stock brokers, two dealers, 30 licensed investment advisers and six unit trusts.

Current Status of the Financial Services Sector

Reserve Bank of Fiji

The Fiji financial system comprises entities and individuals that can be grouped into three categories; (i) those that are supervised and regulated by the RBF, (ii) those that are supervised and regulated by the Capital Markets Development Authority (CMDA), and (iii) those that are

non-regulated. Of those that fall within RBF's supervisory and regulatory ambit; there are the banking industry, insurance industry, superannuation industry (the FNPF only) and the foreign exchange industry. Presently, commercial banks and the FNPF comprise approximately 80 per cent of Fiji's financial system.

The RBF operates within a legislative environment that governs its operations as central bank and as supervisor and regulator of part of the financial system. The three main functions of the RBF include monetary policy formulation and implementation, licensing, supervision and regulation of financial entities, and the issue of currency. These functions are supplemented by the RBF's roles as adviser and banker to Government, lender of last resort to the banks and disseminator of information.

Fiji's financial markets comprise the money market and the capital market. The money market includes the inter-bank market, foreign exchange market and the issue of and market for treasury bills and promissory notes. The capital market includes the bond market and the stock/equity market.

Over the past five years the financial system has witnessed several notable developments. These have included the increased number of players within the system, the movement towards specialisation by those players, the increased coverage by commercial banks via additional branches, Automatic Teller Machines (ATMs), Electronic Funds Transfer at Point of Sale (EFTPOS) terminals, rural banking vehicles, and the introduction of internet and telephone banking services and new products. Banks also extended their opening hours. In addition, the Real Time Gross Settlement System launched in 2007, as 'FIJI CLEAR', has revolutionised the way in which payments are made between commercial banks, particularly the large value payments.

The evidence for the deepening of Fiji's financial system is apparent from the following benchmarks:

- M1[95] and M2[96] as a per cent of GDP;
- domestic credit and total deposits as a per cent of GDP;
- total bonds as a per cent of GDP; and
- stock market capitalisation as a per cent of GDP.

Challenges

In developing the system, the RBF is guided not only by its legislative mandate but also by sound international practices, developments in the regulatory and supervisory arena, and the needs of participants in the system.

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[95] M1 = cash and checking account deposits. A measure of the money supply which combines any liquid or cash assets held within a central bank and the amount of physical currency circulating in the economy and demand deposits, which are checking accounts.

[96] M2 = M1 + savings accounts & money market accounts. M2 is a broader classification of money than M1. Economists use M2 when looking to quantify the amount of money in circulation and trying to explain different economic monetary conditions. M2 is a key economic indicator used to forecast inflation.

As part of its plans to further strengthen Fiji's financial system, the RBF will be targeting its efforts towards initiatives including improving financial literacy and outreach, the development of trade finance products, strengthening of its supervision of particular sectors, continued development of the capital market, and MSME promotion, effectiveness and regulation.

The IMF/World Bank Financial Sector Assessment Program (FSAP) report of 2007 concluded that *Fiji's financial system is sound.* There are however, several areas that the FSAP report recommended Fiji address in the short, medium and long term.

Specific FSAP recommendations include the need to look at the supervision of the credit unions, a strategic national direction for micro, small and medium enterprise development, resourcing of supervisors and regulators, review of the existing legal framework and the need for a review of the registries in Fiji. A number of other recommendations being looked at by the RBF include the demonopolisation of the Fiji National Provident Fund (FNPF).

In addition, the report suggested the need to identify gaps in the financial system identified by the FSAP and other participants. Such gaps include micro, small and medium enterprise development, improving access to rural and school banking services, enhancing and finding channels to facilitate trade and export finance, enhancing remittances, venture capital, and capital markets development.

Capital Market Development Authority

The capital market industry comprises the stock market (equity), bond market (debt) and the unit trust market. There are three licensed brokers, two dealers, 30 licensed investment advisers, six unit trusts, and one stock exchange with 16 listed companies.

The market capitalisation of the stock market increased by 42 per cent from $748 million in 2003 to $1.06 billion in 2006. As a percentage of GDP the ratio increased from 27 per cent to 34.4 per cent in the same period. In 2007, the market capitalisation dropped to $810 million due to the declining share prices of most stocks as investors sold their shares in view of the current economic conditions and political events.

Market Capitalisation & the Ratio of Market Cap to GDP
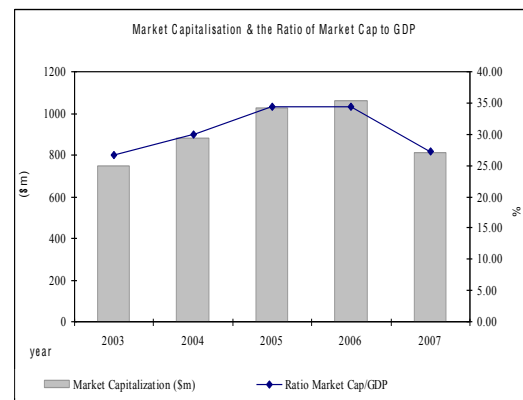
In the bond market, the total value of issued bonds rose from $359 million in 2003 to $460 million in 2006. In 2007 the amount of bonds issued fell to $269 million. In the same period (2003 – 2006) the level of redeemed bonds has increased from $208 million to $237 million. This amount increased further to $252 million in 2007.
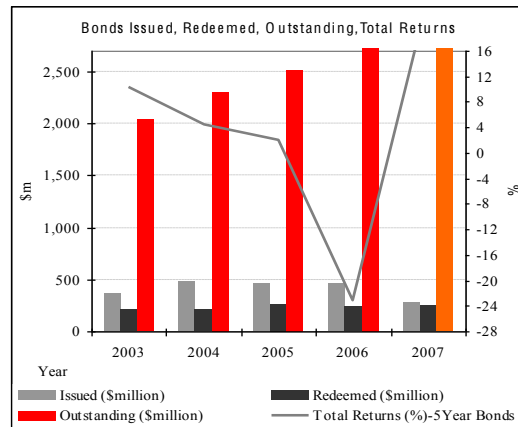
In the unit trust market, the level of funds under management has grown significantly. In 2003, the funds under management were $114 million; this increased by 44.7 per cent to $165 million in 2006. In 2007, the level of funds managed fell to $147 million as investors shifted their investments to deposits and bonds in view of high interest rates. Similarly the number of unit holders has grown from 6,340 in 2003 to 11,100 in 2006, representing an increase of 75.0 per cent. The number grew further to 13,672 in 2007.

Challenges

There is no doubt that the capital market needs to be developed further to address the issue of liquidity in stock trading and to encourage the listing of more companies. Progress in these areas is constrained by the low level of stability in market conditions, the lack of awareness of the fund-raising capacity of companies, limited products and services and the challenge of establishing a robust regulatory framework. Added to these constraints are the different rates of tax imposed on different investment products, the inconsistency and contradictions of relevant legislations that affect the capital market and differing standards of investor protection for similar risks.

While the CMDA has the potential to fulfil its role better, it is constrained by limited Government funding and manpower resources.

Fiji National Provident Fund

FNPF sees itself as a key social and economic anchor to the nation. It notes that the survival of the nation is ultimately intertwined with FNPF. Under the Act, the Fund was set up to look after the retirement of the people of Fiji. Along the way, additional roles have been added to a point where many think it is the lender of last resort.
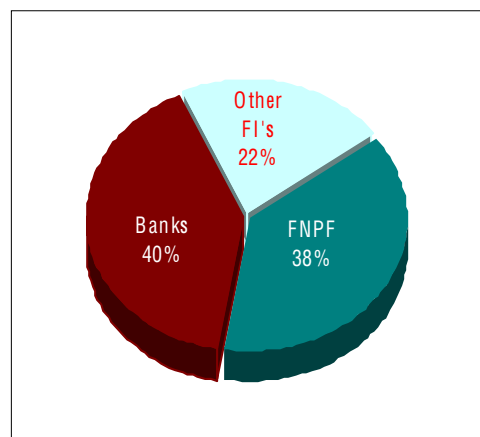
Legislated roles under the FNPF Act (Cap 219) include: the payment of interest to members on their funds; collection of members' contributions from employers; payment of annuity or pensions; payment of a special death benefit; maintenance of

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a death insurance scheme; and allowance for withdrawals by members (including death of a member and protection of sums contributed and withdrawn by members)

By law, FNPF is still the sole superannuation fund in Fiji. Today, its size in the economy is roughly about 40 per cent of the total financial system, so it is important that the affairs of FNPF are handled well. It has a membership of about 343,000, employers of about 6,647, contribution per year is about $290 million, investment income is about $200 million, and interest credited to members in 2007 was about 6.3 per cent, which has reduced gradually.

By virtue of its size, the FNPF has also become a very significant player in Fiji's financial system. Its assets have more than doubled in the past decade to $3.3 billion, accounting for approximately 38 per cent of the total financial system assets. The growth of FNPF as well as its relative size in the financial system has significant implications for the domestic financial market, debt management and monetary policy implementation.

FNPF is being used as a monetary tool to achieve monetary policy objectives in order to stabilise Fiji's foreign exchange reserves. Restrictions have been placed on overseas investments by FNPF. There is an understanding with the RBF that when the monetary situation requires it, the fund will repatriate funds invested overseas to boost the country's foreign exchange reserves. However, there is an opportunity cost to the Fund as these repatriated funds were earning high rates of interest abroad. When re-invested locally following repatriation, the returns are lower.

There is a need to spread FNPF risks by having some portion of FNPF money invested overseas. Consideration needs to be given to whether FNPF has the capacity to do this and if so, how it is going to undertake this investment.

The fund is also utilised as a major source of funding Government deficit. The Government is one of FNPF's major borrowers. Fifty-four per cent of the FNPF's investment portfolio is in Government securities, and the return on investment is about 6.65 per cent. Sixteen percent of that investment portfolio is also in quasi-government securities, which are earning 6.38 per cent.

In addition to the Fund's relative size in the financial system, it also serves as a provider of social relief to its members. During last year's natural disaster, the fund disbursed about $2.68 million and an amount of $5.21million was provided to members as assistance due to deduction of salary by the PSC.

FNPF has also expanded its responsibilities to promote economic growth by investing and lending in growth areas. The fund is playing a critical role in the development of the tourism and real estate sectors through the building of hotels and lending to businesses and corporate entities.

Challenges

Basically FNPF is a simple business: it receives contributions and invests the money received so that it generates a fair return to pay members. The challenges facing the fund include: the need to practise good corporate governance; undertake an enterprise risk management framework for the organization, manage risks (and as part of that enterprise risk management framework, to

instil a consciousness of risk within members), and strengthen investment, internal audit and finances.

The definition of the FNPF's role is not straightforward. For instance, the legislated responsibility of the fund to its members is to exercise prudent investment management policies. But circumstances have seen it forced to adopt a role as a monetary policy tool. The latter role has lead to restrictions on off-shore investment which has limited the Fund's ability to diversify its investment portfolio and increase investment returns. Furthermore, it reduces the ability of the Fund to meet its targeted return on investment (ROI) of 13 per cent and this negatively affects the Fund's ability to match its assets and liabilities in the long term.

The primary purpose of the fund is for members' retirement but members have growing expectations of short to medium term benefits and see the FNPF as the 'lender of last resort'.

The sustainability of the Pension Fund is another challenge. The World Bank has agreed to undertake an actuarial review of the Pension Fund. This review will be the second exercise; the earlier one was funded by the International Labour Organisation (ILO). Having two perspectives is an advantage especially as one is from a social perspective (the ILO's). The RBF is also looking at the pension business because, according to the last actuarial review of the pension rate, the current actuarial payout rate at FNPF is still too high.

In addition, there is a need to separate the accounting of funds along the lines recommended in the Financial Sector Assessment Programme (FSAP) and work on this is being developed. At the moment, these funds are lumped together in the Fund's general reserve. Furthermore, after reviewing its investment policy statement, the FNPF is doing a lot of work in the investment area as it is a critical area that needs to be strengthened. This work includes the development of new products such as repackaging of domestic bonds to overseas investors.

National Centre for Small and Micro Enterprises Development (NCSMED)

The Centre was mandated by law to support and promote micro enterprises under an Act which came into being in 2002. Under the Act there are the traditional aims of a business service development organisation at the national level to support and promote SMEs, especially for the benefit of disadvantaged groups, women and young people. Additional aims are to facilitate the development of an enabling policy and regulatory environment, develop training programmes and business management, and facilitate access to funds for SMEs.

The Centre has a small staff of about 30. Its budget is under $2 million annually with the exception of the Northern Development Programme, which has a $5 million annual budget.

There are nine Microfinance Institutions (MFI). The NCSMED has seven MFI partners and two MFIs fall under the ambit of the Centre. Three of the MFIs are urban-based MFIs (MF West, MF Labasa and Fiji Council of Social Services Microfinance Unit). The seven rural-based MFIs are in Bua, Kadavu, Rewa, Ra, Taveuni, Macuata and Nausori.

Microfinance is the provision of basic financial services to the poor to low income earners and their enterprises. In Fiji microfinance services are provided specifically for easy access to funds for the purpose of promoting small and micro-enterprises for employment generation and for investment promotion. The fine line drawn between its financial services and social objectives poses the question of whether the services are part of the financial sector or a poverty alleviation programme.

The Interim Minister for Finance announced in the 2008 Budget that the Centre will undertake a feasibility study of a microfinance bank, and plans are underway to have this undertaken. This study will look into options for the delivery of efficient and effective microfinance services in Fiji, possibly looking at the formation of a separate entity for this purpose. The Centre is undertaking business training in both urban and rural areas; it is also establishing two business incubators in Vaileka in Ra and one in Suva.

Challenges

The sustainability of microfinance services is a challenge faced by the Centre. While the services are improving the socio economic status of many of its clients, the viability of the programme within the constraints of low population density and vast and isolated population masses with high transaction costs makes it more of a challenge in Fiji than the delivery of microfinance services in Asia .

Consumer Council of Fiji

The Consumer Council was established through its governing legislation, the Consumer Council of Fiji Act 1976. It has five board members and its headquarters are in Suva. There are two regional offices (one in Lautoka and one in Labasa) comprising three staff in each office. The Labasa office looks after complaints in the Labasa and Savusavu area whilst the Lautoka office has a wider jurisdiction, catering for Lautoka, Ba, Rakiraki, Tavua, Nadi and Sigatoka. The task is enormous – it consists of examining the products on grocers' shelves ('our price surveillance'), collating data, and attending to people's complaints.

The role of the Council is very clear. It is an advocacy organisation, exerting external pressure as a watchdog and lobbying for change in areas where consumers are treated unfairly by goods and service providers. The Council protects the rights and interest of consumers, in particular the poor and the most disadvantaged.

The Council is not an enforcement agency but a consumer mouthpiece, it is independent, expressing itself openly, freely and fearlessly in assisting consumers. Awareness programmes are also a critical part of the Council's work through the distribution of consumer interest publications to the media and the people.

Challenges

- Examining whether there are adequate mechanisms for protecting consumers and addressing consumer complaints.

- The need to establish a Financial Services Ombudsman.
- The need to disclose and disseminate as much information as possible to consumers. The more information given to consumers, the more knowledgeable they will become and the more they will be able to make informed decisions.

Issues

There are five major issues, each of which could, if not adequately addressed, impede the further development of the sector.

The first relates to whether financial markets are sufficiently developed to support the ongoing development of the real sector. The NCBBF concurs with the conclusion of the November 2007 World Bank/IMF Financial Assessment of Fiji (FSA) that the financial sector in Fiji is generally sound. The FSA report noted that Fiji has a financially strong and highly profitable banking sector, good supervision and laws, and a high degree of long-term contractual savings through the insurance and pension sectors. It noted however, that one major distortion had arisen from the FNPF, which itself accounts for about 40 per cent of financial system assets. The FNPF has been constrained from carrying out international diversification, a prudential necessity for the pension fund of a small open economy. In consequence, it has become the dominant investor in Government bonds, thereby stifling market development. The issue therefore, is whether Fiji is now at a point where the absence of a deeper bond market has become a major constraint on the growth of the financial sector. This is an issue that needs to be closely considered for the reasons outlined in Box 6.1.

Given the work already being undertaken by the RBF to address the concerns raised in the FSA report about the management of the bond market and the efforts already initiated by the commercial banks to broaden their client base, particularly in rural areas, the NCBBF is assured that financial markets in Fiji are sufficiently developed to support the degree of structural adjustment in the real economy now required by Fiji.

There are, however, some related issues about the operations of the FNPF that require additional scrutiny and consideration. Currently, the assets of FNPF are largely domestic. To invest offshore, exchange controls will have to be relaxed (as has been done in the past). However since late 2006, the offshore investments of FNPF have been recalled in order to bolster the country's foreign exchange reserves. The balance between offshore and local investments in future will have to be carefully considered given that its liabilities are all in Fijian dollars but its assets overseas will be subject to foreign exchange rate risk.

Given that the FNPF is primarily a retirement fund, there is also some concern about the significant growth in partial withdrawals and the impact this might have on the original objective of the pension fund. There is something of a dilemma between its social obligations role and its retirement fund objective. Pension rates are being reduced from 25 per cent to the current level of 16 per cent this year and 15 per cent next year. The rate may need to be reduced even further to ensure the sustainability of the Fund.

The **second** major issue is whether the institutional arrangements for, and processes of, financial intermediation in Fiji are as efficient and economic as can reasonably be expected in an economy the size of Fiji's. There is also the closely-related issue of whether there are adequate mechanisms for protecting consumers and addressing consumer complaints: there are always some bank customers who argue that bank charges are too high. However, the banking sector is largely deregulated — in the sense that there are no barriers to the entry of new banks — and the banks argue that there has been intense competition between the banks, especially over the past eighteen months. In addition, banks face competition from non-bank financial institutions. The RBF argues that the current competitive regime for the banking sector complies with Fiji's WTO obligations under the WTO, other EPAs and trade agreements and that it is best to let market forces create the appropriate degree of competition within the sector.

Box 6.1: Why should Fiji worry about underdeveloped financial markets?

There is a lot of evidence suggesting that at a certain point in a country's development, an insufficiently developed financial sector can hold back development, even if other major preconditions for development – such as relatively high standards of education – are met. Insufficient financial development can leave a country in a 'poverty trap'. Because of increasing returns to scale in the financial sector, a vicious circle can be created, where low levels of financial intermediation result in a few market players. The lack of competition in such countries results in high costs, leading to low deposit rates and hence low savings, which in turn limit the amount of financial intermediation. Research has shown that countries with a high level of education but a low level of financial sector development, can become trapped at a relatively low standard of living compared to those countries in which there is a similar level of educational achievement but a more developed financial sector. Moreover, this research shows that educational attainment has no significant affect on growth in countries where financial sector development is weak. This situation implies that lack of financial sector development may compromise the positive contribution of education to growth and poverty reduction. This may be because, beyond a certain level of educational attainment, the productivity gains stemming from human capital accumulation become conditional upon changes in the sectoral allocation of investment, which is difficult to achieve without a sufficiently developed financial system.

Deeper financial markets contribute to growth by increasing the rate of capital accumulation and through the effect of this on the rate of technological progress. These effects arise from the intermediation role provided by financial institutions which enable the financial sector to (a) mobilise savings for investment, (b) facilitate and encourage inflows of foreign capital (including FDI, portfolio investment and bonds, and remittances), and (c) optimise the allocation of capital between competing uses, ensuring that capital goes to its most productive use. Financial intermediaries also act in more subtle ways to help businesses manage their risks more effectively and efficiently, to disseminate valuable information about investment opportunities, to monitor the performance of enterprises, and to incentivise managers. More generally, by reducing information and transaction costs in the economy, the financial sector allows more transactions to take place, thereby enlarging the economy.

From a macro-economic perspective, deeper financial markets strengthen monetary policy transmission mechanisms, thereby making monetary policy more effective. There is also evidence that aid is much more effective in developing countries that have deep financial markets because deep markets make it easier for the authorities to sterilise the undesirable consequences of aid flows, such as higher prices in the non-tradable sector and an appreciation of the real exchange rate.
Source: UK Department for International Development

The third major issue is the scope for extending financial services to those living in rural areas and the outer islands, and the importance of this for poverty reduction is explained in Box 6.2. The most appropriate strategy for micro, small and medium enterprise development is a closely-related issue.

As previously noted, the commercial banks have already taken the initiative to broaden their customer base by taking banking services out to rural villages, and this is proving to be very successful in bringing banking services to poorer people in rural areas. However, there is more that can be done in this area, especially in expanding the scope of programmes delivering financial services to medium, small and micro businesses.

Box 6.2: The significance of financial services for poverty reduction

The provision of financial services to relatively poor people is important for poverty reduction. The provision of bank/savings accounts can allow the poor to accumulate funds in a secure place over time in order to finance a large anticipated future expenditure, or to build up reserves that can be used when there are unexpected fluctuations in income and expenditure. This feature can be particularly valuable for those with low or variable incomes. Bank accounts can thus reduce the vulnerability of the poor, and minimise the negative effects that shocks can sometimes have on both immediate and long-run income prospects, for example, thus avoiding the need to sell income generating assets such as tools or livestock, at low prices during a household crisis. Having a bank account can also improve access to other financial services, such as remittances and insurance, and enables the client to build-up a financial history, improving access to credit over time. The mobilisation of savings also increases funds available for on-lending. The availability of credit can strengthen the production assets of the poor by enabling them to invest in productivity-enhancing new technologies such as new and better tools, equipment, or fertilizers, or to invest in education and health. The availability of credit can be an important factor in the creation and expansion of small businesses, thus generating employment and increasing incomes.
Source: UK Department for International Development

A clearer strategic national direction for micro, small and medium business development is needed. MSMEs should be brought from the margins of economic planning to a more central position so that their potential can be fully realised. This movement should be accompanied by a range of supporting measures to improve financial literacy and awareness, the inclusion of topics like saving, investing and banking procedures in the school curriculum and the promotion of school banking initiatives.

Adequate prudential supervision is important for the stability and credibility of the financial system in Fiji. While the prudential supervision of the banks and major credit institutions in Fiji is quite satisfactory, there are some deposit-taking institutions, especially credit unions, for which prudential supervision arrangements seem less adequate. This is the fourth major issue.

It is clear that there is an urgent need to regulate all agencies currently outside the scope of RBF and CMDA supervision. These include the credit unions, FDB, FEA, the Housing Authority, and other non-supervised or regulated entities involved in the financial services sector.

The fifth major issue relates to the supervisory arrangements for Fiji's capital markets. While the RBF has been successful in creating a stable banking and insurance sector, it is widely agreed that future development of the financial services sector will need to be driven largely by

dynamism from the non-bank financial institutions and capital markets. There needs to be greater clarity about arrangements for supervising capital markets. Although the CMDA is clear that this is their role, some hold the view that there may be a conflict of interest between its supervisory and market development functions. This position needs clarification. A name change by the CMDA to emphasise its role as a securities commission might be advisable.

6.7.1 Proposed Way Forward for Financial Services Sector

The NCBBF concludes that the financial sector as a whole is well-placed to support growth and poverty reduction in the real sector. The fact that the faster rate of growth in the real economy that had been hoped for has not materialised cannot be attributed to any fundamental problems arising from the financial services sector. It is instead, a function of the political instability created by the repeated coups which has created a climate of uncertainty and fear, together with other deficiencies in public policy such as incompatible and inconsistent policies, the lack of investment in infrastructure, the property rights problem, and a weak legal environment for business.

However, performance and the relative state of development within different parts of the sector vary. The NCBBF agrees that the banks provide a world class banking system in the sense that just about everything that can be done overseas in terms of banking services can be done in Fiji. On the other hand, the bond market — a basic foundation stone for a more sophisticated financial system — is relatively under developed. A solution to this problem requires major changes to the current arrangements for managing the FNPF's investment portfolio and diversifying its investments. This is the highest priority for reform in the sector.

Improvements to the more effective operation of the bond market would also be greatly facilitated if the Finance Ministry publishes an annual programme for bond auctions. Publication in turn, will require an improvement in the Finance Ministry's ability to forecast its cash flows and the RBF's ability to forecast liquidity conditions. An annual programme would provide time for the market to prepare and for investors to set funds aside. This procedure will ensure that Government bond issues are marketed widely and ensure that small investors have an opportunity to purchase bonds.

The NCBBF also agrees that the superannuation industry should be deregulated and notes that the Reserve Bank has already initiated a study of the different ways in which this might be achieved.

While prudential supervision of the banks and other entities currently supervised by the Reserve Bank is adequate, the NCBBF is concerned by the inadequate arrangements for the prudential supervision of credit unions and other non-regulated/supervised entities. Adequate prudential supervision arrangements are needed to cover the latter group. The NCBBF also agrees that more adequate resourcing is required for all of the agencies engaged in prudential supervision activities.

The NCBBF agrees that the role of the CMDA in supervising capital markets should be re-examined to ensure that there is no conflict of interest that might compromise the accountability of the Authority for this aspect of its mandate. It also suggests that the Authority change its name to reflect its role as a securities commission.

The NCBBF agrees that the growth of the capital market would be boosted considerably if the Government commits to the principle that Public Enterprises — where practicable and appropriate — should be listed on the Fiji Stock Exchange.

The following are areas the NCBBF views as the main priorities in developing the financial services sector so that it can contribute more strongly to growing the economy and reducing poverty.

Short term priorities:

1. Supervision and regulation of credit unions and other non-supervised/regulated non-bank financial institutions. This regulation will reduce the risk of loss by people making deposits with these institutions because of fraud or inadequate management.

2. Decide upon a strategic national direction for micro, small and medium enterprise development.

3. Create a national programme for financial literacy and awareness outreach.

4. Examine whether there are adequate mechanisms for protecting consumers and addressing consumer complaints.

5. Establish a Financial Services Ombudsman.

6. Disclose and disseminate as much information as possible to consumers

Medium term priorities:

1. Split up the management of the FNPF's investment portfolio. This is essential to promote an effective secondary market for Government bonds as a first step towards increasing the depth and liquidity of Fiji's money market.

2. Government to issue a yearly program indicating when it will issue bonds and Treasury Bills in the market, so that the market can prepare and for investors to set funds aside. This step will ensure that Government bonds issues are marketed widely and will give small individual investors the opportunity to purchase Government securities. It may even help reduce the purchase of government bonds by the FNPF.

3. Deregulate the Superannuation industry (Demonopolise FNPF). Deregulation will allow competition in the provision of superannuation products which will in turn

allow a diversity of products to meet the differing requirements of different customers.

4. More adequate resourcing of prudential supervisors and regulators.

5. A review of the existing legal framework in the sector, particularly those matters identified in the FSAP Report, i.e. a review of the Companies Act and the Bankruptcy Laws.

6. A review of the registries in Fiji, particularly the Registrar of Companies, the Registrar of Titles and other registries, with a view to computerising and networking these agencies.

7. Increase access to venture capital, and to also consolidate and encourage efforts to facilitate venture capital scheme financing.

8. Government consider reducing corporate tax by five per cent on companies that are listed on the stock exchange for a specified time period, e.g. 10 years. It should be noted that Jamaica and Mauritius capital markets flourished due to Government's support in reducing corporate tax for listed companies and listing of State-owned enterprises. The market capitalisation to GDP recorded for Mauritius and Jamaica was 40 per cent and 180 per cent respectively as reported in the FSAP report. Fiji is below 20 per cent.

9. Government to set-up private equity companies like FICL to invest in companies with the potential to be listed and eventually list them on the stock exchange as an exit strategy to recover their equity investment.

10. Government to provide a grant to venture capital companies to invest in high growth companies.

11. Reduce or remove tax on unit trusts to encourage more savings, especially from low income earners.

12. Encourage banks and other financial institutions to set up associated or subsidiary companies to undertake brokering and investment banking activities in the capital market.

13. To inculcate a savings habit in our population, key topics like saving, investing and banking should be included in the school curriculum for both primary and secondary schools.

14. All licensed insurance companies should be required to disclose and publish their annual reports and key performance indicators in the public gazette and local newspapers.

15. Develop an insurance course regarding the local industry and its requirements and make it available to all insurance agents.

Other gaps that the NCBBF agreed should be addressed:

1. Promote rural banking and school banking initiatives in addition to those currently being carried out by the commercial banks, to inculcate the savings habit in our population.

2. Microfinance — this may involve the private and public sectors and civil society organisations. There is a need to improve not just access to basic banking services such as savings accounts, but also to access to credit for small bankable proposals.

3. Trade finance, particularly given the growing imbalance between exports and imports.

4. Remittances — to explore measures or channels that can be implemented to lower the cost of inwards remittances.

CHAPTER 7.   INSTITUTIONAL AND PUBLIC SECTOR REFORM

7.1   Introduction

The Public Sector comprises the Public Service and all other public bodies that form part of the executive government of Fiji, such as statutory bodies, public enterprises and companies controlled by the Government.

7.2   Public Sector Reform

The performance of the Public Sector is regarded as having declined dramatically over the last twenty (20) years. Notwithstanding the continued commitment and efforts of some loyal public servants, overall motivation and morale has dropped. Regrettably, despite fifteen (15) years of effort in Public Sector Reform (PSR), it appears to have had little effect. The factors that might have led to this situation are identified.

The Public Sector will need to play an effective role in the implementation of the People's Charter for Change, Peace and Progress, thus it is essential that the Public Sector's performance is improved through a more effective, coherent, better managed and more strongly driven PSR agenda. This Chapter examines what should be the vision for the Public Sector and what are the key changes that a PSR agenda needs to make in the Public Sector.

PSR covers civil service reform, financial management reform, and public enterprise reform.

Civil Service reform so far has included a new Public Service Act and Regulations, the establishment of the Senior Executive Service, the introduction of three-year industrial relations agreements, the development and implementation of corporate plans, contracting of new employees, and implementation of the Service Excellence Award Framework. Most recently, short term changes have been made to Civil Service salaries. One major critical issue concerns the overall size of the Public Sector which has grown considerably over the last ten years.

The financial management reforms have been geared towards putting in place a better performing budget and financial management framework that firstly adopts a performance focus, and secondly strengthens accountability. As well as the macro-economic issues and budgetary reform, other initiatives include improving linkages between Government policy decisions and their implementation, a focus on performance or outputs than on inputs, improving performance information, and reducing weaknesses in line agencies in financial management and budget accountability.

From the late 1980s, there has been pressure to limit the role of Government to areas that could be best handled by the public sector and reduce ownership of commercial activities that could be better handled by the private sector. In 1993, a `public enterprise reform` policy was developed and adopted by Government. The Public Enterprise Act 1996 provides the legal framework that guides the implementation of the policy. Government has been undertaking a three-step reform process: (i) introducing measures to reorganise, commercialise and corporatise public enterprises; (ii) enhancing competition in the markets in which particular public enterprises operate; and (iii) privatising the restructured public enterprises. The Government has made some progress in reorganising, restructuring and commercialising some of the commercial operations. The reform framework related to public enterprises has led to the corporatisation of the Ports Authority of Fiji and the Public Trustee Corporation.

7.3   Service Delivery

There is a strong public perception that service delivery across the Public Sector often fails to meet the expectations of the people. Poor service delivery adversely affects the lives of the people of Fiji, and in particular the poor. The reasons for that failure are examined in order to develop a series of recommendations on changes that will lead to improved performance.

7.4   Policy Making Reform

Some of the reasons for the poor performance of the Public Sector can be attributed to its ineffective role in policy development and advise. This Chapter examines ways in which the policy development process might be improved in Fiji.

7.5   Indigenous Fijian Administration

The Indigenous Fijian Administration system is charged under the Fijian Affairs Act to be responsible for the good governance and well being of the indigenous Fijians.

A number of institutions have been established over the years to support the advancement of the interests of indigenous Fijians. Its structure and systems have been designed for this purpose. Today, questions are being raised on whether these institutions are meeting their intended objectives of improving the governance and wellbeing of indigenous Fijians, whether they are adequate to meet their concerns, needs and aspirations, including those residing in urban areas and how accountable are these institutions. These include:

 i.   Bose Levu Vakaturaga (BLV) (Great Council of Chiefs);
 ii.   Fijian Affairs Board;
 iii. Native Land Trust Board;
 iv.   The Ministry of Indigenous Affairs and Provincial Government;
 v.   Provincial Councils; and

vi.   Business development initiatives such as Yasana Holdings Limited, Vanua Development Corporation, and Fijian Holdings Limited.

7.6   Discussion of the Issues

7.6.1 Service Delivery

Service delivery in Fiji covers a diverse and vast range of fields such as health, education, water and electricity supply, legal services, law enforcement, immigration, provincial government, prisons, shipping, national security, infrastructure such as road and other forms of transport, urban planning and building regulation, meteorology and land management. Effective delivery of these services by Government is vital to the way that people can lead their lives; pursue employment and other opportunities for economic advancement; and bring up their children. Regrettably, the largest part of the burden of any inefficiency and inconvenience in poor service delivery is usually borne by the poor.

<u>Service Delivery — Coordinating Multiple Compact Relationships</u>[97]
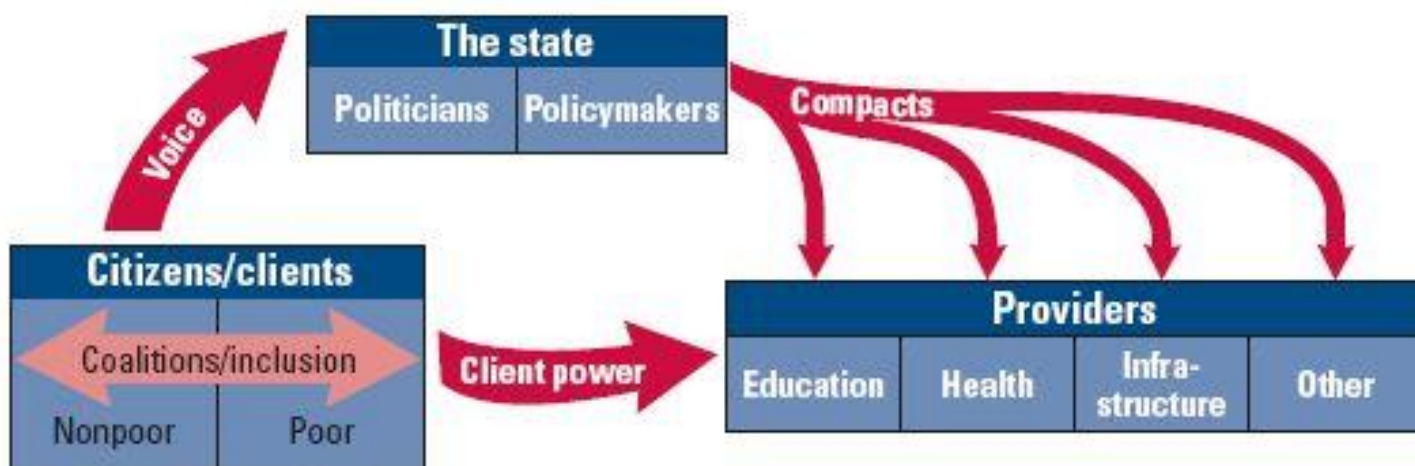
Quality in service delivery in Fiji relates to the expectations that people have of Government in delivering services. If the people's expectations are not being met, failure in credibility of the Public Sector and the Government can result. The sorts of issues that can arise in relation to the people of Fiji's expectations of service delivery include:

1.   whether the service that is being delivered is the one that is needed, or does some other service need to be provided;
2.   whether the particular service is better delivered by Government or an entity outside of Government;
3.   what information is publicly available about the service that is being provided;

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[97] Source: World Bank Report (2004) on Public Sector Underpinning of Service Reform.

4. what are the costs of delivery of the service, and should any part of the cost be passed on to the public through a user-pay arrangement;
5. whether the service is accessible to the persons or body that needs to use it in terms of the location of the service and the times it is available;
6. what standards of service should be provided to the client, including the time taken to provide a service when a request or application is made; reliability in the sense of avoiding mistakes; professionalism in the sense of providing good quality service; responsiveness to complaints that are made;
7. what standards of basic fairness are practised in providing the service; and
8. is the service user friendly in that it is simple to access and use, and courtesy and respect is shown to the user.

Unfortunately, the Public Sector is widely regarded as often not meeting these expectations. Today, there is a widespread belief in Fiji that there is a crisis in the delivery of services by government. In some instances, such as the supply of water, there seems to be frequent breakdown in the delivery of services. For other services, there are frequent complaints about inaction, unresponsiveness and official indifference (and sometimes rudeness). There are also particular difficulties in coordinating rehabilitation efforts after a natural disaster. In remote localities, there are ongoing difficulties in accessing basic services such as health care and schooling.

There is a growing level of public concern and emerging frustration relating to the deteriorating standards of delivery of services in Fiji. Other countries have made significant improvements to service delivery through implementing reforms, but Fiji's attempts to reform under the Service Excellence Program, which commenced in 2004, has failed to enhance service delivery in terms of efficiency, productivity, effectiveness and accountability.

The main problem areas identified are a reflection of broader problems relating to the substantially weakened Public Sector that Fiji now has. The problems relate to budget constraints, lack of established service standards, ineffective work systems, weak leadership, lack of capacity in the Ministry or agency, lack of processes for consultation with members of the public on their expectations of service, cultural impediments, lack of accountability and transparency in regard to the service, human resource management and remuneration issues, low levels of productivity, low levels of motivation and indifferent attitudes towards clients, and the lack of a service-orientated culture.

While limited budgetary funding to Ministries and Departments is often blamed for poor service delivery, it is in fact caused by a combination of factors. Thus, there is no single solution to improving service delivery, but the issues need to be addressed holistically to realize significant improvements in service delivery. A wide range of reforms needs to be implemented by all Public Sector Ministries and agencies and these include:

1. Showing Determination and Using Synergy in Addressing Long Term Service Delivery Reform. Service delivery reform is unlikely to be effective unless a holistic approach is adopted to addressing delivery problems in Ministries and agencies.

These elements might include structural change, work redesign, improving human resource management, training, and improving financial management.

2. **Aligning Agencies to their Service Delivery Priorities.** The functional reviews that are now being undertaken in each Ministry and agency need to give high priority to addressing the specific ways in which improvements in service delivery can be achieved. To be effective, better management of service delivery can be achieved through better organization of structure and function and improved disposition of human resources. Agencies must build a results-based performance culture where corporate planning, financial management, performance measurement and assessment of individual performance are integrated and taken seriously.

3. **Demonstrating Improvements in the Short Term in Key Problem Areas.** Making incremental improvements in specific areas of service delivery should be a key part of the annual corporate planning process and contracts for Permanent Secretaries. Specific targets on required improvements need to be clearly stated and information published on the changes and improvements achieved. A strong emphasis should be placed on achieving the targets that are set on delivery initiatives that would assist the poor and disadvantaged people. The Ombudsman's Office should also be requested to pay close attention to complaints it receives relating to systemic problems in service delivery.

4. **Changing Organisational Cultures and Making Related Human Resource Management/Remuneration Reforms.** Successful service delivery reform requires the staff of Ministries to change their attitudes to clients as well as being provided with appropriate capacity building. Specific change management and training programmes may be needed to achieve this change in culture and competence. With remuneration now to be linked to performance, improving service delivery outputs should be specified as a key test of productivity. Each Ministry should put in place processes for dealing with complaints from customers and making information publicly available on how to access such procedures.

5. **Giving the People of Fiji Their Own Say in Improving Service Delivery.** Ministries should meet regularly with clients by setting up Customer Service Forums to establish their views about the services provided and to provide feedback on service delivery improvements that are being made. A suitable NGO or private sector organisation should be funded to conduct an annual survey of customer satisfaction with regard to the performance of different Ministries in the Public Service and to publish the results.

6. **Setting Service Delivery Standards.** Each Ministry should develop, and publicise, a Service Charter that outlines what services it provides and the performance standards that it will meet, similar to those that have been implemented in Samoa and in Australia.

7. **The Role at Provincial Level.** With better organisation of roles and some capacity building, service delivery at the local level could be significantly improved.

Two service delivery case studies —on the health sector and on roads — were undertaken by the NCBBF Secretariat (TASS) in consultation, respectively, with the Ministry of Health (MOH) and the Public Works Department (PWD) and with some of the clients of both organisations. The case studies were aimed at better understanding the impediments to improving health service delivery and to addressing the deteriorating standard of roads in Fiji.

The health case study, and the Fiji Human Rights Commission's Report of May 2008[98], reveal some of the key issues affecting service delivery in the Health Sector:

1. **Access to Services** — Fiji's economic circumstances and urban drift have had a significant effect on health services. In the Outpatient sections at major hospitals, patients have to wait two to five hours to see a medical practitioner. The opportunity cost for the waiting time is quite exorbitant: for major surgeries, waiting time is from months to years. Improved management of waiting times is an issue in many health services across the world with greater allocation of sufficient staff through better rosters being one possible solution.

2. **Youth Suicide Rates** — While declining, Fiji has one of the highest rates of youth suicides in the world, with the highest rate amongst Fiji-Indians living in rural areas. Of 57 suicides in 2007, 45 were females and 12 were males. On average, there are 110 attempted suicides each year. A national policy to combat suicide is being launched through a National Committee set up to address the problems that lead to youth suicide.

3. **Aged Care Services** — Fiji's elderly make up five per cent of the population but consume 40 per cent of total health services. Public health facilities are inadequate to cope with the growing demand for aged health care, including for delirium and dementia.

4. **Financial Issues** — Innovative solutions are needed to cope with the financial difficulties of the health sector, including through working with the private sector and civil society. The health sector, being a labor intensive industry and increasingly being pushed towards high technology solutions to address health problems, requires a much higher level of funding. This funding level is beyond the capacity of Government. Having to provide quality health services to remote localities also adds to cost. Governments over the years have been unsuccessful in implementing some form of user fees because of low income levels among the majority of the population, as is reflected in its inability to review medical fees and charges in public hospitals despite increasing costs. Currently any indemnity cost incurred is solely borne by the Government. This situation not only adds to the financial burden to Government but

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[98] See the Fiji Human Rights Commission's Report of May 2008, The Right to Health: Whether the People of Fiji enjoy the highest attainable standard of physical and mental health.

also does not require the medical practitioners to take any responsibility for negligence.

5. **Human Resource Issues** —— The emerging level of emigration of skilled health care professionals from Fiji is creating a huge shortage of skilled personnel. Unsatisfactory work conditions and salary levels are considered to be key factors in determining the movement of health care workers. New working arrangements should be devised.

6. **Equity Issues** — The introduction of private providers of health care, such as through Suva Private Hospital, presents new challenges in the delivery of health care. Some medical professionals employed in public hospitals also provide services in private hospitals. Anecdotal evidence suggests that doctors sometimes are more receptive to seeing patients in the private hospital as they get higher financial returns. Management needs to work out more satisfactory sessional arrangements.

7. **Drug Shortages** — This has been a growing problem. Many of the essential drugs used in Fiji are often in short supply. The Pharmaceutical Department occasionally runs out of drugs altogether. Better arrangements for the management of drugs are needed.

The following are possible solutions for the health sector[99]:

1. **Encourage Greater Private Sector Participation in Health Services Delivery** – Certain services such as Kitchen, Laundry, and Security should be outsourced. Corporate sponsors should be encouraged to fund projects like refurbishment of hospitals and wards and equipping operating theatres and clinics.

2. **Increase Human Resources for Rural Primary Health Services** – Increased manpower needs to be made available to serve people using rural health facilities. This requires attention to human resource management issues, with regard to working in rural areas.

3. **Review the Terms and Conditions of Health Professionals with a view to moving towards Market Rates Remuneration** – Serious thought must be given to reviewing the remuneration of health professionals', to motivate them increase their productivity.

4. **Introduce Service Charters in the Health Sector** — A Service Charter would be a public document that sets out the standards of service that the people of Fiji can expect from a health organisation, such as timeliness, access to service, professional standards to be met, as well as providing avenues for lodging complaints by clients.

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[99] These recommendations are discussed in the IDP on Service Delivery – page 15-17.

5. **Reorganise and Restructure Existing Health Programmes into a More User-Friendly, Efficient and Strategic Delivery System** – This could assist in lifting the productivity of health personnel and eventually raise the standard of service delivery.

6. **National Campaign to Combat Youth Suicide** — The work being done by the National Committee should be given a high public profile.

7. **Development of New Policy Options for Aged Health Care** — Families and communities must take a greater responsibility in addressing this problem as it is clearly beyond the resources of the Government to cope with this growing problem.

The main issues identified in the Roads Sector were[100]:

1. **Community Service Obligations** — At present, there are no defined community service obligations. This means that there is no specified budgetary commitment for the provision of public funds to subsidise the construction and maintenance of roads to isolated communities. This problem needs to be addressed through the budget. The recent loan from the Government of China is available for construction of new roads, but some funds could be made available for maintenance.

2. **Key regulatory challenges** — Roads performance and quality standards monitoring is presently *ad hoc* (with the tools of asset management existing in the Department of National Roads (DNR) not being effectively utilised). Road standards monitoring and enforcement should be separated from direct road maintenance activities, with maintenance transferred to the private sector through outsourcing arrangements. The DNR should then gradually assume a regulatory/supervisory role.

3. **Maintenance Issues** — Road maintenance in Fiji is poorly managed and is under-funded. A 1997 ADB-funded study estimated that an appropriate annual budget for national roads maintenance would be approximately F$40 million/year. Although no recent estimate is available, the figure for 2008 would almost certainly be higher. The current annual allocation for roads maintenance is about F$26 million — much of it is being spent on reactive work such as storm damage repair.

4. **Capacity Constraints** — Contract management skills within DNR need to be enhanced to handle outsourcing arrangements. This would ensure that necessary procedures are strictly followed and that contracts are made in the best interest of taxpayers and which makes best use of taxpayers funds.

For the Roads Sector, the NCBBF agreed to the following recommendations[101]:

1. **Reorganizing and Restructuring the Department of Roads into an efficient and strategic Delivery System** - Involving some corporatised functions and outsourcing

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[100] These issues are discussed in the IDP on Service Delivery – page 22.

[101] These recommendations are discussed in the IDP on Service Delivery – page 25.

of delivery functions. This has the potential to significantly improve outputs and outcomes;

2. **Combining the functions of the Land Transport Authority (LTA) and Department of National Roads** — Consolidating the two entities would enhance overall efficiency and make effective use of scarce resources;

3. **Implement a Performance-Based Maintenance System** – The current Force Account method is not based on principles of productivity. The NCBBF recommends that it should be based on a performance-based maintenance system. However, the mechanism needs to be well researched and planned to avoid possible setbacks;

4. **Public Private Partnership** – This would free up Government's budget when selected projects are partly funded off budget. This initiative is emerging as an attractive means of funding public infrastructure to enhance service delivery in countries like China, Malaysia and India. The NCBBF supports the use of the BOOT (Build, Own, Operate, and Transfer) concept to accelerate infrastructure development in Fiji;

5. **Revenue Retention** – A certain percentage of road revenue should be retained and channelled specifically towards road maintenance;

6. **Borrowing** –There are concerns that Government is not forward looking enough, in regards to funding of capital projects. Consideration should be given by Government to borrow at competitive rates for major infrastructural projects; and

7. **Research and Development** — A Research and Development Unit should be established under the Department of National Roads, and should be properly resourced.

7.6.2   Public Sector Reform

The Public Sector of Fiji is in a serious predicament. Its performance, professionalism, productivity, accountability, cost and commitment have been heavily criticised in recent years. While many public servants try hard to do their jobs as honestly and as effectively as possible, the impact of four coups, poor leadership, the politicisation of the service itself, a massive exodus abroad of skills, competencies and institutional memory, and various other constraints have taken their toll.[102]

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[102] See IDP on Issues & Discussion Paper on Public Sector Reforms - Prepared by: Technical and Support Secretariat (TASS), April 2008.

A serious deterioration in capacity and performance has occurred, notwithstanding a decade of seeking to improve the Public Sector's performance though a wide ranging series of Public Sector Reforms (PSRs). To enhance the productivity of the Public Sector, it needs to re-focus on its core aims and values as set out in the Public Service Act. A definite end also has to be made to political involvement in Public Sector management. In addition, it is imperative that a more effective program for PSR be developed and implemented as a matter of urgency. For the future, the effectiveness of any PSR should be assessed based on what practical difference it makes to the lives of the people of Fiji.

Pressures for PSR are emanating from the economic and fiscal performance of the nation, the need to build a service culture that is committed to supporting the people of Fiji, the need to modernise work systems, external pressures from international development partners and donor funding communities, and a vocal private sector and civil society.

Over the past two decades, reforming public sector institutions has been a central concern in developed, as well as developing countries around the world, with many countries such as Singapore, Malaysia and Australia intensely engaged in implementing PSR Programmes. The core paradigm has been that the quality of governance affects people's lives. In other words, where the Public Sector through its institutional structure offers inefficient, ineffective and poor quality programmes, support for national development is likely to be constrained, possibly compromised or even undermined.

Many reformers of the Public Sector around the world thus talk about a preoccupation with 'hollowing out the State', and about a fundamental rethinking of the role of the State and Government, and the institutions and processes through which they operate. The Public Sector has been under pressure to adopt stronger private sector orientations, with the goal being the transfer of private sector management practices, the introduction of market forces and competition to Government, and the establishment of liberal democratic principles. Much of the focus in PSR has been on introducing results-based management that emphasises performance, productivity, outputs and outcomes. PSR has also been closely associated around the globe with responding to economic and political developments and changing public expectations in recent decades. Particularly in the case of developing countries, their international creditors and donor institutions have greatly contributed to the pressure on the Public Sector to implement reforms.

Implementing PSR reforms has become the means to reinvigorate the State, to bring about improvements in the use of resources and ultimately, to provide better quality of life for society. The World Bank concluded recently that PSR has 'great potential to reduce poverty' and that 'good government institutions are associated with higher income growth, national wealth, and social achievements. The current consensus is thus that PSR matters a great deal for national development, and in at least two ways: first, it will lead to better delivery of the basic public services that affect the living standards of the poor; and second, it will create a climate conducive to private sector development.'[103]

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[103] Schacter, Mark (2000) *"Public Sector Reform in Developing Countries – Issues, Lessons and Future Directions"*.

However, PSR in some ways has been many steps backward in Fiji. In an era when PSR was supposedly being focused on by successive governments, Fiji's Public Sector experienced unprecedented growth. The World Bank (1998)[104] noted that in most of the Pacific Island Member Countries (PIMCs), government is larger than virtually all other countries at similar stages of development. It has been highlighted that 68 per cent of employment in Kiribati, 66 per cent in Tuvalu, 40 per cent in Fiji, 48 per cent in Papua New Guinea, and 24 per cent in Samoa came from the Public Sector.[105]

Public expenditure therefore constitutes an unusually large share of Gross Domestic Product (GDP). In most of the PIMCs, the private sector has been relatively small, or functions poorly. Consequently, Government has expanded and over the years, supported by generous infusions of foreign aid, has broadened its activities. Through lack of alternatives, Government has become the 'default' employer of skilled and educated workers. In contrast, the civil service in Singapore is small by international standards.

Today, the Fiji Public Service comprises 28,000 members. The need to reduce the size and cost of the Public Service has been one of the key objectives of the PSR from its inception in 1994. This has been the biggest challenge to successive Governments and the Public Service. The 2005 World Bank Report[106] noted that the size of the public service increased markedly from 10,000 in 1971 to 29,000 in 2005, far in excess of population increases. This partly reflected both increasing demand for government services, particularly in the priority areas of education, health, law and order which necessitated increased staffing over the years, as well as elements of inefficiency and an unclear strategic view of the role of the state. Other reasons are over-reliance on and/or no control over un-established posts; reliance on the uncertainties of weak systems of establishment controls rather than on agencies working within a fixed salary budget; poor prioritization of government priorities (ie. as demand changes for public services, posts are created without a reprioritization of expenditure and deletion of lower prioritized posts); a lack of review of staff productivity on both performance and input ratios which would enable workloads to be redistributed; and a culture of automatically filling vacancies as they occur.

Figure III.2 Central Government Wage Bill (As a percent of GDP)

Source: Fund and World Bank staff estimates.
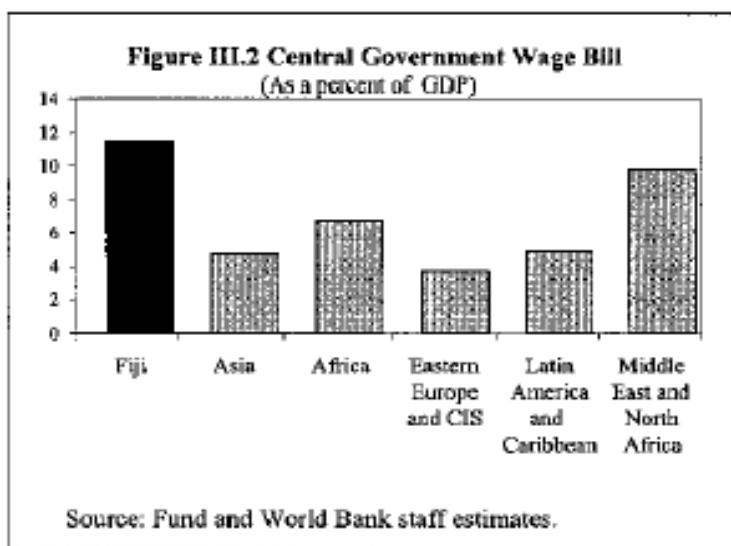
With the devolution of powers to Chief Executive Officers, some CEOs have been more robust in exercising this power and have recruited above the approved establishment level. Also, the termination procedure in the public service is a cumbersome process which drags on for a great length of time. As earlier noted, the failure to link staffing controls to budget has been a

Island Economies

[106] World Bank (2005): *Fiji Civil Service Reform.*

fundamental problem that needs early attention.

The PSR program basically has failed to achieve the objective of reducing the size of the Public Service. The increasing size directly translates to increasing cost. In addition, the incremental pay rises resulting from various industrial agreements Government entered into in past years, as well as various court judgments, is another major contributing factor to the excessive cost of the civil service.

The salary and wage component of the civil service in Fiji currently accounts for 49 per cent of the total operating budget and 39 per cent of the total budget. It is equivalent to 10 per cent of GDP.[107] This composition has not reduced from previous years. In 1992 for instance, it accounted for 48 per cent of total operating budget, and 39% per cent of total budget.

In contrast, figures for Singapore in 1992-93 showed that the wage bill absorbed about 19 per cent of operating expenditure, 13 per cent of total expenditure and 2.9 per cent of GDP. Singapore is again different from other developing and newly industrialising countries in that relatively few allowances are available to civil servants. There is no Cost of Living Adjustment (COLA), a familiar feature in many countries.[108] The graph below illustrates the wage bill as a percent of GDP in Fiji, compared with other regions. It clearly shows that Fiji's civil service cost as percentage of GDP is higher than in any other region of the world — which depicts an over-dominance of operating expenditure over capital expenditure.

The high cost of the Public Service implies that at least some funding which could be productively directed toward capital and investment spending is being diverted to the Public Sector when it instead might have been directed in ways that would be of more immediate benefit to the people of Fiji. Capital investment is essential for infrastructure development, facilitating investment, meeting the basic needs of the population, and facilitating overall growth of the economy. It also puts a squeeze on vital recurrent spending which may generate inefficiencies in the delivery of government services. For instance, school teachers are constrained in effectiveness by lack of teaching materials and supplies; research personnel cannot conduct fieldwork; medical personnel are constrained by drug shortages and lack of medical equipments.

In response to this challenge, the Interim Government has so far rationalized the structure of the Public Service by reducing the number of ministries from 23 to 12, and is pursuing further restructuring of individual departments. It has also instituted measures to reduce the cost of the civil service by 10 percent through the freezing of all vacancies; immediate withdrawal of delegated powers from PS's for all appointments and promotions; moratorium on acting appointments except specifically identified by PSC and having performance based contract employment conditions for all new appointments. The 10 percent cost reduction has also been factored into the Performance Agreements of PS's.

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[107] 2008 Budget Estimates.

[108] Chew, David. C.E. *Economic Restructuring and Flexible Civil Service Pay in Singapore* in Public Sector Pay and Adjustment: Lessons from Five Countries.

A number of measures have been agreed by the Interim Government to work towards a reduction of 10 percent in the overall wages and salaries bill annually over the next few years. A withdrawal of delegations to Permanent Secretaries (PSs) has been made for a period of three (3) months during which the necessity for particular vacant positions and acting appointments will be reviewed. PSs are being asked to assess each position and reflect these in their submission on the 10 percent reduction. Consultations are also being undertaken to determine posts to be disestablished as well as assessing the necessity for vacant positions to remain.[109] How effective these measures are in reducing cost can only be determined by year end, when actual spending on salaries and wages is known. It is critical that there is close co-ordination between PSC, the Ministry of Finance and line Ministries to ensure that the 10 percent reduction in cost is achieved.

Breadmore[110] had cautioned against the use of natural attrition, and curtailment of recruitment as experience has shown that this strategy is largely ineffective over a protracted period of time particularly when manual systems of record keeping (as used by PSC) are the only means of tracking vacancies. What is needed is a more thoughtful approach to the use of human resource planning to meet the skill needs of the 21st century so that only people in critical posts are replaced and when that occurs the focus is on ensuring the recruitment of people with the key skills needed for the future. The PSC has recently moved to employing such an approach.

Five Key Questions for the Public Sector of the 21st Century

- In what ways is the Public Sector meeting or failing to meet the expectations of the people of Fiji?
- What sort of vision of a Public Sector does Fiji need to put in place to best meet the changing environment of the 21st Century?
- How should PSR implementation be managed more effectively?
- What should be the benchmarks set for improving the Public Sector over the next five years, including performance improvement?
- What PSR strategies should be set in place to achieve these benchmarks?

The following appear to be the main expectations that the people of Fiji have about their public service.

1. Support the Government of the day in providing leadership in developing and putting in place effective laws and policy settings that enable the citizens of Fiji to pursue their own social and economic development with appropriate investment in government programmes that support these objectives.
2. Provide timely access to high quality and effective services such as health, education, infrastructure and water that are particularly focused on the needs of the poor.
3. Treat the public with due respect and dignity and no discrimination.
4. Act at all times professionally, ethically, and within the law.
5. Use public resources with efficiency and due economy, so as to avoid waste.
6. Be transparent and accountable for performance.

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[109] PSC Circular 11/2008, dated 03/04/08.

[110] See IDP on Public Sector Reform – Page 16.

7. Provide a safe and secure environment to live in where laws are properly and fairly enforced, national security is protected and violence is minimised.
8. Protect the environment for future generations.
9. Be responsive to addressing the emerging needs of Fiji as it develops.

The Public Sector is however constrained in meeting those expectations. These constraints include the effect of political instability and four coups, continued political involvement in management of the Public Service, public leadership that encourages a 'spoils culture' and the advancement of personal or group interests rather than support for advancing any national interest, weaknesses in standards of conduct and difficulties in achieving accountability that help to fuel ongoing cycles of corruption, a failure of policy in Government when it came to addressing effectively worsening infrastructure, the failure of many development projects and advancing poverty, substantial losses in public funds over the years such as through the collapse of the National Bank and agricultural scams, weakened capacity, in part due to emigration of skilled people in the wake of the coups since 1987, the effectiveness of Public Sector Unions in slowing down or derailing reform agendas, and the contradictions between traditional culture and the demands of modernisation.

Getting the Public Sector's Vision Right

Several vital changes are needed to better serve the interests of the people of Fiji and of their Government. The new vision for rebuilding Fiji's Public Sector for the 21st Century is enunciated in the following twelve points.

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1. Public Sector Organisations that are efficient and effective and are fully aligned and committed to the Government's priorities, including *implementing the Peoples Charter* for Change, Peace and Progress.
2. A *restoration of independence, professionalism and ethical behaviour* that helps to build commitment and better morale and which is free of bipartisan politics.
3. A *new workplace culture* that puts the interests of the people of Fiji and its Government first.
4. A commitment to delivering *excellent service* to the public.
5. A focus on achieving *efficient and effective use of resources* through results based performance management and planning.
6. More flexible *merit based recruitment* practices, free of political influence.
7. A Public Sector that is *smaller in size* but is more diverse in composition.
8. A new style of Public Sector *leadership* that is inclusive, visionary, participative, professional and empowering.
9. A *restructured Public Sector* where the delivery of certain functions has been transformed through an accelerated Public Enterprise Reform program, as well as the use of contracting out mechanisms.
10. A *much better skilled Public Sector* than exists today and which is better equipped to meet the challenges of the 21st Century.
11. A Public Sector that is *better remunerated, and managed,* based on established levels of productivity and in accordance with recent Labour law reforms.
12. Where the *numbers of Government Ministries* is limited to no more than 14.

The Management of the Public Sector Reform Process

While some progress in reform had been made; strong criticisms have been expressed about the way that Public Sector Reform has been managed. Changes in PSR agendas made by different Governments have led to a 'stop-start' approach which has at times seriously compromised the reform effort.

In 2005 the World Bank was critical of the reform measures undertaken, stating that they have been piecemeal and had with no over-riding roadmap for the reform which was balanced and appropriately sequenced; there was a lack of common understanding of PSR within the Public Sector and outside it. The World Bank was also critical of the proposed pace of reform. A related concern is that the people of Fiji have so far been given no stake in effecting Public Sector change.

The level of ownership and leadership of PSR at the agency level is also questionable. The World Bank thought that a roadmap for sequencing and managing reform was badly needed: the Interim Government has committed itself to developing one and it has also set up a committee including the central agencies to steer reform implementation. However, there is a question about whether this new attempt will turn out to be more of the same old approach to PSR. Also questionable is the degree of drive that an internal committee can bring to reform. Moreover, there appear to be major capacity constraints in the central agencies that will affect moving the new agenda forward and, while submissions continue to be developed for Government to consider on areas of PSR, it is questionable whether past rivalries can be overcome to achieve effective working relationships and implementation. In particular, the Ministry of Finance needs to become a willing, cooperative and much more active partner in PSR.

A related concern is that public service unions seem to have developed a lasting antagonistic relationship over PSR issues and have quite effectively undermined much needed changes in the Public Sector from time to time. At this point in Fiji's history, that attitude cannot be allowed to continue as the need for determined action is urgent. Public service unions must be given a partnership stake in the reform process that encompasses their members' interests. But their stake needs to involve recognition also that fundamental and lasting reform is vital for all the people of Fiji.

With these factors in mind, it is clear that there needs to be a much better managed reform process with strong political ownership, drive, momentum and involvement by all stakeholders. To overcome past failures PSR will require 'thinking outside of the box'. Even so, it will be difficult to achieve the necessary change in approach without new organisational arrangements.

- Much stronger political commitment to supporting PSR direct from the Prime Minister's Office.
- A special unit of the Prime Minister's Office charged with leading, monitoring and coordinating the PSR process. The head of the unit must be specially skilled in PSR and will require strong Ministerial support
- A partnership between the Government, the Public Sector and the trade unions.
- A sequenced roadmap that enables better harmony between different PSR programmes.
- Priority given in reform to implementing PSRs that assist the lives of the people of Fiji in practical ways.

Clarifying Roles and Removing Political Interference in the Public Sector

The third PSR issue that needs to be tackled relates to the unsatisfactory manner in which the relationship between the Government and the Public Sector has developed. Some of this role confusion has happened because of lack of clarity but more recently, political involvement has affected recruitments and the merit process — some of it is understandable as a reaction to gross abuses by past Governments involving cronyism and favouritism that has placed some ineffectual people in posts. But on-going political involvement has a cost: it undermines morale and professionalism and that only makes matters worse.

It is essential that the independence and professionalism of the Public Sector be restored. A clear demarcation between political roles and Public Sector roles is needed. This demarcation requires that the Minister's policy-making and strategic management roles are defined by law, with the Public Sector responsible for delivering outputs and outcomes in accordance with Government priorities. Legal provision should also be made for removal of political involvement in day-to-day management of the Public Sector, and a prohibition placed on interference in merit based selection. This change is needed both in the Public Service and in Public Enterprises.

7.6.3   Public Service Reform

With regard to reforming the Public Service itself, there are four priorities. These are restructuring, modernising human resource management and remuneration, rebuilding the capacity of the Public Service, and E-government.

Restructuring. Restructuring the Public Service must be 'fast-tracked'. This process requires completion of the functional reviews of all Ministries by the end of 2009 to remove duplication and enable human resources and structures to be aligned to serving Fiji's people better. It also means rebuilding a committed, visionary, highly competent and more accountable leadership group that has escaped from the lethargy that seems to afflict many senior staff as they wait for an election. There also needs to be a bottom-up change management program in each Ministry that focuses on rebuilding Public Service professionalism and implementing the Peoples Charter. In addition, by the end of 2009 a right-sizing programme should be introduced in the Public Service, with established targets and funding and with a social safety net. A review is also

proposed of contracting-out opportunities in Ministries with a view to creating a contracting-out framework and creating new job opportunities in the Private Sector by the end of 2010.

Modernising human resource management and remuneration. There is potential to utilise recent labour market reforms to pursue development of new flexible and performance management-based remuneration policies, and for selected priority groups of employees based on demonstrated productivity increases. The work of the Higher Salaries Commission needs to be expedited and made independent of Government.   In addition, contract employment arrangements should be extended to cover the 150 members of the Senior Executive Service in the Public Service by the end of 2009. The age retirement policy should also be aligned with the Government's new policies.

It is thus essential to reward the staff that works hard but also to facilitate taking early action to discipline or remove those that do not wish to perform. As part of the broader use of human resource planning to ensure that the Service has the right skills to effectively manage in Fiji's changing context, increased salaries may be part of rewarding people in particular fields where there are scarcities in skills and private sector or overseas salaries are far more attractive. In the immediate term there is an urgent need to undertake a bottom-up review, with union involvement, of the serious underlying morale and motivational problems in the Public Service so that the reasons are clearly understood, and decisive remedial action can be taken on the human resource management issues identified.

Rebuilding the capacity of the Public Service. The capacity of the Public Service has seriously deteriorated over the last 20 years. This means that rebuilding the capacity of the Public Service must be an urgent and high priority. The measures needed include developing a Human Resource Development Plan by the second half of 2009 that seeks to build a new service-orientated and more accountable and ethical culture in the Public Service; delivering better and more extensive training (including on visionary leadership), ethical values, improving service delivery, policy development, and implementing the Peoples Charter; and giving priority both to human resource planning to meet the Public Service's future needs and to succession planning by selecting, managing and fast-tracking the careers of promising graduates and middle-level staff. The current central training support arrangements are ineffective: Fiji needs to upgrade the training offered, perhaps through transforming the Nasese Training Centre into a Civil Service Training College. In addition, a minimum of two weeks of training a year on specific and position-related skills development should be provided to each Public Servant.

E-government. Selected E-government opportunities should be identified and pursued in improving service delivery and internal management in Government Ministries. Smart use of information and communications technology could create many benefits for the Fijian population. It could remove some of the existing problems in accessing services, particularly if able to be extended to the outer islands. If properly used, systems such as the Finance Management Information System have the potential to dramatically improve budget management.

7.6.4 Financial Management Reform (FMR)

A number of significant changes and improvements have been made through FMR.[111]. However, this seems quite disconnected from other PSR and to be moving along at a leisurely pace. More action is needed to better link the budget, financial management, corporate planning and planning reforms to give effect to the Government's priorities under the Peoples Charter; to achieve the Government's policy objectives; to support the overall Public Sector Reform; and to further improve on the outputs to be delivered by each Government Ministry or agency. The implementation of the new Financial Management Information System also provides opportunities now to ensure better reporting and monitoring of government expenditure and to enhance accurate expenditure management; to improve financial management capacity across all Ministries and agencies; to introduce further improvements to performance measurement of the outputs of each Ministry or agency; and to ensure greater involvement in, and accountability for, financial management by senior managers.

The next stages of FMR should implement further reforms such as introducing revenue retention arrangements by the end of 2009, to increase incentives for Ministries to improve their performance and service delivery; to strengthen opportunities for effective procurement management in a corruption-free environment; to introduce performance budgeting arrangements that support the overall focus on improving the performance and productivity of the Public Sector; to work towards introducing accrual accounting framework as soon as practicable but by no later than 2012; and to modernize Finance instructions and manuals to reflect the emerging performance based Public Sector.

7.6.5 Public Enterprise Reform (PER)

There are 12 Government Commercial Companies (GCCs) (including a subsidiary) and four Corporate Statutory Authorities (CSAs) under the public enterprises portfolio. Public enterprises are all entities with 100 per cent Government ownership. In addition, the Ministry also monitors two majority owned GCCs (PAFCO and Fiji Hardwood Corporation Limited) [112].

The general objectives of the PER process are that Government should own enterprises only for strategic purposes and that it should encourage the private sector to take up full or partial ownership of organisations which Government does not need to own. The larger infrastructure-based companies (e.g. Airports Fiji Limited, and Fiji Ports Corporation Limited) continue to address infrastructure developments to cater for increasing traffic, mandatory security requirements, and customer expectations.

The financial performance indicators show that State-owned enterprises have performed quite poorly in the last ten years. Returns on Shareholder's Funds of existing public enterprises have continued to be about three per cent in aggregate. In 10 years, they have returned only a total of $14 million to Government through dividends. In part, the variability in performance can be

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[111] The Working Group had two presentations from the MoF on FMR.

[112] On PER generally see the Ministry submission and the Background Paper prepared by TASS.

attributed to the political agendas of past Governments which had varied perceptions of reforms that led to several 'starts and stops' in the reform process. However, there are a range of other issues that have also contributed to the below-par performance of public enterprises.

Public enterprises are intended to operate differently from the Public Service: they perform quasi-commercial functions. Public enterprises have to operate more on business and profit lines under the stewardship of management that seeks to maximise commercial returns. However, prescribing a set 10 per cent rate-of-return on investment is questionable. That rate may not always serve as a good commercial decision and may not work in favour of the people of Fiji. Some enterprises feel that this decision should first involve discussion of the objectives of each enterprise with the management and Board rather than being an across-the-board set target for public enterprises. In some cases, such as Ports Fiji Limited, it is impractical to set a profit target of 10 per cent given the type of its business activity and its financial position.

Another key concern at the moment is that creation of a public enterprise does not necessarily change the behaviour of a corporation to a more commercial basis. How this is achieved needs study. Capacity building and cultural change are essential. Moreover, improved remuneration to staff should not be payable unless there are improvements in staff performance. The other critical issue raised by the enterprises is that the senior management needs to be given more commercial autonomy to carry out the day-to-day functions in the competitive business environment. While the Board is responsible for setting business objectives, business directions and overall monitoring of performance, the Boards of these enterprises should not interfere with the day-to-day running of public enterprises in Fiji.

Given that it is proposed that management should be given greater commercial autonomy, it is absolutely vital to have a professional, competent, goal-orientated and robust management team.

The social service obligations that public enterprises have to bear as a deliberate policy of most Governments are understandable but they have been problematic in that they have affected commercial sustainability: this is particularly so when the majority of public enterprises are mandated to operate on commercially sound principles.

There is an impressive list of bodies being considered for PER restructuring with the Interim Government having ambitions to progress the necessary work quickly to achieve greater effectiveness; to reap efficiencies; and to reduce the size of the central Public Service. While the PER process can work, it can also be quite slow, with multiple points at which politicians can get involved; or the process can be otherwise slowed down. Whereas to the contrary, the PER programme should be a coherent legal framework that facilitates regulation, restructuring, corporate governance, and privatisation of public enterprises. Decisions to be made at different stages of restructuring should be based on 'public interest' criteria to guide decisions on rationalisation and privatisation.

Good corporate governance and management of public enterprises requires the separation and clarification of the powers and responsibilities of ownership, governance and management in public enterprises. Although these principles are well understood, claimed political interference, exacerbated also by the poor skill level of some Boards in the management and operations of

public enterprises, remains a challenge. Political involvement in the running of enterprises should be limited to priority policy directions that are required to be published. At the same time accountability through the Auditor-General should be strengthened[113].

Financial management by public enterprises also needs to be put on a sustainable basis if it is not only to be considered sound but more so to lessen the demands on public funds. Capital investment programmes need to be supported by asset management and maintenance systems.

The entire process of setting up public enterprises has had mixed success: the process needs to be speeded up so that planned returns are realised. It can be a very slow process with timetables provided to Government often needing to be revised, and the number of stages for Cabinet involvement builds in delays. It is worth considering whether a more speedy process can be designed and utilized. Indeed would it be better for the entire process, beyond the initial decision to create an enterprise, be handled by a statutory body created for that purpose and required to achieve the best commercial return for Government?

Sometimes the creation of a public enterprise should only be a step along the way towards creating a privatised body. Who is responsible for making sure this next step is undertaken? Sometimes a task force approach might be a useful way of advancing the sell-off of functions that Government simply should not be performing.

The NCBBF agrees to a number of recommendations to help achieve improvements in the PER process and in performance. As regards improving financial transparency, accountability and productivity of public enterprises, the NCBBF proposed introducing specially negotiated performance targets for public enterprise in Fiji with concurrence from the management of each public enterprise, that any consumer service obligations of public enterprises should be explicitly recognised, including through budget arrangements, and efforts should be made to clarify the relationship of public enterprises with Ministers and the Ministry to remove issues about claimed interference and accountability concerns. In addition, there should be a requirement for remuneration increases to staff in public enterprises to be linked to clear evidence of improved performance and productivity.

It also suggests that attention is needed to improving the commercial capacity of Government enterprises by giving greater focus in the PER process to actions needed to build a more commercially-orientated culture and capacity. This includes, as well as prescribing qualifications for appointment, the establishment of an independent committee to manage the appointment of Board members of State-owned enterprises. Moreover, the selection of the management team of an enterprise should be purely on merit. If need be, Fiji should contract experts from overseas but a local should understudy the work of the expatriate so that he/she can takeover in due course.

Third, the NCBBF proposes the development of improved corporate governance arrangements by the separation and clarification of the powers and responsibilities of ownership, governance and management in public enterprises. At the same time accountability through the Auditor-

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[113] See TASS Memorandum on Improving efficiency of Public Enterprises in Fiji.

General should be strengthened. There should be a national code of corporate governance and the development of a director development program for all Boards of public enterprises. This step should include a standard Induction Program for Directors involving an assessment of learning and certification by a recognised tertiary institution. The Code should include transparency and accountability requirements. Senior management of enterprises should be recognised as having commercial autonomy to carry out the day-to-day functions in the competitive business environment. The Boards of enterprises should not interfere with the day-to-day running of public enterprises in Fiji.

7.7   Policy Development in Fiji

Policy development is often seen as an isolated, highly intellectual and introverted back room process whereby, based on the advice of officers of the Public Service, Governments make choices about the use of particular approaches, techniques and programmes that are intended to influence or shape key issues facing the country. Policy decisions might range from those regarding the macro-economic settings of Fiji, decisions about a new law relating to law enforcement issues, to allocation decisions made in the Budget process, to decisions about how best to deliver health care through hospitals and health centres, and to decisions about the size of the Public Service.

Effective policy development is concerned with identifying what is the problem (such as unemployment) that needs consideration by Government, gathering relevant data to help understand all of the dimensions of the problem, developing alternative strategies that might be used to ameliorate the problem, predicting the consequences of each alternative action and making judgments about the best alternative to be implemented, and developing an implementation plan. While this may seem rather esoteric, the consequences of ineffectual policy making and the exercise of poor judgment can be disastrous for the people of Fiji. Effective policy-making therefore needs to be taken very seriously.[114]

In recent years however, Fiji has experienced considerable policy failure. Efforts to improve policy making have focused in large part on the National Planning Office's work to design better planning processes involving the use of committees and liaison processes also involving all Ministries, to develop and issue more coherent and relevant planning documents, and to improve corporate planning and performance management in each Ministry.[115]   These technocratic improvements are helpful but they are not the complete answer to effective policy making.

As Fiji works towards developing and implementing a Peoples Charter, it is important to reflect on what might need to be different for the future if the completion of the Peoples Charter is to be properly followed through by high quality policy development and planning activity and ultimately, effective implementation. A number of measures should be further considered, namely improving policy development capacity, developing a more inclusive process that

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[114] See the Manual of Cabinet Procedure, 1990; and the Manual of Ministerial Practice and Procedure, 1993).

[115] See the paper prepared by S. Siwatibau on Strategic Planning and the Decision-Making Machinery for National Development and more recently the 2005 ADB Discussion Paper prepared by Roger Collier on Development Planning Processes.

involves the people of Fiji, and improved policy coordination. Also, enhanced capacity must be built up for policy-related work in the Public Sector by providing training to 150 officers comprising the Senior Executive Service level and for promising officers just below that level.

A customised and compulsory training program should be developed drawing on the policy training programmes available in local universities.

To improve the involvement of the people of Fiji, the NCBBF recommends the adoption of a more inclusive policy development process as follows:

1. for more complex policy development Ministries should undertake structured consultation processes with affected communities to obtain primary data on what is the policy problem that need attention and the communities' views on possible solutions;
2. the newly-constructed Consumer Councils (comprising clients of each Ministry) in each Ministry should improve service delivery and serve as a forum for consultation during the course of any policy development process;
3. no submission should go to Cabinet without containing a separate part offering a short analysis on the impact of the submission's recommendations on the people of Fiji; and
4. each Ministry or Department seeking to prepare a Bill should first publish a policy paper which can also be tabled in Parliament, explaining the policy options and law reform proposals under consideration.

Improving the coordination of policy work across Government should be achieved by strengthening the unit undertaking policy work in the Prime Minister's Office to ensure that a 'whole of Government' perspective is taken on Cabinet papers and necessary coordination across Government is undertaken. This same unit should also take on responsibility for supporting the Prime Minister in coordinating the Peoples Charter implementation process. In addition the role, capacity and placement of the National Planning Office within the Public Service should be reviewed. There is also a case for considering moving Public Sector Reform responsibilities from the Public Service Commission directly to the Prime Minister's Office. Much greater attention also must be given to the effectiveness of the policy implementation process.

7.8   Indigenous Fijian Institutions

The structure of indigenous Fijian Administration, and linkages to related institutions, are set out in the figure below.

CABINET

MIA

BLV
T/P: 473983

PSIA/CEO

Fijian Affairs Board

Secretariat

DSIA

DS (DD)

FAB

NLFC | CATD | IFLC | FASU | CSD | VANUA | BSIU | PARU | OPS | CS | PT

Inter Agency Development

PDC

Advice, counsel, endorsement
for development at Provincial Level
Roko Tui

BOSE VANUA
MATANITU – 3
(Confederacy)

Yasana - 14

Well-being - Social, Economic Sector and Political Aspiration

TDC

Advice, counsel, endorsement
for development at Tikina level

Asst. Roko/Mata ni Tikina

BOSE VANUA
VANUA - 215

Good Governance, Values, Traditional Cultures, Protocol, Handicrafts

Tikina - 187

VDC

Advice, counsel, endorsement for
development at village level

Asst Roko/Turaga ni Koro

BOSE VANUA
YAVUSA - 1284

Koro - 1170

VC

LOU (5280)

Key

BLV	Bose Levu Vakaturaga
BSIU	Business Support Investment Unit
CATD	Centre for Appropriate Training & Development
CSA	Corporate Statuary Authorities
CSD	Corporate Service Division
DSIA	Deputy Secretary Indigenous Affairs
FAB	Fijian Affairs Board
FASU	Fijian Affairs Scholarship Unit
IFLC	Institute of Fijian Language & Culture
MIA	Ministry of Indigenous Affairs
NLFC	Native Lands & Fisheries Commission
NLTB	Native Land Trust Board
OPS	Operational Provincial Secretariat
PARU	Policy & Analysis Research Unit
PDC	Provincial District Council
PSIA	Permanent Secretary Indigenous Affairs
PT	Provincial Training
TDC	Tikina District Council
VC	Village Council
VDC	Village District Council

The structure supporting indigenous Fijian administration is reinforced by the Constitution. The 1997 Constitution makes a number of specific provisions that are intended to confer special

protection for the interests of the indigenous people of Fiji[116]. These provisions relate to their land rights, continuation of various parts of the indigenous Fijian administration, education, multiparty power sharing in the Cabinet process, creation of communal seats and voting rights in the House of Representatives, the selection of some members of the Senate, continuation of the Great Council of Chiefs, requiring appointments to the Public Service to be representative of the population, and other matters. The Constitution also makes special provision for social justice and affirmative action programmes for disadvantaged people.

Issues Relating to the Well-Being of the Indigenous People of Fiji

A) Social
- Housing- that is affordable, practical and protects them from inclement elements.
- Water: that is potable, clean and safe.
- Food and nutrition: that there is enough of the right kind of food.
- Health and sanitation: that people enjoy good health and safe hygienic practices and that they are accessible to health facilities.
- Education: that all school-aged children attend school and that school dropout is minimised, that schools are properly resourced [safe and sound structures, adequately resourced with school materials and equipment and staffed by properly-trained and motivated teachers and the school management is aware of its duties and responsibilities and that it is alert and responsive to the needs of the school]; tertiary education facilities are available to those wishing to pursue higher education.
- Law and Order: is preserved and that sanctions and remedial services are available to redress offenders.
- Facilities to channel the energy of the youths in the Indigenous Fijian communities are provided.

b) Cultural
- Preservation of cultural heritage and tradition by maintaining those aspects of cultural heritage and tradition that contribute positively to communal cohesiveness and development, practices that strengthen family and community, - Reviving, documenting and maintaining traditional knowledge and expressions of culture, and Indigenous Fijians being aware of their heritage, especially land ownership and `qoliqoli' rights.

c) Spiritual
- There is an outlet for an individual's spiritual wishes and growth.
- Ensure that religious beliefs and practices support community growth and inter-faith dialogue

d) Economic
- Indigenous people are occupied in gainful employment.
- Natural resources are sustainably developed.
- Capacity for entrepreneurial endeavour is built at all levels.
- Capacity to market traditional skills for economic benefit.
- Decision-making capacity is developed and realised.
- Human Resource Planning and Development.
- Capacity for financial investment and marketing.

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[116] See Submission from Ministry of Indigenous Affairs.

The great difficulty for the NCBBF in seeking to engage usefully in this area was the issue of sensitivity. Attempts to address obvious concerns are open to misrepresentation as being designed to weaken the position of Fiji's 474,000 indigenous people, whereas in truth the intent is to strengthen the operation of indigenous Fijian institutions that are intended to be working on the people's behalf. Thus the focus of the NCBBF's interest was in no way to challenge the Constitution's priorities in relation to the indigenous institutions, some of whom were established over a century ago. Rather the NCBBF discussed what these institutions are actually achieving in terms of the objectives set for indigenous Fijian Administration — namely whether the well-being of the indigenous peoples of Fiji is being advanced and whether there is effective application of standards of good governance.

Indigenous Fijian institutions are charged with the responsibility of the good governance and welfare of 57 per cent of the population and entrusted with the administration of 87 per cent of the nation's natural resources (land)[117]. In assessing what has been achieved for the well-being of the indigenous people of Fiji, there are a number of issues to be taken into account, divided across four areas: social, cultural, spiritual and economic, as outlined in the box below.

Good governance in relation to indigenous Fijian administration is concerned with applying principles like accountability, rule of law, transparency, equity, consensus orientation, participation, effectiveness and efficiency and responsiveness.

As regards the outputs and outcomes that have been achieved against each of the four areas covering the wellbeing of the indigenous people of Fiji, the institutional support provided from entities under indigenous Fijian administration has at times undoubtedly benefited some particular groups and individuals - for example, through payments of land rents made by the NLTB. Some of the companies such as Fijian Holdings Ltd and Yasana Holdings Ltd are prosperous. However, all reviews undertaken of indigenous Fijian Administration suggest there are significant problems of underperformance. In a number of institutions there has been a low observance of financial protocols and low participation by stakeholders. Lack of transparency is a related problem.

One key issue to improving the livelihood of indigenous Fijians is better access to, and use of, land. There is significant scope for improved performance in this area. For example, the Background Paper draws attention to a number of problems related to the operation of the Native Land Trust Board. The NLTB's operations also have allowed $10 million to be run up in rental arrears. In addition, there has been a lack of forward planning on expired leases since 1997 leading to many moving off the land to squatter settlements in urban areas. Much of the former sugar land now lies idle with owners unwilling to re-lease for sugar and NLTB slow to identify alternative land uses. Land issues have unfortunately been politicized thus minimizing the development of a national political consensus on current land issues. There have also been several grievances on NLTB's issue of lease arrangements which are considered not to be in the best interests of indigenous landowners. Another newly emerging issue is the lack of compensatory provision for loss of intangible native rights such as access to cultural sites.

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[117] See Submission from Ministry of Indigenous Affairs.

Looked at in overall terms, the overall record must be regarded as disappointing for the performance of indigenous institutions of Fiji. The Fijian Affairs Board has not charted a policy framework that has successfully supported appropriate national development of the indigenous population. Its processes and procedures have not helped indigenous Fijians to develop economic models that integrate communal strengths with capitalism. Moreover, the Great Council of Chiefs has not demonstrated visionary leadership in economic development, with a lack of deliberation on commercially inclined issues. Nor indeed have burgeoning social ills, particularly amongst the young, received sufficient attention. Unfortunately, chiefly positions have sometimes been used as political, social and economic tools by a few elites.

Accountability and transparency have been noticeably lacking across institutions. At Provincial Council level, the style of operation is top down rather than truly participative. Tikinas have lacked autonomy in decision-making at grassroots level. The Ministry of Indigenous Affairs recognizes the need for change but is caught between two mindsets that it must deal with in the indigenous population.

A Proposal for Developing a More Commercial Focus amongst the Indigenous Population

Most of Fiji's land and sea resources are owned by the indigenous community. The biggest challenge that is facing the indigenous Fijians today is to fully utilise these resources and convert them into cash for their own benefit as well as contributing to the economic activity of the nation. There is a lot of expectation for the National Government to improve infrastructure that will benefit them but less is produced from the resource owners to contribute to the national treasury.

This can be addressed by establishing through the *vanua* and land-owning structures commercial entities. These commercial entities are 'vanua based' companies which are to be used as vehicles for utilising (human and natural) resources inside and outside of those structures to create economic activity that will maintain this continuity of activities of converting land and sea resources into cash. The 'vanua based' companies are to complement the social and educational efforts by the people for the province, *tikina, yavusa*, village, *mataqali, tokatoka, matavuvale* and individual.

The view that must be emphasised is that the villages are not only a cultural or social unit but as an 'economic unit' and sub-unit (family) must be allowed to produce goods and services and earn money on a weekly basis. Monthly meeting of villagers, chaired by the *turaga ni koro*, productivity report and earning report must be produced. The emphasis here is that the villagers must be productive, utilising the land and sea resources. There is general proclamation that God gave them these resources; however, it must also be emphasised that God can also take away those resources if they are not properly used to service mankind; that is, if these resources remain idle.

The 'vanua-based' companies must be allowed to lease property from the <u>land owners</u> who are also the <u>shareholders of the 'vanua based' companies</u>. These 'vanua-based' companies can do business with other 'vanua based' companies from other provinces or subsidiary companies of Fijian Holding Limited or joint venture or make contract with major company or any other company. For example, a village-based company in the Sigatoka Valley can have a business contract with a big hotel company in Nadroga to continue to supply vegetables. Another example is for a 'tikina based' or village based company in Cakaudrove having a contract to supply copra to the Copra Milling Company in Savusavu. A 'mataqali based' company in Macuata can buy fish from a *qoliqoli* owner and export direct to the U.S.A. using air freight from Labasa Airport and then import goods from a New Zealand company via Savusavu port.

Because of lack of practice of good governance, in particular transparency and accountability, as well as a traditional culture of silence, it is not clear what impact some of the indigenous Fijian institutions are having on the indigenous population. Clearly, past national governments have to take a major part of the blame for the uncertainty and obscurity of the current situation. However, there are many who express suspicion that in the past, in some particular indigenous Fijian institutions, large amounts of money have been lost, either through mismanagement, corruption or waste or channelling to a small number of elite beneficiaries. The suspicions are further fuelled by the lack of proper audited accounts - in some cases for more than 10 years. Written comments by indigenous trusts and companies on internal business practices suggest that the importance of good governance is now understood but give insufficient sense of what are the desired performance outcomes so as to enable a confident judgment to be made on how well individual organizations are really performing.

Today, over one-third of the population of Fiji live below the poverty line. Of that total population, over 34 percent of the indigenous population live below the poverty line[118]. Problems of social disadvantage abound for the indigenous people of Fiji - education has not brought the benefits to the next generation that might have been expected; people in the outer islands face problems like irregular shipping services, high costs of transportation and poor access to finance; in rural areas only 30 percent of the population have access to water, while 49 percent have access to electricity; delivery of government services such as good roads, access to basic health care and potable water is widely regarded as in disarray; squatter settlements are increasing[119]; and public perceptions are that the law and order situation is worsening, particularly in urban areas. Leasing of land to investors for tourism provides some income but sometimes negatively impacts on village communal lifestyles and protocols; many unemployed indigenous Fijian youths are drifting through life without evident purpose; and nearly 80 percent of Fiji's prison population comprise of indigenous Fijians.

In cultural terms, ethno-nationalism is creating its own problems. There is much that remains to be done to ensure the best aspects of indigenous Fijian traditional history and culture are preserved. In spiritual terms, Fiji is strongly Christian but growing religious fundamentalism can be a source of extremism and division. In economic terms, with some limited exceptions, the indigenous people have found it difficult to progress in a capitalist, market-oriented society. Aspects such as an uncertain work ethic (where some work hard and others are more laid back or relaxed in village life) and a lack of focus on developing capacity have held the people back.

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[118] Narsey (2008). The Quantative Analysis of Poverty in Fiji.

[119] In Suva-Nausori corridor almost 60% of squatters are indigenous Fijians.

Changing Mindsets

The most important issue to address here is the shift of 'mind set' of the people in the village to continue to earn income through hard work. All Fijians are Christians and are taught the religious values of honesty, humility, hard work and patience. While this is strongly advocated by every church principle and preaching, its practical interpretation to commercial ideals and business culture is lacking and there is a desperate need for Fijians to learn to put these values into practice in their commercial operations and dealings. There is a need to eliminate the laid-back attitude and adopt the notion of time frames in daily dealings. Some say that indigenous Fijians are lazy. They are not: they just need good genuine, practicable, honest, visionary and humble leaders to lead them at village level upwards. Coupled with the guidance of their religious oaths and continuous encouragement from all stakeholders, should see a transition in a shift of the mind-set of the Fijians.

The question, therefore, is whether the indigenous Fijian institutions have become an impediment rather than a facilitator of good governance and the well being of indigenous people and whether relationships of dependency have been created rather than empowering the people to achieve economic advancement through capacity building and other programs.

The five previous reviews of the indigenous Fijian Administration that have been undertaken have been largely inward-looking. They have highlighted significant areas of underperformance but, may have had the unfortunate impact of freezing the development of the indigenous people. Unfortunately, despite the number of reviews of indigenous Fijian institutions and some lengthy reports, some of the more fundamental questions seem not to have been resolved by past governments. The questions include:

1. the need for a shared vision for change;
2. the desirability of continuing with a dual system of indigenous Fijian administration along the lines outlined in the organisation chart;
3. the need for a change to the current operating organisational paradigms for indigenous Fijians institutions;
4. the clash between traditional leadership values and those values that may need to be taken on in indigenous Fijian society in order to achieve change; and
5. the range of leadership roles that need to be played in national development.

While having a vision is obviously concerned with improving the well being of indigenous Fijians, what that means in practice is less clear. The list of issues related to the well being of the indigenous people of Fiji as outlined above provides a useful set of benchmarks but these all need to be understood, adopted and shared. Clearly, the benchmarks need to be articulated across social, cultural, spiritual and economic issues. There is, therefore, a need for national dialogue to

reach agreement about that vision. That dialogue then might be cascaded down into plans, strategies and performance targets.

All of this discussion may help people understand the difficulties being experienced in the current national debate about the role and composition of the Great Council of Chiefs (GCC). The first question for any indigenous organisation should be 'what vision needs to be achieved for the clients, namely the indigenous people of Fiji', not 'how a particular organization should be organised'. If this second order question is put first it inevitably descends into a debate about power and personal interests. However, if the focus is first put on what needs to be achieved for the indigenous people of Fiji, and agreement is reached on such a vision, then it is easier next to address the issues related to the organisation, namely how the GCC can contribute to achieving that vision.

Institution	Roles and Function
Indigenous Fijian Administration (GCC, FAB, PC, TC & VC).	Indigenous Fijian Administration's mandate to provide for the rights, interests, health, welfare, peace order and good government of the Indigenous Fijian people under the FAB Act. The key word here is benefit for the indigenous people. This theme is followed through in the corporate goals of the Fijian institutions. However, the emphasis is on control and regulation rather than empowerment.
NLTB	NLTB was established to ensure fair and just compensation regarding all dealings in property. It is also clear on its provisions to make laws with due regard to customs and traditions that govern native land and resource ownership. In essence it is for the benefit of the indigenous people.
MoIA and Provincial Development	The existence of the Ministry of Indigenous Affairs and Provincial Development shows the commitment by central Government to provide services through rural programmes for the overall benefit of provinces, including indigenous people.
Business Entities (e.g. YHL & VDC)	The private sector with the establishment of Yasana Holdings Ltd, Vanua Development Corporation, and Fijian Holdings Ltd has is also mandated to integrate indigenous Fijians into the economic paradigm of the capitalistic era. In essence it is for the benefit of the indigenous people

As to the dual system of indigenous Fijian Administration, the NCBBF believes that this is no longer justified. It is time both systems are integrated with each other. This is needed to remove role confusion and to enable staff of the various statutory bodies- the GCC, FAB and Provincial Councils – to be amalgamated or integrated. This would facilitate coordination of efforts in the planning and execution of development programs, while strengthening leadership and helping the indigenous people to become part of the mainstream economy and to end the cycle of being locked out of development by the regimentation of village life. The integration would enable the combining of the best of traditional culture with the modern values needed to promote economic and social development and good governance. Changes in roles should happen gradually and in

full consultation with the indigenous population. The new institutional framework should be democratic, inclusive, participative, and entrepreneurial in outlook and dedicated to the practice of good governance.

Regarding the organisational paradigm, the indigenous Fijian administration's operating principles are drawn from colonial times. Then, the institutions were concerned with regulation and control of the indigenous people in a society that was used to taking direction rather than making decisions that involved business judgments. This attitude has far too often created a state of learned powerlessness and dependency amongst indigenous people rather than assisting social and economic advancement; it has also created a lack of initiative and drive. The operating paradigm needs to change so that it is more concerned with building local capacity, promoting empowerment and encouraging at least the more enterprising indigenous people to start taking steps towards a more entrepreneurial culture.

Leadership values and capacity are also acknowledged to be part of the problem. Leadership values have tended to favour supporting self-interest and the interests of elites rather than advancing the common interests of local communities. They have also favoured autocracy over more participative decision-making. Some of the other traditional values do not sit well with capitalist values. Indigenous Fijian society is shaped around community solidarity in dealing with everyday issues and the importance of supporting extended families and connecting kin. However, this solidarity is being diluted by the lures of capitalism and weak leadership during the process of adjusting to this change. The competitive and work ethics of capitalism also challenge those with laid back attitudes to life. There is also a lack of capacity and of understanding the values of business cultures such as setting performance goals, ongoing management of performance, the importance of sound, transparent and accountable corporate governance, of keeping good accounts and minutes of meetings, and auditing accounts and reporting on performance. Arising from such changes in capacity and culture will come business opportunities: there are a range of interesting entrepreneurial possibilities.

Styles and quality of leadership also need to be addressed if a new vision for change and a new operating paradigm is to be introduced. The work of Nayacakalou (1975)[120] concluded that there is a fundamental contradiction in wanting to keep the indigenous Fijian Administration as it was during British times, which was really a system of indirect rule where chiefs continued to have authority but did so on behalf of the British. Nayacakalou considered how indigenous Fijians would want the system to evolve so that the chiefly system facilitated their development. He concluded that the system was not delivering the development that people aspire to: this conclusion remains relevant today.

The 2002 review of indigenous Fijian Administration and the recommendations it makes in relation to introducing new leadership qualities like communication, competence and training, are very important in this regard. However, trying to improve the quality of leadership by introducing merit, as is proposed for Provincial Councils, may be a recipe for conflict. Rather, the quality of leadership might be more effectively addressed by introducing training and then requiring, as an incentive to do the training, that persons seeking election/appointment must have

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[120] Dr.Rusiate Nayacakalou, Leadership in Fiji, USP 1975.

attained the relevant credential. More effort is needed to introduce new styles of leadership through developing training programmes for extensive use across Fiji.

Chiefly Leadership

The NCBBF also discussed strengthening chiefly leadership by identifying qualities for appointment that chiefs will need in order to help indigenous people to move forward. However, it was felt that these needed to evolve over time rather than be imposed.

To fill vacant chiefly positions, there is a need to reinforce the processes for doing this such as the outreach program of the Native Lands Commission — where the Commission visits villages and resolves the disputes at an early stage before they grow to the point where they are unmanageable and can lead to intractable positions by the parties concerned; the Provincial Council staff — to mobilise the vanua structure to address these disputes; and finally the Native Appeals Tribunal to be available to handle these disputes.

Good Governance

Giving greater attention to good governance issues should be the next focus in respect of all institutions that are part of the indigenous Fijian administration. This should include:

1. adherence to a framework for good corporate governance, as developed by the Ministry of Indigenous Affairs, including a code of conduct and customised guidelines for council bodies;
2. strategic planning involving the setting of published performance targets;
3. payment of remuneration to Board members, managers and other staff being linked to the organisation's and individual's productivity and performance, with public reporting on all payments made;
4. adoption of more participative and responsive business practices involving regular consultation with clients on their expectations and on what the institutions have in fact achieved;
5. participative dialogue processes with stakeholders;
6. decisions of Boards to be made public, wherever possible;
7. appointments/ election being based, over time, on established capacity related to the work of the institution, rather than on political connection;
8. proper management of, and accounting for, expenditure;
9. appointment of staff on merit with a focus given to development of sound human resource management practices;
10. effective reporting systems to other more senior bodies;
11. a study of the application of customary law;
12. annual reports on performance, with summary information to be made available to local communities; and
13. proper auditing of accounts.

In reviewing information that has been provided, it is clear that a number of indigenous bodies are already moving towards good governance frameworks (for example, the NLTB). However, none of the information provided is transparent enough to establish actual levels of performance.

Once it is accepted that national development requires working on business lines, there are several business strategies that could be pursued by the NLTB and relevant commercial bodies within the indigenous Fijian administration. Capacity building would be a necessary part of that process. One proposal of particular interest is the proposal for land-owning units to register their own trusts. Tourism development, including eco-tourism, and the need for improved land use practices are other areas that might offer new business opportunities.

As this Chapter has already indicated, there are some role changes that are needed. These include:

1. developing a new Vision and related policy development — the GCC, the FAB and the Ministry of Indigenous Affairs;
2. leadership in Winning the Support of the Indigenous People for the new Vision — the GCC, the FAB and the Ministry of Indigenous Affairs and all other bodies in indigenous Fijian Administration;
3. operationalising the new Vision, including through a good governance framework — FAB, the NLTB, MIA and all bodies and companies under indigenous Fijian Administration;
4. capacity building — MIA and individual bodies; and
5. developing Entrepreneurial Practices — MIA, other relevant Government Ministries and individual bodies under indigenous Fijian administration.

The Ministry of Indigenous Affairs also recommends the creation of an inter-agency Executive Committee to strengthen programme coordination of relevant Government programmes.

For all these reasons, the NCBBF endorses:

1. the creation of a more integrated organisational structure for indigenous Fijian administration rather than continuing with dual bodies, with integrated roles and functions to be identified in relation to advancing the well-being of the indigenous Fijian people and their good governance;

2. giving high priority to advancing the better use of land as one critical way to improving the well-being of indigenous people, drawing on business ideas such as use of land trusts, while refocusing the work of the Native Land Trust Board and making it more effective;

3. addressing more fundamental issues relating to indigenous institutions before focusing on the need to improve corporate governance, such as developing a shared vision, taking on new governance values associated with change, advancing the common interest, and building a business culture, changing the operating paradigm, promoting new styles of leadership, and promoting capacity building;

4. undertaking asocial audit of life at village and urban level across Fiji, to be pursued by the MIA;

5. once a vision is in place, developing performance standards relating to social, cultural, spiritual and economic advancement to be employed by each indigenous institution in their work and then reported upon;

6. seeking to develop a new approach to work in each indigenous institution that emphasises advancing the interests of the indigenous people of Fiji in a more open, inclusive, performance-orientated and accountable way and to utilise a more entrepreneurial approach to achieve practical, lasting and beneficial change;

7. developing and applying to all indigenous Fijian institutions a good governance framework, as outlined in the Ministry's submission, for application by each indigenous institution that covers financial management, accountability, transparency and management systems and practices that covers these issues; and

8. developing a framework for implementation of the above changes that makes more effective and lasting change than have been achieved by the reviews conducted to date.

7.9   Proposed Way Forward

In summary, the NCBBF believes that there are practical and realistic ways in which the Public Sector could now seek to improve its performance. These are not quick fixes but the changes recommended could, over time, greatly improve the performance of the Public Sector, including the indigenous institutions.   However, the NCBBF emphasises that Public Sector and Institutional Reform can only be achieved if political leaders first change their attitudes and behaviours and themselves show that they practice good governance, ethical practices and believe in public integrity.

As reflected in the following detailed recommendations, the key approaches that would effect this transformation are:

1. ensuring the regular and consistent dissemination of relevant information of the work, functions, services and programs of the Public Sector, to assist the public in easily accessing these services for their benefit and satisfaction;

2. to target improvements by end of 2009 in key areas of underperformance in service delivery as outlined in this report, including the health and road sectors;

3. for all public sector agencies to develop service charters outlining service delivery standards by 2010, and to ensure that these standards are entrenched into workplace practices;

4. to restore the people's trust and confidence in the public sector through improved service delivery, efficiency, increased productivity and improved accountability;

5. for Government to benefit from improvements made in Public Sector performance by the Public Sector being better placed to provide sound, competent, well-advised and ethical leadership and management to the people of Fiji;

6. to develop and implement a vision for making transformational change in the Public Sector in the 21st Century that better positions and aligns the Sector in supporting the will of the people through effective implementation of the Peoples Charter and through rebuilding its capacity, professionalism, leadership and independence;

7. in future, rewarding improved productivity in the Public Sector through enhanced remuneration in accordance with recent Labour Market Reforms;

8. to develop a Public Sector Reform agenda that has a clear road map for the next five years and beyond with verifiable targets, that is better led, managed and coordinated; and which has outcomes that improve the image of the Public Sector;

9. to meet the proposed reduction, as dictated by Government, in the overall size of the Public Sector by 30 per cent by 2011, both through restructuring and right-sizing in the Public Service; by limiting the number of Ministries by law and accelerating restructuring under Public Enterprise Reform so as to enable the transfer of spare budgetary funding to meet the priority needs of the people of Fiji in infrastructure development and consequential poverty alleviation;

10. to improve financial transparency, accountability and productivity of public enterprises, with specially negotiated performance targets for each public enterprise to be introduced in negotiation with the management of each public enterprise;

11. to ensure essential capacity building and cultural change are made to build business skills and to enhance the efficiency of public enterprises in Fiji. Improved remuneration to staff should be payable to staff on improvements in performance;

12. to take necessary action to improve corporate governance and performance of all business enterprises in Fiji;

13. to reduce future risks of policy failure and improve the quality of policy outcomes achieved by Government through improving policy capacity, processes, coordination and implementation, to be better able to identify and harness options that create economic and social opportunities that improve the lives of the people

14. to use the business and entrepreneurial skills of the indigenous population to continuously convert their resources (land and *qoliqoli*) to cash through vehicles such as trust and *vanua* companies. These trusts and *vanua* companies will in turn contribute to the

national treasury through taxes and at the same time provide a source of employment and income for the indigenous rural dwellers;

15. indigenous leaders to use their leadership skills, including cultural and religious values, to enhance and strengthen the implementation of good governance practices and encourage business thinking among their people;

16. to require that all outstanding accounts for indigenous institutions are audited within twelve months and presented to the proper authorities;

17. to better support the well-being and good governance of the indigenous population of Fiji through revitalising and re-orientating the work of the indigenous Fijian institutions so as to assist indigenous Fijians individually and communally to develop their business and entrepreneurial skills, particularly regarding the use of land, with a view to reducing those who live below the poverty line to a negligible level by 2015;

18. to reach a point in the development of the indigenous population, by 2020, where the capacity building roles of indigenous institutions are no longer needed and their focus is more on accessing emerging social, economic and social opportunity for the betterment of the indigenous population;

19. All indigenous Fijian institutions to take steps to implement good governance practices that ensure they operate with accountability and transparency, and regularly consult and inform the indigenous people on their work; and

20. In giving effect to these proposals through the Peoples Charter, the NCBBF also proposes that
    - a National Peoples Charter Council be established to meet regularly to review progress made by the Prime Minister's Office and other bodies responsible for the implementation of the Peoples Charter and related reform programmes, to receive responses from the public, and to propose changes for improving implementation. The Council would report progress yearly to the Parliament and assist in continuing public education about the Peoples Charter commitment;
    - the Government seek external development partner support to assist in resourcing civil society organisations such as the Citizen's Constitutional Forum, ECREA, Women's Action for Change, Femlink Pacific, FCOSS, Soqosoqo Vakamarama in their public information outreach programmes on democracy, the rule of law, human rights, the Fiji's Constitution, poverty and governance issues and generally about the Peoples Charter for Change programme. Capacity building of NGOs could mean Government endorsement of NGO application programmes to external donors for funding and partnerships with UN agencies and relevant international agencies;
    - the Great Council of Chiefs to be responsible for assisting the Minister for Indigenous Affairs in the Charter's implementation and review and to support civil society organisation in public education about the Peoples Charter programmes

within the indigenous Fijian governance institutions. The Bose Levu Vakaturaga should be represented in the National Peoples Charter Council;

- the National Peoples Charter Council under the stewardship of the Prime Ministers Office to help in shaping the on-going agenda for change. The Prime Ministers Office to be strengthened in its leadership and coordination role in Charter implementation with some TASS staff as possible candidates for core staff. The GCC, RFMF, civil society organisations and other relevant stakeholders and expertise to be represented in the NPCC.

Core Objectives of the National Peoples Charter Council (NPCC)

- To be a forum for stakeholders to dialogue with Government over national development issues;
- To monitor, review and comment on progress in the implementation of the Peoples Charter;
- To consult with and receive views from stakeholders, including the public on the effect of the Peoples Charter policies and programmes and propose changes to improve programmes and implementation;
- To propose new initiatives for implementation that are consistent with Peoples Charter objectives.
- To promote national dialogues on national unity, national identity, peace and stability;
- To develop leadership models of desired competencies for training, with donor support. Also identity potential leaders for relevant training and initiate civic education and related capacity building programmes and development co-operation with UNDP and the USP on leadership and good governance training;
- Initiate capacity building through training in good leadership at all levels;
- Form partnerships with civil society organisations and schools on civic education on the Charter and with international donor and NGO partners on the Charter, human rights and peace education;
- To develop national consensus on the human security paradigm;
- Promote the twelve principle for ending the coup culture;
- To monitor Government's observance of good governance, standards set out in the Constitution covering compliance with rule of law, transparency, public consultation, accountability and standards of public leadership;
- To be also responsible for monitoring conflicts relating to the Peoples Charter implementation and to take mediation initiatives, national dialogue, conflict resolution and healing;
- Build partnership where divisions and conflicts exist; and
- Develop with the Ministry of Fijian Affairs and other Fijian institutions, in consultation with Fijian people, a shared vision for reform of indigenous governance and development of institutions, policies and programme.

CHAPTER 8.   EFFECTIVE LEADERSHIP IN FIJI

8.1   Introduction

Among the most critical of the issues that Fiji faces today is that of leadership. Fiji needs visionary, transformative leaders, i.e. persons of integrity and patriotism who will respond to the challenges of change such as outlined in the Peoples Charter for Change, Peace and Progress (PCCPP), or simply 'the Peoples Charter'.

In deciding how to improve effective leadership in Fiji, three main questions arose, namely:
- what are the changes in the context of Fiji that will influence future leadership styles?
- what are the leadership qualities that will be most needed to meet the challenges of Fiji's changing society and its quest for development under the Peoples Charter?
- what action is needed to help Fiji's leaders change their leadership styles?[121]

Yet in attempting to answer these questions, it became necessary to address issues related to
- the challenges faced by Fiji's leaders, including the contextual factors that affect their respective roles,
- the leadership styles and qualities desired for good leadership, and
- a consideration of the specific action that can improve leadership in Fiji.

The manner in which leaders lead plays a vital part in either taking a country forward or holding it back. Addressing the issue of leadership is therefore of great importance to the future of Fiji. Unfortunately however, Fiji is at a crossroads when it comes to considering how its leaders could best contribute to the next stages of Fiji's development. There is no longer a clearly accepted view of the way that leaders should behave within Fiji society, and there is a strong public perception that many leaders more often than not pursue private agendas for opportunistic personal advancement rather concerning themselves in advancing public interest.

According to Professor Graham Hassall, the important questions to ask are why this might be so, and what is to be done about it? The country has experienced four coups in a period of 20 years, and its economic performance is steadily declining. Significant human capital is leaving the country, and much land remains under-utilised. The country's multi-racial population has maintained a certain rapprochement for 150 years, but it is one in which neither side feels completely understood or valued by the other, and few leaders at national level have attempted to bring the races together in more than a perfunctory, politically expedient manner. Most educational services, professional associations, and even sporting bodies, are formed along

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[121] NCBBF Secretariat Memorandum, *Leadership*, 16 April 2008. Issues and Discussion Paper (IDP) on leadership written by Professor Graham Hassall of the Governance Programme, The University of the South Pacific.

broadly racial lines. Fiji is a country divided ethnically, religiously, politically, educationally, socially, and economically.'[122]

At all levels, the type of leadership in Fiji is seen as a contributing factor to many of the country's problems. Leadership at the national level has always been a subject of debate even during periods of stable Government. One point of view is that the style of political leadership in Fiji has, and continues to be, dominated by ethnic issues solely focused on protecting the interests of one's own ethnic community. This style of leadership has contributed to a failure to act in the best interests of the whole nation.

While leaders in Fiji recognise the need to play a principal and influencing role in setting and guiding the achievement of national and community directions, how they might be most effective in Fiji's changing context is less clear to them. Leadership occurs both in and outside of Government and at many levels. Its effectiveness is crucial at every level. Thus, consideration should be given to both political leadership and other levels of leadership right through to community level. Although the primary focus for the NCBBF was on leadership in Government (which is one area of real weakness in Fiji) it acknowledged that the lives of ordinary people are most affected by leadership at the local level. The role of different types of leaders such as women, chiefs, religious leaders, youth, politicians therefore need to be considered.

Tensions amongst leaders and between leaders and the people are often posed in such terms as 'traditional' and 'modern' leadership, or 'Fijian' versus 'western' styles of leadership. Because such labels are too general to be useful they must be investigated further. In any society it is certainly the case that younger generations can act in ways that potentially threaten the status of older leaders who are established in their positions via the norms of an earlier generation.

8.2   Defining Leadership

Leadership is 'the process of influencing the activities of an organized group in its efforts toward goal setting and goal achievement'.[123]   Three key components of this definition are that leadership is an interpersonal process between one person and a group, that there cannot be 'leaders' without 'followers', and that the criterion for effective leadership is achievement of goals. Thus, leadership suggests a pattern of influence between the leader and his or her followers. The nature of this influence is a crucial factor in the adequacy of the leadership style.

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[122] Paragraph 3.1, pages 1-2, NCBBF Secretariat Memorandum, Leadership, 16 April 2008. Issues and Discussion Paper (IDP) written by Professor Graham Hassall of the Governance Programme, The University of the South Pacific.

[123] Stogdill, R.M., *Leadership, membership and organisation* 1950, p. 3; see also Leadership Definitions – http://www.leadership-studies.com/lsw/definitions.htm

Styles of Leadership[124]

The *transactional* model of leadership is regarded as most typical of political leadership in Fiji today. In the transactional style, the leader is the key player but there are also roles for individual followers who transact within that context. The transactional style of leadership is limited in its effectiveness however, in that only the interests of immediate followers of the leader are looked after while the common interests of the people are not perceived as being important.

In Fiji the prevalence of transactional leadership has meant that successive regimes have not addressed the fact that more than 60 per cent of Fiji's people, of whatever race, are living close to or beneath the poverty line. This is a major concern because there are enough resources in the country for everyone. However, in governance terms, there is a problem with resource allocation. Fiji has large human resources and physical resources, yet leaders have failed to use them effectively. What has occurred in Fiji, through trading based on numbers and seats in Parliament, is a major failure of transactional leadership.[125]

The *classic* leadership model is where the leader simply directs followers. Generally under this model, the followers' knowledge is low as the leader makes all of the decisions. This model also exists in Fiji with the chiefly system and other traditional, cultural or religious forms of leadership.

In contrast to the classic leadership model, the *transformational* leadership model emphasises an inclusive vision that seeks to change an entire country for the better. Fiji urgently needs more of this style of leadership. However, it is also important to pay attention to the uniqueness of a culture and that means that Fiji requires a unique style of transformational leadership. Every culture is unique and attention should be given to it: there is however, a need to work out the ways culture is important noting that culture does change and is not a museum.

It should be recognised and encouraged that leadership in Fiji does not only occur in the state or at national level. While Fiji needs good national leaders who guide and steer, leadership also occurs in the village, in towns and cities, in the family, in the private sector and civil society, and in churches and temples. Effective leadership is therefore needed in a variety of contexts.

A distinction has to be made between the various types of leadership that interact in Fiji's society. On the one hand, there are those who lead by virtue of their birthright: their leadership is not determined by or through a democratic process and they are not considered to be the equals of others in society. There are, on the other hand, the democratically-elected leaders who hold office by virtue of election by popular vote. A democratic system recognises the rights of all citizens to retain identities and associations of their choice, and requires laws that affect all citizens to be enacted by elected rather than appointed persons.

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[124] See Annexure 1, *Comparing Leadership Paradigms*, Graham Hassall, *Leadership*, Issues and Discussion Paper commissioned by the Working Group 1, 16 April 2006.

[125] Hassall, Ibid.

8.2.1 Contextual Factors Influencing Leadership Styles in Fiji

Fiji's leaders face a number of contradictions between the changing expectations of their responding to the demands of urbanisation and commerce and to the pressures to transform Fiji into a modern state. These pressures, which include issues like globalisation and modernisation, have conflicted with a desire to maintain important aspects of traditional culture.

Some people still feel little ownership of the democratic governance framework, which in itself needs reform. The encouragement and support of leaders is needed to improve this framework and enable it to become more strongly entrenched as part of the accepted ruling fabric of Fiji. The operation of a Westminster-style governance framework is viewed by some as creating unhealthy levels of competitive and extremist behaviour, including race-based division, rather than fostering national unity. The country has suffered when leaders have given priority to private profit-making or to special or ethnic-based interests. There is a growing recognition of the need to change these behaviours so that leaders act more in the overall national interest.

8.2.2 Leadership in the Indigenous Fijian Community

In addition to the above, there are other issues influencing traditional indigenous leaders. These are:

1. maintaining the best of the communal traditions of traditional life in Fiji where leadership was once autocratic and command driven but now has to operate under good governance principles in a democratic way that emphasises different and new values such as accountability, transparency, integrity, public participation and open dialogue;

2. through the indigenous institutions, trying to preserve a traditional culture and at the same time build new governance values as part of modernising traditional institutions;

3. on the one hand preserving the traditional knowledge and learning associated with chiefly leadership and on the other, needing today to have relevant knowledge and leadership skills such as communication, competence, selflessness, and an understanding of the changing roles of chiefs;

4. the place that chiefly leadership takes when working in a context where there are newly emergent forms of leadership in the public sector, private sector, churches, trade unions and civil society; and

5. the strong devotion to Christian faiths but the relative lack of significant inter-faith dialogue.

8.2.3   Leadership in the Fiji Indian Community

Leadership in the Fiji Indian communities has not been subject to the same scrutiny as has that of their indigenous Fijian compatriots. Fiji Indians are not led by chiefs, and are divided between Islamic, Hindu and Christian religious beliefs. Not having access to land as of birth-right, the Fiji Indian community has relied on education and labour to secure social and economic advance. It has relied too, on vocal representation in Fiji's political system, as it emerged through the colonial period and into Independence. Fiji Indian leaders have appeared through such educational institutions as the Arya Samaj, and have been most prominent in business, trade unions, the judiciary and in Parliament.[126]

Leaders of the Fiji Indian community generally have demonstrated a 'transactional'" leadership style, seeking improvements in the legal, economic and social circumstances of their followers. Their leadership has not been communal, and it has often promised — and depended upon — specific results from their leadership, rather than on an appeal to followers on the basis of birthright status.

8.2.4   The Desirable Qualities of Leadership

Many desirable leadership qualities have been identified. They include being trustworthy, just and honest. Accountability is also important to ensure leaders are trustworthy, just and honest — this means there must be consequences for leaders who fail to deliver. There is also the charismatic aspect of leadership. People do not want their leaders to be dull and boring, uncharismatic and unintelligent. This is important in the context of Fiji's electoral system and whether it entices the most intelligent or capable people to seek leadership roles. Being collaborative, diplomatic and having foresight are other important leadership qualities. Good leadership is not demonstrated when a political leader is simply a manager who merely runs the Government, as a leader must also set the direction taken by a country.

Dr.Rusiate Nayacakalou[127] distinguishes between leadership of the nation and leadership of the State; they both can be confused. Sometimes there is an effort to make them one, but that effort has created tension. Nayacakalou noted the fundamental contradiction in wanting to keep Fijian Administration as it was during the colonial period, a system of indirect rule where chiefs exercised authority on behalf of the British. Consideration was given to how Fijians would want the system to evolve so that the chiefly system facilitated their development. The conclusion was that the system was not delivering the development to which Fijians aspire. This conclusion is relevant today. The 2002 Review of Fijian Administration[128] and the recommendations it makes in relation to leadership qualities, are very important in this regard. These qualities include

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[126] Hassall, ibid.

[127] *Leadership in Fiji*, IPS Publications, 1975.

[128] Price Waterhouse Coopers, *Review of the Fijian Administration Report*, Vol. I, February 2002, Parliamentary Paper No. 70/2002 Ministry of Fijian Affairs, Culture & Heritage.

- COMMUNICATION. The tradition of respect toward chiefs has hindered open discussion of important matters of public concern. In the absence of discussion, chiefs can become dictatorial; messages go 'up' the system but less often are responses returned 'down' to where the message came from. Messages also can get distorted or be ignored;

- COMPETENCE. Chiefly authority is being questioned by educated and younger Fijians who no longer accept the idea that leaders are born and not made. 'Non-traditional leadership' is based on demonstrated competence rather than rank;

- UNITY. Fijians are increasingly divided by political events and strong leadership is required, particularly by chiefs, to re-establish a sense of unity;

- SELFLESSNESS. Whereas leaders should act in the service of their communities, there is a sense that leaders are more concerned with personal gain. For example, chiefs (usually) do not distribute moneys from land rent fairly, and moreover, the formula for distribution is antiquated.[129]

The need for Fiji's leaders to display selflessness is a major challenge. While the issue cannot be readily resolved there are measures to ensure that those who come forward are not coming forward for purely personal motives. There are many examples throughout the Pacific where personal motives have compromised leadership — in Fiji the experience in Fijian Administration with the receipt and distribution of lease monies has become a particular cause for concern.

The Pacific Islands Forum Leaders' Key Principals for Good Leadership set out certain leadership standards expected of Pacific Island leaders. These are

    i.   respect for the law and system of Government,
    ii.   respect for cultural values, customs and traditions,
    iii.   respect for freedom of religion,
    iv.   respect for people on whose behalf leaders exercise power,
    v.   respect for members of the public,
    vi.   economy and efficiency,
    vii.   diligence,
    viii.   national peace and security, and
    ix.   respect for office.[130]

In future, leaders must also have relevant knowledge and skills. They must be better educated and aware of the effect of globalisation and modernisation. The work of Steiner, Bächtiger et al[131] demonstrates the attention that is now being given to 'deliberative discourse', and the need for leaders (indeed for all who engage in public dialogue) to do so according to a set of legitimate norms. Those authors suggest that all speech requires six characteristics; that is must be

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[129] Chapter 3, Pages 40-43, Ibid.

[130] Annex 2, *34th Pacific Islands Forum Communique*, Auckland, New Zealand, 14-16 August, 2003.

[131] *Deliberative Politics in Action*, University Press, Cmabridge, 2004.

- truthful,
- sincerely spoken,
- based on logic,
- expressed in terms of common interest,
- demonstrate willingness to consider the views of others, and
- willing to defer to the strength of a better argument.

Also relevant for Fiji is the study of leadership conducted in 62 countries (House, Hanges et al. 2004)[132], which determined characteristics that people of all cultures thought desirable.[133] These characteristics include the need for leaders to be

i. trustworthy, just and honest,
ii. charismatic, inspirational, positive, motivational, confidence building, good with teams, excellence-oriented, decisive, intelligent, a win-win problem solver,
iii. having vision, integrity, self-sacrifice,
iv. collaborating, a team player, diplomatic, administratively competent; and
v. possessing and exercising foresight.

Moral courage is another aspect: leaders should be able to make tough decisions in the national interest. Examples of true leadership are many: Lincoln's commitment to democracy for all of the people, Wilson's self-determination for former colonies, Ataturk's nation-building, Ghandhi's moral authority, and Nelson Mandela's struggle for freedom and equality. Whether in the form of individual leaders or people-driven movements for justice, leadership — like democracy — has ultimately been about and for the people. Like democracy, it is also hard work, requiring constantly renewed commitment, a visionary determination to advance human development, and a common quest for life with dignity for all.[134]

8.2.5   Changing Styles of Leadership in Fiji

There are already encouraging signs of changes in leadership style emerging in Fiji. They involve

1. less autocratic and hierarchical styles of leadership and more participative and inclusive styles with a greater emphasis on dialogue and public debate,
2. a focus on truth, honesty, courtesy and moral courage,
3. an ability to work with the new emerging leaders,
4. less concern about advancing opportunity, influence and material resources and more focus on pursuing public policy objectives in the national interest,

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[132] *Leadership, Culture and Organisations*, The GLOBE study of 62 countries, Sage Publications, 2004.

[133] The 62 countries did not include one from the Pacific Islands – an indication of the current status of leadership studies in and about the Pacific Islands region.

[134] Safty, A. (2003). "*Moral Leadership: Beyond Management and Governance.*" Harvard International Review 25(3): 84-89.

5. more concern with the pursuit of justice, reconciliation and healing among the polarised groups in society who have been affected by the coups,
6. more concern with democracy, development and values related to good governance such as accountability, efficiency and transparency,
7. less extremism in racial matters with more concern about unifying people and resolving conflict than about promoting divisive or partisan behaviour,
8. a greater sense of living in a Pacific region where countries will seek to work more closely together under the Pacific Plan, and
9. greater recognition of the growing desire for civil society engagement in Government with more emphasis on cooperation and consensus building.

8.2.6 Possible Action to Improve Leadership in Fiji

While acknowledging the emerging trends outlined above, the NCBBF considers that more direct action is needed to ensure Fiji's leaders display those qualities. The ideal is to have leadership that values sustainable democracy, accountability, and other principles of good governance; that society as a whole appreciates and has shared understanding of what is good leadership and expects its adoption by those who enter public life and assume public leadership responsibilities.

Generally, there is a need for clear governance processes, and effective governance institutions, which involve both the State and its citizens. Governance has become the practice of relationships between those in authority and those who place them there, in pursuit of shared public goods. It is generally accepted that good governance involves transparency, efficiency, accountability, rule of law, responsiveness, and participation. Behind each of these ideas is an array of choices however, not all of which can be implemented in a sustainable way. Systems of accounting, for instance, can be simple or complex; methods and levels of participation can be rudimentary or complex. Accountability can be improved through improved processes, and through institutional strengthening.

Key elements of any accountability framework include improving

1. access to information,
2. public participation in policy and planning formation,
3. public participation in budget processes,
4. Parliamentary functioning,
5. Parliamentary committees,
6. Media freedom and responsibility, and
7. citizen activism and interest.[135]

Those issues are considered in more detail in the section on accountability in Chapter 4 and in the section on Public Sector and institutional reforms in Chapter 7.

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[135] Hassall, Supra.

Greater importance must be placed on having a governance system based on finding selfless leaders. Too much attention and deference is paid to the rank and status that leaders hold: those elected to Parliament are there to serve and empower the people. When it comes to criticising leaders and holding them to account, attitudes need to change and the systems of support for leaders in terms of policy advice and facilities need to be improved. Parliamentary services are lacking in this regard. The nature of politics gives rise to the transactional style of leadership where politicians make promises to voters to secure the politicians' election. There needs to be greater accountability for the promises that are made.

Fiji's complex social and political history has made leaders' tasks all the more challenging, and direct action is needed to ensure that there is a fundamental shift in leadership styles to make the country's leadership effective. This action however, depends on certain environmental factors:

- the capacities of the people to discern between competing leadership choices; and
- the constitutional, legal and political framework within which leadership is exercised.

At all levels, Fiji's leaders should lead the country in a more selfless manner than leaders have done in the past. They need, that is, to lead for the common good and not through self-interest. Finding leaders with the necessary qualities of selflessness is not easy under current models. The public has a role to play too, through being more vocal about their expectations, and their views on how leaders are performing. It is necessary to adopt leadership patterns and behaviours more conducive to reaching the country's shared goals. Elements of this include civic education and improved performance appraisal systems for public leaders, systems that are able to reward purposeful leadership and inhibit negative practices through adoption of more effective codes and laws.

While regional leadership standards exist there is still room for improvement. For example the leadership principles adopted by Pacific Forum leaders do not expressly mention the need for honesty and integrity. The issue of globalisation and knowledge management are also relevant in that as a member of the international community, leaders need to look beyond the region in or models that are suitable for Fiji. Successfully addressing these issues probably requires a generational change in attitudes, and assistance should be considered to enable this transition. The importance of empowering non-government organisations and working with them is obvious — democracy and good governance will work better through an explicit process of public empowerment.

In the Fiji context, traditional leadership is still very strong and it can create conflicts with democratic principles. Chiefs who do not perform well cannot be replaced; not everything happens in Parliament nor in politics. There should be a notion of public interest leadership that includes political leadership as political leadership is only a sub-set of public leadership, not of all leadership. Public leadership includes the private sector, religious and traditional bodies and civil society. The private sector is important and society is important. Strong leadership is needed in business and society and efforts to grow leadership should also be at provincial and town level. There should be more effective civil leadership in towns across Fiji.

With so many problems being reported about the functioning and effectiveness of so-called 'western-style leadership' there is in some places discussion around expanding traditional authority to 'fill the vacuum' (such as happened on Bougainville, and in parts of Solomon Islands, during times of crisis). However, the efficacy of this idea must be investigated, since traditional leaders may have less, rather than more, understanding of how complex modern States and societies operate. The needs are for both education and wisdom. While reversion to traditional authority appeals to some, the key issue is whether any type of leadership, whether 'customary' or 'modern', has the required qualities to meet its society's challenges and bring about genuine development. This issue is all the more important in a period when national leaders are grappling with issues of 'deeper integration' in the region and the prospects of some new forms of multi-level governance involving regional and international issues.

Under an autocratic society leadership behaviour differs from that required in a liberal democratic society. Aspirations for the nature of future society in Fiji will influence the particular sorts of qualities we need in our leaders and such aspirations should be found in the Peoples Charter. Leadership therefore needs to show a visionary determination to achieve the high moral purposes and aspirations set out in the Peoples Charter for alleviating poverty, entrenching good governance, building a common identity and developing national unity.

The NCBBF believes that ways for people to emerge as better leaders need to be developed, but also people need to emerge as better followers. One problem with indigenous Fijian leadership is the failure of followers to speak up when leaders do something wrong. Leaders should be able to say the right things at the right time. If you are working with people who assume control by whatever means, you require diplomacy and you are required to have a greater command of the language that you are speaking. Fiji's leaders need to have knowledge, they need to be truthful, honest, just, fair-minded, neutral, impartial and all embracing. What does it mean to be just? Is it distributive justice? What type of justice do we want in society? Electoral reform is relevant in this regard.

Education is also important but it is more facilitative rather than making a whole set of rules. Some rules can be put in place, which

- distinguish between the roles of non-elected leaders and elected leaders, how that is expressed in a law, and
- highlight the need for leadership.

8.2.7 Political Leadership

A topical issue at present is whether the structure of political parties based on ethnic grounds is a cause for concern. If it is thought that grouping interests according to parties is useful to the country then the case the parties need to deal with is whether they assisted or hindered the democratic process. There is another proposition — that parties are an intervening factor between the voter and the Parliament: this actually constrains Members of Parliament from voicing what they truly feel because of party loyalty. Members are constrained to be more loyal

to the party than to their people. Fiji needs a Parliament where all representatives are free to speak their minds and, if necessary, disagree with party policy.

Changes are also needed in the style of parliamentary leadership. Developing a new style of political leadership might be assisted through less adversarial forms of parliamentary democracy being adopted and changes to the party system. Leadership styles would also be affected if parliamentary interaction became more focused on public policy issues than on the struggles for political preferment.

In most developed jurisdictions self-regulation is the current form for the regulation and enforcement of ethical standards for holders of high public office. Institutions like Parliament, the judiciary and other public sector institutions have Codes of Conduct that regulate conduct and set appropriate standards of behaviour. While alleged breaches of these codes may be investigated by some independent tribunal established for that purpose, determination of guilt or fault remains with these institutions. In some jurisdictions, laws are actually enacted to set these standards, the investigation process that must be followed, and the penalty or range of penalties for breach. Distinctions are made between criminal offences under law that amount to corruption which applies to both the public and private sector and is investigated by an independent body or by the police authorities and conduct standards for behaviour that, if breached, may result in censure, suspension or loss of employment/vacation of office.

The enactment of a Code of Conduct for leaders is badly needed. Such a code will make clear what leaders should and should not do. It will provide a better basis for sanctioning improper or illegal conduct. The more difficult issue with Leadership Codes is how to enforce them. As the experiences in Papua New Guinea and Vanuatu show, enforcement depends on having an effective agency involved that is both resourced and committed to doing its work in circumstances where sometimes there are pressures within society to desist. Two possible agencies to enforce a leadership Code of Conduct in Fiji are the Ombudsman and FICAC. Investigation and enforcement of conduct standards by an independent body specifically established for that purpose or already established and provided with those responsibilities, is another method used in some countries. In some countries these bodies are also provided for under specific legislation like a Leadership Code.

8.2.8   Recognising the Leadership Role of Women

Although women constitute approximately one-half of the Fiji population and play important leadership roles not only in the home and family, but in the private sector, the community at large, in public service and in the political arena, the share of leadership burden carried by women is generally under-valued. Therefore, the role of women in leadership needs to be considered, and the attitudes of men to this role.

Community values around the public role of women are changing, and the lack of women in public leadership positions — particularly in Parliament — is a matter for concern. Some favour the apportionment of seats to women in Parliament through a quota system, whilst others prefer emphasis on public education such that increases in women's representation are not achieved

artificially. The leadership role that women play needs to be acknowledged in any leadership model developed through the Peoples Charter process.

8.2.9   The Role of Religious Leaders

The important role that religious leaders play in Fiji is acknowledged. The role can impact on the country in both a positive and negative way. Like many other countries, the issue of separation between Church and State has received some attention in Fiji, with comments on the active role of certain religious leaders during the 2006 general election campaign and the argument that the Church sometimes contributed to ethnic division and the polarisation of votes along racial lines. This discussion raises the need for greater dialogue amongst religious leaders in Fiji with a greater emphasis on the national interest.

As Hassall puts it, religious values are a primary source for leadership, 'and many religious organisations in Fiji are active in some form of leadership development, either for their own community or as an element of their outreach activities. Leadership of ecumenical and inter-faith dialogue, however, has come not from the main churches and denominations in the country, but from the smaller religious communities. Whilst the activities of such groups as Interfaith Search Fiji have their usefulness, they are not sufficiently encompassing as to constitute broad interfaith dialogue that engages the nation's religious leaders. In a nation of such diverse religious beliefs and traditions, the lack of more profound inter-religious dialogue is a glaring gap in the activities of the nation's religious leaders, who otherwise profess to be leading the way to unity in the country.'[136] In addition to acknowledging the important role of religious leaders in Fiji's communities, more support is needed for inter-faith dialogue between these leaders aimed at promoting and advancing the interests of all communities.

8.3   Findings and Conclusions

Good leadership and good governance are inter-related and good governance cannot be achieved without good leadership. Thus, the NCBBF accepts the importance of leadership in either driving Fiji forward or holding it back. The issues need to be addressed, as they are vital to the future of the country.

Leaders in Fiji need to employ a more transformational style of leadership that seeks improvements in the economic and social circumstances of all citizens. This type of leadership is the best way forward for Fiji. Specific action can be taken to encourage this style of leadership, namely

1. the enactment of a Code of Conduct with appropriate enforcement measures in compliance with section 156 of the Constitution, which also covers local government office holders,

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[136] Page 14, Supra.

2. the development of a new leadership model more suited to Fiji's emerging development ethos through the Peoples Charter process,
3. leadership training and education at all levels, and
4. at the national level, putting in place greater incentives to attract capable leaders.

Emerging leadership models, which include regional and international standards or principles for leadership, offer some guidelines although further work is needed to draw out the details of a model that is suitable for Fiji. The NCBBF intends to facilitate further dialogue on this issue as part of the consultative work in developing the Peoples Charter. In order to change the style of leadership there must be a vision. Recognising key principles of good governance, the vision must emphasise inclusiveness and allow for participation from the people in that vision. Constant articulation of this vision is necessary along with the alignment of all resource allocations and activities to realise its aims. Acknowledging the role of different types of leaders in Fiji, including women, religious and traditional leaders, and the need for increased dialogue, is also relevant.

Ideally, the NCBBF believes that Fiji's national leadership will in future combine in each individual and in united groups of individuals, a commitment to the well-being of all citizens of the country. The leadership should have an appreciation of regionalism and look to the position of the Pacific Islands as a whole in the emerging global order. Changes in public sector design and performance around the world are shifting towards more responsive agencies, working in partnership, or in networks, with non-State actors. This rise in civil society engagement calls for a shift in emphasis in public leadership away from command over bureaucracies to a more deliberative style of governing based on cooperation and consensus-building.

Training should be provided for all parliamentarians including the Prime Minister and his Cabinet. As well as drawing on existing programmes, Fiji will need international support to put in place a high quality set of leadership programmes that are available to politicians, senior public/private sector/civil society/church personnel. The recommendations of the 2002 review of Fijian Administration[137] are also relevant for leadership training that encompasses contemporary and evolving ideas on traditional roles of chiefs and people, and is provided at all levels — village, *tikina* and province. Leaders must understand their roles and leadership initiatives must have broad popular support.

Proposed Leadership Model

The NCBBF proposes that the adoption of the leadership model under the Peoples Charter set out the desired characteristics for effective leadership to encourage a more visionary and transformational style of public leadership in Fiji. The NCBFF is recommending the enactment of a Code of Conduct for holders of high public office to be the legal mechanism to ensure the accountability of leaders. However as discussed above, there are others such as traditional and religious leaders and civil society advocates who exercise public leadership roles that do not

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[137] Price Waterhouse Coopers, *Review of the Fijian Administration Report*, Vol. I, February 2002, Parliamentary Paper No. 70/2002 Ministry of Fijian Affairs, Culture & Heritage.

occupy a public office. The main intention behind the model is to recommend a simple set of standards by which people can, if they choose to, judge the conduct of their leaders.

The NCBBF intends to facilitate work on this as part of the consultative process for the Peoples Charter based on the draft model set out below.

Vision for Effective Leadership
Guiding Principles

RECOGNISING the different types of public leadership that exist in Fiji at all levels of society and that such leadership is ultimately about service to the people of Fiji, the communities they belong to, and what is in their best interests;

ACKNOWLEDGING the conduct standards that are set out under subsection 156(2) of the Constitution for holders of high public office, and the measures that need to be taken under law to enforce these standards and the Key Principles for Good Leadership adopted by Pacific Island Forum Leaders as being relevant for Fiji's national leaders;

The People, through this Charter, identify the following qualities as being the most desirable of any person who seeks and exercises a public leadership role in Fiji:

>   Visionary
>
>   Integrity
>
>   Honesty
>
>   Selflessness
>
>   Competence
>
>   Openness
>
>   Communication
>
>   Unity
>
>   Accountability

8.4   Recommendations

The NCBBF endorsed the following:

1. that a leadership model be developed through which the legitimate roles of elected and non-elected leaders in a democratic Fiji are clarified. Both sources of leadership are

required although the basis of their legitimacy differs, as does the scope of their responsibilities;

2. the enactment of a Leadership Code in compliance with section 156 of the Constitution, which also covers local government office holders. Such a Code of Conduct requires sufficient enforcement mechanisms to ensure that transgressions are dealt with, in a fair and just manner, in the public interest;

3. that training be provided for public leaders. For parliamentarians this can commence with a suitably crafted induction programme followed by further professional development activities;

4. that leadership training be sought and provided for public servants through existing training channels, in collaboration with various training partners;

5. that civic education, whether at school level, or for civil society, focus on leadership qualities. When citizens in a democracy develop their preferred notions of leadership qualities they will know what to look for in candidates at elections, and they will know what to expect and demand of leaders once in office;

6. that Freedom of Information legislation be enacted. The more an informed public knows about the operation of Government, the more informed will be its questioning of leaders. Media freedom plays a role in fostering good leadership through asking appropriate questions in the public interest;

7. that ways be found to reward public leaders for the ways in which they bring society together, not for their abilities to keep it divided and in conflict; and

8. that a comparative analysis be undertaken to look at per capita income and salaries paid to parliamentarians and others to attract good people. Salaries should be reviewed.

CHAPTER 9. ENHANCING GLOBAL INTEGRATION AND INTERNATIONAL RELATIONS

9.1 Introduction

Fiji's engagement in the international arena has been challenging given our size relative to the rest of the world. This engagement has been seriously constrained in the wake of the coups since May, 1987. For Fiji, its driving political objective has been to express Fiji's foreign policy through pro-active participation in the international fora, respecting the provisions of international treaties to which it is party and fostering fruitful bilateral and multilateral diplomatic relations with friendly nations and international organisations. This policy is testament through the relations it is now forging with Asia, and the traditional relationship it has enjoyed with the Pacific Forum Island States, the Commonwealth, North America, Africa Caribbean Pacific, and the European Union.

The Ministry of Foreign Affairs and External Trade plays a pivotal role in advising Government regarding the formulation and implementation of its foreign and trade policies. The Ministry implements Government's foreign and trade policies by maintaining and expanding friendly relations with other countries and through proactive participation in international organisations to which it is a member[138]. In short, it exists to represent Fiji's interests to the world. In addition to the management of political, economic and trade relations with other countries, the Ministry plays an important role in the negotiation and administration of foreign aid and is the Government's official channel of communication with all foreign diplomatic missions and international organisations based in Fiji.

9.2 Key Issues and Emerging Challenges

9.2.1 Restoring Credibility

Fiji has suffered from repeated coups in its recent history – in 1987, 2000 and 2006. These events have resulted in subsequent suspension from the Commonwealth and attracted widespread condemnation from our island neighbours and the international community due to the lack of good governance, abuse of human rights and suppressed freedom of expression. These coups, among other associated political events, has tainted the country's image and international credibility as a peaceful, law abiding nation. These events have tarnished four decades of

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[138] Fiji is a member of the United Nations and its specialised agencies such as the ILO, FAO, WHO, UNDP, ITU, IFAD and WMO. It is also a member of international and regional organisations such as the Pacific Community, the Pacific Islands Forum, the South Pacific Applied Geoscience Commission, South Pacific Regional Environmental Programme and the African, Caribbean and Pacific (ACP) Group, WTO, WCO, IMF, IBRD. ADB.

distinguished service with the United Nations and the exemplary leadership role in matters concerning the South Pacific region.

The immediate challenge is for the country to regain its lost credibility. Foreign policies of Government need to focus on commitment in restoring relationships with the global family through returning to true democracy and pro-active participation in the international fora, respecting the provisions of international treaties to which Fiji is a party, and fostering fruitful bilateral and multilateral diplomatic relations with friendly nations and international organisations.

9.2.2   Multilateral and Bilateral Engagement

Increasing integration with the global economy is an essential element in response to the challenge of globalisation. As a small island open economy prone to natural disasters, and given its geographical location, it is important for Fiji to strengthen its bilateral or multilateral relationship with other countries to further develop its trade and enjoy maximum opportunities in terms of available assistance. Furthermore, with the increasing number of trade agreements to which Fiji must comply, it needs to undertake some housekeeping within its peripherals to effectively engage with its bilateral and multilateral partners. Some of the assistance available with well-developed bilateral and multilateral partners are not fully utilised by Fiji.

9.2.3   Aid for Trade

By definition, Aid-for-Trade is about helping developing countries build the capacity and infrastructure they need to benefit from open trade. Because trade is a broad and complex activity, Aid-for-Trade includes:

- technical assistance – helping countries develop trade strategies, negotiate more effectively, and implement outcomes;
- infrastructure – building the roads, ports, and telecommunications that link domestic and global markets;
- productive capacity – investing in industries and sectors so countries can diversify exports and build on comparative advantages; and
- adjustment assistance – helping with the costs associated with tariff reductions, preference erosion, or declining terms of trade.

Most 'Aid-for-Trade' is disbursed bilaterally by donors or through multilateral and regional finance and development organisations such as the World Bank and the regional development banks.

To hasten trade development, it is of significant importance for Fiji to utilise this facility through strengthening/reviewing the roles of its foreign missions to engage and have access thus developing its trade base and strengthening its bilateral and multilateral relationships. It is also

imperative to make good use of opportunities available in the global marketplace and through international development partners in the conduct of our trade policy.

Fiji faces numerous difficulties in improving productivity at the enterprise level. The development of small and medium scale enterprises (SMEs) is of strategic importance to Fiji's economy. However, SMEs export capacity is hampered by supply constraints that impede movement up the value chain. Other constraints faced by SMEs are an insufficiency of skilled personnel (migration remains a major national issue) and the limited availability of finance. Relative to countries like Australia and New Zealand, Fiji ranks high with respect to critical business indicators, which demonstrates that private sector reforms are moving in the direction of improving the overall climate for doing business. In this regard, Government will need to continue to identify further priority reform needs of the private sector. 'Aid-for-Trade' is the way to go.

For too long Fiji has been very heavily reliant on a few commodities for its export growth. It has enjoyed preferential prices and market access in the EU market under the Sugar Protocol of the Cotonou Agreement which is soon coming to an end. A more proactive approach needs to be undertaken to encourage diversification of exportable commodities. Fiji needs to seize this window of opportunity and focus on getting maximum benefits from the 'Aid-for-Trade' initiative administered by various development partners.

9.2.4 Labour Mobility

To improve their well-being, Pacific Island countries have to integrate more deeply with the global economy. For the smallest and remotest of the island communities, access to industrial country labour markets is perhaps the only viable option. There is merit in broadening this access, on a controlled and reciprocal basis, for the region as a whole. The benefits from such flows are likely to be the largest for unskilled labour as this group as a whole suffers the greatest restriction. Income-earning opportunities for unskilled workers from the islands has the potential to lower poverty at home whilst raising worker productivity through skill transfer.

Labour mobility has become a major source of foreign exchange in Fiji. From a low level in the late 1980s (approximately $50 million annually) it rose to surpass $450 million by the end of 2006. The main areas where labour mobility is most vibrant are seasonal employment, nursing/care giving, peacekeeping, and private security.

In order to enhance the mobility of labour, it is important to address the issues of market access, capacity diversification, and human resource and capacity development. Market access needs to be negotiated at a bilateral level but the reservations of host countries will have to be adequately addressed. With regard to nursing, full recognition of qualifications must be pursued.

Capacity diversification involves unskilled workers (seasonal employment) being employed in the agricultural sector in general, hauling sector or any similar sector experiencing a shortfall in labour in the host countries. With regard to peace-keeping, some of the capacity diversification

areas include handling humanitarian crises, tactical response, disaster response skills, intelligence evaluation/management, and trauma counselling.

It is also necessary to enhance the levels of human resource and capacity development in order to increase the marketability of the labour force in the international market. With regard to nursing, the training capacity of the Fiji School of Nursing needs to be expanded and/or outsourcing should be considered for the training of more nurses. This outsourcing will make nursing courses more competitive as well as marketable (since the curriculum would be updated).

However, improved labour mobility does entail risks. The major concern is 'brain drain' or loss of skilled and professional workers to the neighbouring industrial countries. There is also a risk of depopulation, as experienced in some smaller Pacific countries such as Niue and Cook Islands that have unlimited access to the New Zealand labour market. Labour unions in receiving countries have also expressed concern about the depressing effect on wages of a large influx of foreign workers, and receiving countries have voiced concern about risks of letting in criminals, and entrants accessing taxpayer-funded services. The last two concerns can be addressed through an efficient vetting process and an effective tracking system. Guest worker schemes in Europe and North Americas demonstrate that the above-identified risks can be contained.

Dynamics of foreign missions need to change to suit the employment opportunities available for Fiji in the global family. Reviewing the strategies of diplomatic missions with regard to increasing and enhancing labour mobility is a priority area due to its benefits for the country as a whole. Such review should also include avenues of encouraging the better utilisation of remittances and its sustainability which will continuously be a source of foreign exchange for the country.

9.2.5   Effective Engagement

The global trading environment has become increasingly complex. This complexity is most obvious for those countries that have joined the World Trade Organisation (WTO), with its multiplicity of rules, obligations, processes and negotiating groups, but all are affected to a greater or lesser degree. Technical standards and other requirements for market entry are becoming increasingly demanding. As a result of this increasing complexity the cost of participation in the global economy, in terms of both human and financial resources, is escalating for Fiji to the point where there is a growing risk that these increasing costs of participation may outpace the potential benefits.

As a result of all of these developments the human resource demands on Fiji, relative to their existing capacity, are enormous. The cadre of officials with trade policy expertise urgently needs to be expanded at both regional and national levels. The complexity of modern trade policy demands increasing inter-agency coordination at the national level, and the expertise and coordination mechanisms needed to cater for this must be developed and/or strengthened. Customs services face the need to modernise and increase the efficiency and integrity of their operations, and in the future also probably to deal with increasingly complex rules of origin issues. Quarantine services also face increasing technical demands arising from the expansion of

the range of products traded and markets served. Standards and conformance issues will give rise to increasing demands that are only now beginning to be addressed. Security measures associated with international trade is an area creating new and rapidly increasing demands for capacity building.

9.2.6 Border Control

The integrity of international borders is of critical importance to all Pacific Island Countries (PICs) in terms of security, law enforcement, health, economic and social development issues. Managing the integrity of international borders has a number of dimensions, including that of law enforcement. Increased trade, investment, social development and tourism require the development of appropriate mechanisms for facilitating legal travel across borders. However, these mechanisms must have the capacity to effectively combat people smuggling, trafficking in persons and illicit drugs, terrorism and other transnational crimes.

The present capacity of border management agencies in Fiji, as in many PICs, to adequately maintain border integrity is very low. This low capacity is exacerbated by the geographical parameters of the region and the lack of funding and resources to effectively control it.

Transnational organised crime has steadily increased in the Pacific region and all major transnational crime types have been identified including people smuggling, illicit drug trafficking, illegal weapons trafficking, Asian Organised Crime, West African Organised Crime, money laundering, fauna/flora smuggling, sex tourism and trafficking in women and children. Each of these activities presents real threats to Pacific Island Countries' borders.

Terrorism is also of major concern to the region. While there has been little evidence to suggest terrorists or terrorist organisations are present or active in the region, the Pacific environment is one which ultimately may be attractive to such activities. This attraction may arise if the region is seen to be 'soft' in relation to managing its international borders, particularly as other regions and countries take action to 'harden' their border protection measures.

Border management is best approached within a systematic, cohesive and 'whole-of-region' framework that encompasses all key stakeholder groups. This framework will ensure that long-term inter-agency relationships are developed as well as bilateral linkages being promoted.

Since Independence, Fiji has opened its doors in establishing relationship with other nations, in general to establish trade and diplomatic relationship with the outside world. However, much have occurred since then. With globalisation and trade liberalisation being the menu of the day, the general observation is that Fiji has been too slow to adapt to the waves of diplomatic and economic changes occurring around and within the global family which have cost the country in terms of opportunities and benefits foregone.

9.3 Proposed Way Forward

The challenge is for Fiji to take bold steps in making the necessary adjustment by setting up a structure which will at the end bring forth the maximum opportunity and benefits in joining the global family. Foreign missions need to be equipped with experts and officials who are well-versed in attracting trade and investments to the country. Previous Government experiences indicate the assignment of political appointees to foreign missions. This strategy has been one of the many drawbacks to Fiji's development for they lack the expertise to identify opportunities from which the country would have benefited. This combination of factors, if resolved, will be to Fiji's advantage through the following measures.

1. Diplomatic skills training – to be part of the curriculum in tertiary education institutions in which graduates are specialised in diplomacy, trade and investment areas.

2. Need for review of diplomatic missions. In line with foreign policy, re-look at foreign policy and its purpose in establishing investment, trade and employment opportunities for citizens.

3. Preference erosion will be an ongoing phenomenon, as will the demands from developed country partners for reciprocation of preferences with the associated implications for adjustment costs.

4. The worldwide proliferation of preferential trading arrangements among major trading arrangements such as NAFTA, ASEAN, PICTA and PACER will continue to threaten Fiji with marginalisation. This will make trading difficult for Fiji; therefore proactive trading policy measures to address this should be in place. The emergence of 'hub-and-spoke' configurations and regional 'megablocs' is a possible, or even likely, development.

5. The pressure to conform to global trade rules and the technical demands of those rules will continue to grow.

6. The importance of technical barriers to trade and sanitary and phytosanitary measures, and the use of trade remedy measures such as anti-dumping measures, will continue to escalate. Security requirements will place increasing demands on firms and countries engaged in international trade.

7. The intensity of competition to attract FDI will not diminish, and if anything it is likely to intensify.

CHAPTER 10. IMPLEMENTATION AND MONITORING

10.1 Introduction

This Chapter outlines the implementation and monitoring framework for the Peoples Charter. Effective implementation is necessary to translate the people's aspirations in the Peoples Charter into actions and tangible results. Implementation needs to be supported by an adequate monitoring mechanism with key benchmarks so that results are achieved in a coordinated and timely manner, and corrective actions are taken as and when necessary.

Implementation of the Peoples Charter will be a shared responsibility involving the people of Fiji, the Government, private sector and civil society as key stakeholders. To oversight implementation and to monitor and report on progress, a National Peoples Charter Council (NPCC), supported by appropriate sub-committees, will be established.

The timeframe for the implementation and the 'bedding-down' of the measures and actions contained in the Peoples Charter and State of the Nation and Economy (SNE) Report is divided into four action phases: 1. Immediate (year 1 - 2008-2009), 2. Short-term (years 2-3), 3. Medium-term (years 4-6), and 4. Long-term (up to 2020).

10.2 Implementing Arrangements

The Peoples Charter outlines the vision and lays the foundation for building a better Fiji for all of the people of Fiji.

As was done throughout the process of its formulation, implementation of the Peoples Charter will adopt a consultative, participatory and inclusive approach. The consultative mechanism for the formulation of the Peoples Charter involving the National Council for Building a Better Fiji (NCBBF), National Task Teams (NTTs) and Working Groups (WGs) is illustrated in Figure 10.1.

The Government of the day will be required to undertake the commitment made by the people of Fiji as outlined in the Peoples Charter in the formulation of its strategic direction and framework, such as a Strategic Development Plan (SDP) in which the Government will outline its policies and strategies.

For initiatives where the Government of the day will need to take the lead role, implementation will be expected to be undertaken through the Annual Corporate Plans (ACPs) which will be aligned to the annual budget allocations of Ministries and Departments in consultation with the private sector and civil society.

Figure 10.1. Consultative and Working Mechanism for the Formulation of the draft Peoples Charter

NATIONAL COUNCIL FOR BUILDING A BETTER FIJI (NCBBF)

NTT1 Good Governance	NTT2 Growing the Economy	NTT3 Social-Cultural Identity and Nation Building

WG1 Governance Leadership & Constitutional Reform	WG2 Institutional and Public Sector Reform	WG3 **Role of Fiji's** Security Forces in National Development	WG4 Clarifying the respective roles of Government, Private sector and Civil Society	WG5 Development of Financial Services Sector	WG6 Development of Resource Based Sectors	WG7 Poverty, Social Justice and Human Rights	WG8 Meeting Basic Needs: Education, Health and Housing	WG9 National Identity and the Role of Religion and Culture in Nation Building

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Technical and Support Secretariat (TASS)

Initiatives implemented through Government agencies require strengthening of vertical and horizontal coordination in the annual planning process, in the implementation of annual plans and in monitoring and evaluation. Permanent Secretaries of Ministries, who normally ensure vertical coordination by setting up quality control procedures for the ACP and budget bids, will play the lead role in translating the Peoples Charter initiatives and related measures and actions into the ACPs.

Horizontal coordination will be strengthened at the political, administrative and stakeholder levels.

The Political Level is concerned with decisions of Cabinet, Cabinet sub-committees and individual Ministers. Such decisions will also include provision for overall guidance and direction to implementing the Peoples Charter.

The Administrative Level relates to the direction and coordination of Government agencies in the execution of the agreed programmes and projects of corporate plans. These programmes and projects must be aligned to Peoples Charter outcomes. Coordination will be undertaken through regular meetings of the Development sub-committee and the NPCC sub-committees.

The Stakeholder Level is critical for coordination between all of those involved in achievement of Peoples Charter outcomes — Government, private sector and civil society — and between those implementing the Peoples Charter and the communities who are intended to benefit from it. Coordination will take place in the National Peoples Charter Council (NPPC) and its respective sub-committees. Emphasis will be on monitoring and evaluation to provide feedback for improved implementation.

The Key Pillars identified as the foundation of the Peoples Charter are highlighted in Figure 10.2 and will be the basis for systematic and effective implementation and monitoring.

A detailed Implementation and Monitoring Framework is attached as Appendix 1. The matrix is divided into eleven sections representing the Key Pillars of the Peoples Charter. Several outputs are sited under each Pillar and identified with associated Key Performance Indicators (KPIs), the relevant implementing agencies and the timeframe in which a particular output is to be achieved. While outputs have been grouped into very specific timeframes (immediate, short term, medium term and long term) several outputs will continue to be implemented beyond the time frame with which they are identified, particularly those under 'immediate' and 'short term'.

Figure 10.2 Key Pillars of the Peoples Charter
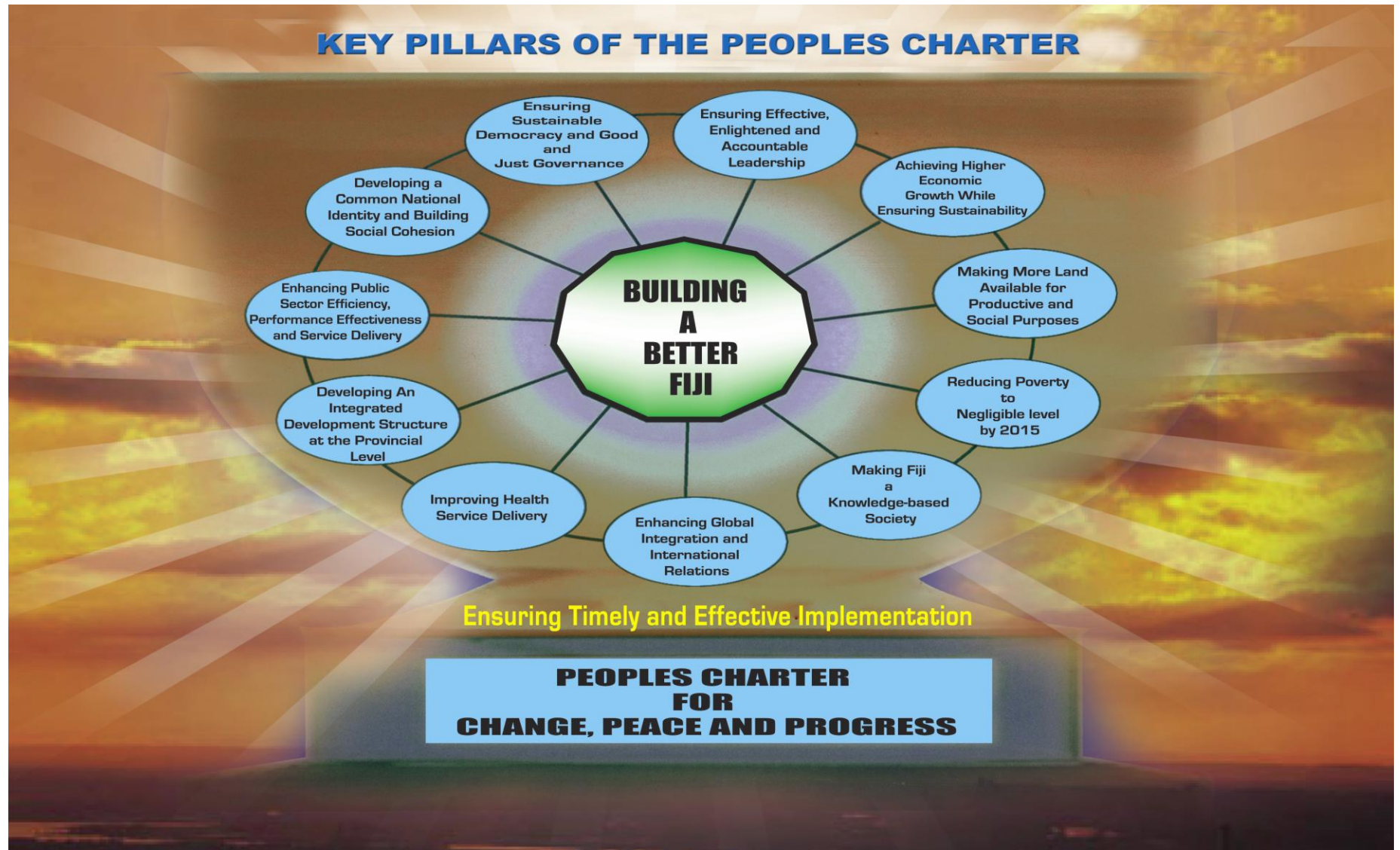
10.3 Implementation Measures and Actions

The initiatives outlined in the Peoples Charter have very specific timelines. This section captures and summarises all of the key outputs under each Pillar and their related implementation measures and actions.

1. Immediate Measures and Actions (2008-09)

Pillar 1. Ensuring Sustainable Democracy and Good and Just Governance

1-1A. Electoral Reform

The Attorney-General's Office, through the First Parliamentary Council and in consultation with the Electoral Commission, Constituency Boundaries Commission and Elections Office will review the Constitution and the Electoral Act 1998 to determine the changes that need to be made to implement all electoral reforms including the composition and size of Parliament and Cabinet.

The Attorney-General's Office as the line Ministry for the Elections Office will coordinate measures to facilitate the adoption of the electoral reform package. The Electoral Commission will oversee the re-organisation of electoral administration to enable the conduct of the next general election after adoption of the electoral reform package; the package includes all measures to ensure the conduct of a free and fair poll. A voter education campaign is to be carried out by the Electoral Commission.

1-1B. Ending the 'Coup Culture'

In consultation with relevant stakeholders the NPCC will identify the immediate, short, medium and long-term measures for the thirteen-principles broad-based strategy to end the 'coup culture', as outlined in Chapter 3.

1-1C. Re-aligning the Role of the Republic of Fiji Military Forces (RFMF)

In consultation with the RFMF and Attorney-General's Office, the Ministry of Defence will review formal measures needed to redefine the role of the RFMF. The RFMF's role will include a greater focus on human security and the circumstances in which the military should intervene to assist the police in a crisis or breakdown in law and order, its relationship with the Government of the day, and the need for political neutrality, will be clarified. The RFMF is to formulate and adopt an affirmative action policy (based on a quota system) to ensure greater representation for women and minority groups in the military.

1-1D. Coordinating National Security

The Ministry of Defence will coordinate the formalisation of a new composition for the National Security Council (NSC); the NSC will comprise relevant Cabinet Ministers, Commander RFMF

and Commissioner of Police. The NSC will formulate a process to ensure agreement on key national security priorities and coordination and the formulation of a national security policy. This process shall also provide for regular reporting to the NSC and Ministry for Defence and regular consultations, if appropriate, with civil society to ensure greater public participation.

1-1E. Entrenching Good Governance

The NPCC will formulate a strategy to develop and provide civic education programmes on good governance. This strategy includes arranging for support from international and regional agencies and providing support to civil society organisations involved in promoting good governance. A strategy to produce programmes on good governance, democracy and democratic institutions for broadcasting through the public broadcaster and other broadcast media outlets is to be developed by the Ministry of Information. The Ministry of Education will develop a good governance curriculum for schools and incorporate it into the education curriculum for 2009.

1-1F. Improving Response to Law and Order Issues

- In consultation with the Commissioner of Police, the Ministry of Justice will oversee a survey (if possible through assistance from Fiji's development partners) to better gauge the true extent and nature of crime across Fiji, with a view to overcoming the effect of under-reporting of criminal behaviour.
- A National Crime Prevention Board will be established, comprising relevant law enforcement agencies, civil society and private sector membership to develop crime prevention strategies targeting underlying social and economic problems that can lead to crime.
- In consultation with the Ministry of Justice the Fiji Prisons Service shall develop new management plans for a restructure of the Fiji Prisons Service.
- The Ministry of Justice and the Fiji Police Force will formulate a strategy to enable the establishment of special facilities in Police Stations to deal with crimes against women and children. The Police Force will also formulate and implement a strategy aimed at reducing crimes against women and children.
- The Fiji Police Force will formulate a strategy for the establishment of rapid response units across Fiji to reduce the overall offence rate annually.
- The Disciplined Services Commission will review its disciplinary process for all Police and Prisons officers regarding the delegation of functions to ensure the more efficient handling of all disciplinary cases.; and
- The appointment process for the Commissioner of Prisons will be reviewed by the Ministry of Justice.

1-1G. A More Effective Legal System

- The Ministry of Justice and the Judicial Services Commission will review the options to give legal effect to the Guiding Principles for Judicial Officers, including effective enforcement measures.

- An independent needs assessment will be commissioned for the Judicial Department by the Ministry of Justice.
- The Legal Aid Commission will identify priority strategies to be undertaken to improve public awareness of the Commission and its role, and of an individual's basic legal rights.
- The Attorney-General's Office will facilitate changes to the law to provide the Fiji Law Reform Commission (FLRC) with specific functions to revise the laws of Fiji.
- The FLRC will adopt a strategy to focus its law reform work programme on current issues of national importance including a short and medium term strategy to review laws that require reform under the Peoples Charter.
- In consultation with the Fiji Law Society and Judicial Services Commission, the Attorney-General's Office will review the disciplinary process for legal practitioners to facilitate independent investigation of complaints against legal practitioners.

1-1H. Strengthening the Accountability Framework

- The Attorney-General's Office, in consultation with FICAC, will take necessary action to facilitate an amendment to Part 11 of the Constitution to provide for the establishment and functions of FICAC.
- The Attorney General's Office will coordinate the enactment of Freedom of Information legislation.
- The Attorney-General's Office (OAG) will ensure that the Code of Conduct to enforce conduct standards as set out under sub-section 156(2) of the Constitution for Members of Parliament and Cabinet Ministers also applies to independent constitutional office holders with necessary qualifications to maintain their independence.
- The OAG and the Ombudsman will liaise with their line Ministries on measures to be implemented to give them greater financial and administrative autonomy in accordance with recommendations made in the SNE Report.
- A review is to be conducted on the role and functions of the Ombudsman in particular regarding an extension of its functions to investigate Ministerial action, and separating the Ombudsman's Office from the Fiji Human Rights Commission.
- A Needs Assessment for FICAC, FHRC, OAG and Ombudsman will be carried out through the Constitutional Offices Commission, if possible with support from international donor agencies.
- The Fiji Law Reform Commission will review all anti-corruption laws and report on law reform measures that will strengthen the effectiveness of those laws.
- Greater resources are to be provided for anti-corruption public awareness campaigns.

1-1 I. Enhancing the Role of the Media

- The Ministry of Information will coordinate a review to reform existing legislation that regulates licensing of the media industry in particular with regard to the (i) consolidation and up-dating of laws that give effect to constitutional limitations on freedom of the press, (ii) enacting a law that provides for independent regulation of

professional standards of journalism, and (iii) enacting a law to regulate foreign ownership within the media industry in accordance with accepted international practice. The Ministry of Information will develop a strategy and work plan for implementation in all Ministries and Departments to ensure more efficient responses to the media and dissemination of public information.

Pillar 2. Developing a Common National Identity and Building Social Cohesion

1-2A. Adopting a Common Name

The NPCC will address matters of national importance pertaining to religion, culture and identity. This is necessary because of the very strong religious and cultural observances in the country and our need for understanding and appreciating of each other's faith, beliefs, culture and values.

Monitoring of national identities and promotion of national unity initiatives should be the core role of the NPCC. Most important will be the official announcement for and adoption of a common name for Fiji's citizens.

Pillar 3. Ensuring Effective, Enlightened and Accountable Leadership

1-3A. New Models of Political, Public and Traditional Leadership

Through an appropriate Ministry, the NPCC will coordinate the dissemination to the public of the Leadership Model adopted under the Peoples Charter. Explanatory notes on the standards and values set out under the model will also be disseminated. Civil society and non-government organisations will assist in the dissemination of the Leadership Model.

The NPCC will liaise with relevant stakeholders including international and regional organisations regarding the formulation of a strategy to implement a civic education programme on the Leadership Model, in particular for all persons who exercise public leadership roles.

1-3B. Leadership Code of Conduct

The Attorney-General's Office will draft a Code of Conduct Bill for presentation to Parliament which will identify the relevant enforcement agency (either to be established or utilising an existing office like the Ombudsman). The resource needs (including training for personnel) of the enforcement agency will be identified and measures taken to provide the needs before the enactment of the Code of Conduct.

Pillar 4.	Enhancing Public Sector Efficiency, Performance Effectiveness and Service Delivery

1-4A. Improving Coordination and Implement Public Sector Reforms

A special unit will be established in the Prime Minister's Office charged with developing a road map for the reform program, including monitoring and coordinating the Public Sector Reform process.

All agencies involved in Public Sector Reforms will provide six monthly reports to the unit covering progress, challenges and identified way forward.

1-4B. Reducing the Size and Cost of the Public Service

A full review of the Government machinery needs to be implemented immediately to determine the most appropriate functional structure for Government that would eliminate duplications and wastages of resources and streamline Government functions. The alignment of human resource management policies to the new functional structures is also critical to facilitate reduction in the size and cost of Government. A legislated framework of the approved structure of Government is to be developed by which successive Governments must adhere.

1-4C. Developing a Productivity-based Remuneration System

The development of a Productivity-based Remuneration System needs to be given immediate attention to address individual and organisational performance, to ultimately improve productivity of the public service.

1-4D. Improving Service Delivery

The development of a Service Improvement Framework with defined Service Improvement Programmes is to be formulated by the PSC and communicated to Ministries and Departments. Furthermore, each Government agency will be required to develop and publicise service charters, outlining the services it provides and the performance standards they will meet. Key Performance Indicators to improve specific areas of service will be formulated and incorporated into the annual corporate planning process and Permanent Secretary contracts.

Selected E-Government opportunities will continue to be identified and pursued to improve service delivery and internal management in Government Ministries.

1-4E. Addressing Capacity and Performance of Government Machinery

Emphasis will be placed on capacity building of civil servants and public sector leaders in order to improve skills, competency, and performance of the Government Machinery to meet the challenges of the 21st Century. Public Sector Leadership Development Programmes will be pursued and implemented to provide leadership that is inclusive, visionary, participative, professional and empowering.

1-4F. Developing and Inculcating a New Vision for the Public Sector

A new vision for the public sector needs to be inculcated into the minds of all public servants. The new vision will, amongst other things, focus on developing a workplace culture that puts the interests of the people of Fiji and its Government first, is committed to delivering excellent services to the public, is efficient, effective, independent, professional and ethical.

1-4G. Public Enterprise Reform

Efforts will be directed towards fast-tracking the reform process and improving the performance and accountability of public enterprises. The processes involved in reorganising, and restructuring an entity will be re-examined to improve the whole process. In addition, specific measures to improve the performance of public enterprises will be instituted to improve returns to the State and ensure efficient use of public resources.

Pillar 5   Achieving Higher Economic Growth While Ensuring Sustainability

1-5A. Reforming the Sugar Industry

Accelerating the implementation of the Sugar Industry Reform is critical in the wake of reducing preferential prices from sugar sold under the Sugar Protocol with the EU. The introduction of a cane quality payment system in all mills would provide the right incentive for farmers to improve farm productivity as they will be compensated for the sugar derived and not for tonnes of cane produced. The onus is on the Fiji Sugar Corporation (FSC) to upgrade its mills to facilitate the implementation of this system.

1-5B. Diversifying Towards Export Orientation

Government will commit itself to the effective implementation of the National Export Strategy (NES) and focus more on diversification and value addition to further broaden the country's export base rather than remain totally reliant on sugar and a few primary commodities. The Ministry of Industry, Tourism, Trade and Communications will spearhead this on-going initiative and will be assisted by the line agencies.

1-5C. Maintaining Macro-economic Stability

Key Government central agencies will ensure that sound and consistent policies are developed to foster sustainable economic growth. The Reserve Bank of Fiji will strive to maintain low inflation and an adequate level of foreign reserves and also to provide a cushion effect to exogenous factors such as the declining EU preferential sugar prices, and higher fuel and imported food prices, which are major obstacles for growth in the economy.

1-5D. Ensuring that Government Plays its Part

Government will place much greater emphasis on the delivery of public goods, provision of basic utilities such as water, sewerage, electricity and communication and other infrastructure (e.g. roads, ports, airports) to all people, particularly those residing in our rural areas and outer islands. Just as importantly, Government will play a more proactive and catalytic role in enabling private sector-led growth and development. This role will require effective co-ordination among the responsible agencies including the Public Works Department, Fiji Electricity Authority, Telecommunications Fiji Limited and the Ministry of Provincial Development and Multi-Ethnic Affairs within Government and between Government and the non-government sectors particularly including the private sector.

1-5E. Enhancing Cooperation and Partnerships Between Government, Private Sector and Civil Society

The Private Sector and Civil Society will be proactively involved in the decision-making machinery of Government and other service-delivery programmes, thus placing much emphasis on the importance of partnerships.

Pillar 6   Making More Land Available for Productive and Social Purposes

1-6A. Improving access to land for economic and social purposes

The proposals made are to be further discussed by NLTB, Landowner Representatives and Government. These broadly relate to the adoption of common legislation to cover administration of all agricultural land in Fiji under a market-based framework of NLTA, [while retaining the meritorious aspects of ALTA].

1-6B. Improving access to affordable housing

Establish a Commission of Inquiry to develop a clear, effective and comprehensive strategy for the housing sector.

Pillar 7   Developing an Integrated Development Structure at the Provincial Level

1-7A. Review of the Development Structure

The present development structures and systems, including the Indigenous Fijian Administration, will be reviewed with a view to adopting an integrated development structure where Government's role in economic and social development at the local and regional level is not compartmentalised on the basis of race. Provincial and Advisory Councils will be integrated and form a Provincial Development Council in each province.

1-7B. Providing Basic Infrastructure

Government will be committed itself to a basic infrastructure programme that will ensure that by 2015 all villages and settlements in Fiji have access to basic infrastructure including potable water, sewerage, electricity and telecommunications.

Pillar 8   Reducing Poverty to a Negligible Level by 2015

1-8A. Improve Coordination and Implementation of Poverty Programmes

To support the NPCC, the Poverty Monitoring Unit (PMU) will be strengthened and relocated to the Prime Minister's Office. All agencies involved in poverty alleviation will provide six-monthly reports covering progress, challenges and identified way forward to the PMU and the NPCC. Timely actions will be taken by the NPCC to improve poverty alleviation programmes so that they effectively contribute to poverty reduction.

1-8B Partnership Agreement Between Government and Civil Society

After consultation, the National Planning Office will formulate a partnership agreement between Government and Civil Society. The two parties will establish a working relationship to address poverty reduction focusing on policy, planning, evaluation and implementation of programmes and projects.

1-8C. Establish a Research and Analysis Commission on Poverty and Social Justice

The Prime Minister's Office will facilitate the establishment of a Research and Analysis Commission, appointed by the President. The purpose of the Commission will be to gather, analyse and produce reliable statistics so that affirmative action programme designers, monitors and implementers will be informed about the extent, reach and impact of poverty alleviation and social justice programmes. Current statistics will be used to identify shifts in demographics of particular target groups, appropriate cut-off points for specific programmes, and support decisions on the length of specific programmes.

Pillar 9. Making Fiji a Knowledge-based Society

1-9A. Eliminating the School Drop-out Phenomenon

The Ministry of Education (MoE) will review the Compulsory Education policy with the view to reinforce compulsory education for all children between six and twelve years of age. In enforcing such a regulation the National Planning Office and line ministries will be obliged to establish strategies that encourage parents to send their children to school daily.

The MoE will ensure the setting-up of a statutory body that will manage the operation of a Community and Non-Formal Learning Unit (CNFLU). The Unit will coordinate all community and non-formal teaching undertaken by NGOs, civil society groups, religious organisations, the

private sector, trade unions, women and youth organisations. The MoE will also facilitate the establishment of an Education Service Commission to oversee the functions of the Ministry, provide advisory services and policy directions, and monitor and evaluate the effectiveness and appropriateness of current policies.

1-9B. Improved Access and Equity Through Efficient Financial Management.

A policy paper for the use of the 'differential resourcing model' as a new formula for the distribution of education grants needs to be developed. Education grants will be based on the disadvantaged indexes of schools and socio- economic status of communities. . The paper and model must be discussed thoroughly with stakeholders before the policy is introduced.

Another policy paper to be drafted will address the establishment of the 'Collaborative Model' of education at village and community level to utilise resources to generate scholarship funds. The CNFLU will coordinate this programme and provide quarterly monitoring and evaluation reports.

Pillar 10. Improving Health Service Delivery

1-10A. Ensuring Appropriate Health Legislation

The power of Government to affect the actions of consumers and providers of health care requires appropriate legislation. Various pieces of Fiji's health legislation date back to 1970s and before and until recently, very little initiative has been extended towards updating legislation. Several critical pieces of legislation currently are being completed by legal drafts people so that the Attorney-General can present the draft legislation as Bills or revised Acts. These pieces of legislation include the Mental Treatment Act, Pharmacy and Poisons Act, Public Health Act, Health Promotion Foundation Bill, National Advisory Committee on AIDs Bill, Radiation Bill, General Practitioners' Act and Allied Health Workers Bill, and the Nurses, Midwives and Nurse Practitioners' Act.

1-10B. Improve Service Delivery through Accountability and Reorganising

A Health Policy Commission (HPC) will be established to provide a voice to community health care concerns and enable collective health advocacy to be formally represented to the Minister for Health. The HPC will oversee the administration of the Public Hospitals Act and give direction on policy issues. The commission will consist of relevant Ministers and representatives of Government, the private sector, medical practitioners, academics, civil society, and religious and community organisations. To support the HPC, the current hospital boards will be strengthened with more community representation and accountability and the Public Health Board to be revamped.

The HPC should be a self-funding organisation. In the three divisional hospitals (Western, Central, Northern), managers will be accountable to the Board (for a range of functions including quality assessment) and the Board accountable to Government. The Board will provide quarterly

reports to the Government. A detailed framework with associated terms-of-reference is required to further advance this initiative.

1-10C. Increasing Allocation via Tax Financing

The current mode of health financing is via taxes. This system, which is also considered as another form of risk pooling, is a most effective form of resource allocation in health care, particularly in poor economic conditions. The Ministry of Finance, FIRCA and the MoH will need to ensure increasing resources via taxes such as the proportion of sin tax towards health promotion.

1-10D. Increasing Revenue Collection

The failure to collect fees from those who can afford them is an opportunity Fiji can no longer afford to miss. A policy decision is needed to immediately increase 'paying ward' charges based on market rates and improve fiduciary collection. Legislations need to be in place to ensure that the extra revenue acquired from such charges is utilised in improving hospitals services. The MoH and MoF are urgently required to address this matter.

Pillar 11. Enhancing Global Integration and International Relations

1-11A. Restoring Credibility

The immediate challenge is for Fiji to regain its lost credibility. The Government needs to focus its foreign policies on its commitment to restoring relationships with the global family by returning to democracy and participating pro-actively in the international fora, respecting the provisions of international treaties/conventions to which it is party, and fostering fruitful bilateral and multilateral diplomatic relations with friendly nations and international organisations.

1-11B. Multilateral and Bilateral Engagement

Given the increasing number of trade agreements with which to comply, Fiji needs to undertake some housekeeping within itself In order to effectively engage itself with its bilateral and multilateral partners. Some of the assistance available with well-developed bilateral and multilateral partners is not fully utilised.

1-11C. Aid-for-Trade

Most 'Aid-for-Trade' is disbursed bilaterally by donors or through multilateral and regional finance and development organisations such as the World Bank and the regional development banks such as ADB. To hasten trade development it is of most important that Fiji utilises this facility by strengthening/reviewing the roles of its foreign missions and encouraging them to engage in and make good use of the 'Aid-for-. Trade' facilities available.

1-11D. Labour mobility

The dynamics of Fiji's foreign missions need to change to suit the employment opportunities available for Fiji citizens in the global family. The importance of reviewing the strategies of diplomatic missions with regard to increasing and enhancing labour mobility is one of Fiji's priority areas due to its benefits for the country as a whole. Such review should also identify avenues for encouraging the better utilisation of remittances and the sustainability of international labour mobility programmes to ensure that they remain a continuous source of foreign exchange for the country.

2. Short Term Measures and Actions (Years 2-3)

Pillar 1. Ensuring Sustainable Democracy and Good and Just Governance

2-1A. Electoral Reform

Following the next general election any additional measures needed to improve the capacity of electoral administration will be implemented. Efficient electoral administration is required to ensure on-going registration of voters, maintenance of the electoral roll, and other matters to guarantee free and fair general elections (on-going medium term measure).

2-1B. Ending the Coup Culture

The NPCC will monitor the implementation of all short-term measures under the 13-Principles strategy to end the 'coup culture'.

2-1C. Re-aligning the Role of the RFMF

The Ministry of Defence shall implement measures to re-define the role of the Military, including amendments, if any, to the Constitution and the RFMF Act.

2-1D. National Security Coordination

Based on new procedures the National Security Council will formulate the national security policy to ensure agreement on key national security priorities. The Ministry of Defence will coordinate the ratification of Counter Terrorism Conventions and, through the National Security Council, review and strengthen measures to ensure compliance.

2-1E. A More Effective Parliament

- Implementation of the Peoples Charter will be reported to the House of Representatives via appropriate parliamentary procedures.
- A review of parliamentary procedures will be undertaken to improve reporting in the House of Representatives. Improved reporting is particularly relevant to committee

appearance, constitutional watchdog agencies, Permanent Secretaries and Department Heads, the Military and the Police, key statutory bodies, and other State institutions.

- Through a relevant committee the House of Representatives will review procedures for the operation of the Public Accounts Committee to strengthen its powers in carrying out reviews of public expenditure, Government responses to recommendations, and following-up outstanding matters.
- The Department of the Legislature will take measures to secure the implementation of the 2002 UNDP Legislative Needs Assessments, including coordination with the UNDP and other international and regional agencies.

2-1F. A More Effective Legal System

- The Judicial Services Commission through the Ministry of Justice will implement measures to give legal effect to the Guiding Principles for Judicial Officers.
- The Judicial Services Commission and the Ministry of Justice will review measures to enhance the financial and administrative autonomy of the Judicial Department.
- The Attorney-General's Office will facilitate changes to the Fiji Law Reform Commission (FLRC) Act and the Revised Edition of the Laws Act to provide the FLRC with specific functions needed to revise the laws of Fiji. If necessary the Legal Practitioners' Act can also be changed to accommodate a more independent complaints procedure for legal practitioners.
- The Legal Aid Commission will implement strategies designed to increase access to its services and promote public awareness of its role (on-going medium to long term measure).

2-1G. Improved Response to Law and Order Issues

- The Fiji Police Force will implement strategies designed to improve reporting of criminal behaviour and reduce serious crimes. Rapid Response Units will be strengthened
- The National Crimes Prevention Board will implement strategies to extend community policing throughout Fiji.
- The Ministry of Justice will implement strategies to ensure effective compliance with the Prisons and Corrections Act 2006.
- New disciplinary procedures will be adopted for the Police Force and Prisons Service.

2-1H. Strengthening the Accountability Framework

- Appropriate reporting measures for constitutional 'watchdog' agencies (the Office of the Ombudsman, Office of the Attorney-General, Fiji Human Rights Commission, Fiji Independent Commission against Corruption) will be determined through consultation between the Attorney-General's Office, the Legislature, and other relevant line Ministries.
- Line Ministries will implement measures to provide accountability institutions with greater financial and administrative autonomy (on-going – medium term measure).

- The Fiji Law Reform Commission will review all anti-corruption laws and report on law reform measures need to strengthen the effectiveness of those laws.
- The Attorney-Generals Office will complete the implementation of the Freedom of Information Law.

2-1I. Enhancing the Role of the Media

- Legislation will be enacted to regulate ownership, licensing and standards of journalism in the media industry.
- Line Ministries and Departments will implement strategies designed to improve public relations and responses to media or press queries.
- The Ministry of Information will consult with the Fiji Media Council on how to improve the skills of journalists, and encourage the recruitment of qualified journalists.

Pillar 2. Developing a Common National Identity and Building Social Cohesion

2-2A. Strengthening of roles of religion, culture and education in promoting national unity

The NPCC will coordinate public awareness campaigns on the promotion of common identity, particularly the use of a common national name 'Fijian' to be used by all Fiji citizens. Other ethnic groups will retain their primary identity but with the name 'Fijian' added, e.g. Fijian Indian. This is an ongoing exercise and it should be monitored on a regular basis. Primary identities may need to be retained with indigenous Fijians continuing to be called '*i*-Taukei'.

The NPCC's other activities will include the coordination of the national healing and reconciliation process, establishing the Commission of Healing and Reconciliation, Truth and Justice; and a National Identification System. The teaching of religion and culture in schools should also be emphasised as it will enable children to appreciate, understand and respect all of the different religions and cultures in Fiji. The NPCC should work closely with the Ministry of Education to ensure, via six-monthly monitoring, the promotion of social cohesion, multi-cultural education and the teaching of three languages in all schools.

Pillar 3.   Ensuring Effective, Enlightened and Accountable Leadership

2-3A. New Models of Political, Public and Traditional Leadership

The NPCC will liaise with relevant stakeholders, including international and regional organisations, to develop a strategy for implementing a civic education programme on the Leadership Model. This civic education programme will be particularly relevant to all persons exercising public leadership roles.

2-3B. Leadership Code of Conduct

The Attorney-General's Office will facilitate the enactment of a Code of Conduct to effectively enforce the conduct standards set out under Sub-section 156(2) of the Constitution for holders of high public office.

Pillar 4. Enhancing Public Sector Efficiency, Performance Effectiveness and Service Delivery

2-4A. Improving Service Delivery and Capacity of Government Machinery

A Human Resource Development Plan will be developed that helps build a new service-orientated, more accountable and ethical culture in the Public Service. The Plan will deliver better and more extensive training on topics such as visionary leadership, ethical values, improved service delivery, policy development, and the Peoples Charter. It also will prioritise human resource planning to meet the Public Service's future needs, and succession planning by selecting, managing and fast-tracking the careers of promising graduates and middle-level public servants.

2-4B. Policy Development and Implementation

By improving capacity, processes and co-ordination, the policy advising role of Government agencies will be strengthened to reduce risks of policy failure and to improve the quality of policy outcomes.

2-4C. Accountable and Transparent Indigenous Fijian Institutions

The work of Indigenous Fijian Institutions need to be revitalised and re-oriented to better support the well-being and good governance of the indigenous population. In this regard, a series of measures to improve accountability and transparency will be formulated and implemented by the Ministry of Indigenous Affairs and relevant stakeholders. The measures will include the development of a good governance framework and the creation of a more integrated organisational structure for indigenous Fijian Administration. Other measures also will be aimed at improving the participation of indigenous Fijians in business and commercial ventures.

Pillar 5. Achieving Higher Economic Growth While Ensuring Sustainability

2-5A. Reform of the Sugar Industry

Continue Sugar Industry Reform. Re-engage with the EU on the implementation of the National Adaptation Strategy.

2-5B. Diversifying Towards Export Orientation

Continue implementing the National Export Strategy (NES) to broaden the country's export base. This Strategy includes effective and efficient provision of supportive services such as research and extension, quarantine, and access to capital. Undertake extensive consultations to formalise a 'Compact' between the Economic Sector ministries with central agencies (Ministry of Finance in particular) within existing regulations, to provide flexibility in facilitating key development projects/ initiatives.

2-5C. Modernising the Legal Framework of the Commercial Sector

Government will improve the legal environment for business to allow businesses to enter into enforceable contracts in Fiji, and to effectively enforce high quality regulation to make the operation of markets more efficiently. This project will include implementing recommendations made in the ADB Study (2002) on 'An Analysis of the Legal Framework for Private Sector Development', computerising the registries to make the ownership of assets more transparent, and facilitating the rapid completion of business transactions.

2-5D. Maintaining Macro-economic Stability

Incorporate principles of a Fiscal Responsibility Act into the Financial Management Act 2004 to bind Government to improve accountability and public financial management (as evident in countries with similar legislation, such as New Zealand).

2-5E. Ensuring that Government Plays its Part

Rationalise the Government expenditure mix to increase spending on infrastructure (roads, bridges, ports, utilities). Concurrently, a review of Government involvement in the commercial sector will be carried out (divesting shares where necessary).

Housing, education and health policies and programmes will be reviewed with the goal of maximising access to everyone, particularly those in the rural areas and outer islands.

2-5F. Enhancing Cooperation and Partnerships between Government, Private Sector and Civil Society

Greater emphasis will be given to public-private partnerships, to streamline Government operations, and to tap into the expertise and resources present in the private sector and civil society.

2-5G. Prudent Supervision of Financial Services through:
- Supervision and regulation of credit unions and other non supervised/regulated non-bank financial institutions. This is to reduce the risk of losses by people making deposits with these institutions because of fraud or inadequate management;

- Deciding upon a strategic national direction for micro, small and medium enterprise development; and
- A national programme for financial literacy and awareness outreach.

2-5H. Widening Coverage of Financial Services

- Ensure there are adequate mechanisms for protecting consumers and addressing consumer complaints.
- Establish a Financial Services Ombudsman's Office.
- Disclose and disseminate as much information as possible to consumers to support their making informed choices.

2-5I. Strengthening Institutional Capacity for Environmental Management

Elevate the Department of Environment to the status of an independent statutory body and provide it with additional capacity so that it can effectively implement the Environmental Management Act (such as by utilising Environmental Health Officers and Mining officials).

Pillar 6.   Making More Land Available for Productive and Social Purposes

2-6A. Improving access to land for economic and social purposes

Enact new land legislation after extensive consultation with landowner representatives and the wider community.

The Department of Lands will begin compiling a National Land Register that will incorporate data on all lands in Fiji, irrespective of ownership. The Register can be used as an important management and planning tool to enable decisions to be made on land allocation based on optimal returns.

The Land Conservation and Improvement Act will be amended to give legislative support to the National Land Use Policy used to guide utilisation of land in Fiji.

2-6B. Improving access to affordable housing

The Commission of Inquiry into housing will complete its work and seek Cabinet and Parliament endorsement of a comprehensive strategy for the housing sector.

Pillar 7. Developing an Integrated Development Structure at the Provincial Level

2-7A. Review the Development Structure

The present development structures and systems, including the Fijian Administration, will be reviewed with a view to adopting an integrated development structure where Government plays a central role in providing for the social and economic development of the people of Fiji at the

local and regional levels. The establishment of a Provincial Development Council for each province is to be undertaken by integrating Provincial and Advisory councils.

2-7B. Providing Basic Infrastructure

Government will commit itself to develop a basic infrastructure programme that will ensure access to potable water, sewerage, electricity, roads and telecommunications for all Fiji residents by 2015.

Pillar 8. Reducing Poverty to a Negligible Level by 2015

2-8A. Review of Social Justice and Affirmative Action Programmes

The Department of Indigenous Affairs will address the following issues in its review (now in its preparatory stages) of the Social Justice Act of 2001 and Blue Print Programmes: (i) a preamble which highlights, (ii) shared understanding and principles on social justice, (iii) compliance of social justice and 'Blue Print' programmes with the Constitution, (iv) feasibility of race-based programmes, and (v) current monitoring mechanism. The revised Social Justice Act is to be enacted by early 2010.

2-8B. Introduce National Minimum Wage (NMW)

The Ministry of Labour will undertake a study on the feasibility of introducing a National Minimum Wage in consultation with employers, unions and other relevant stakeholders. The study will also take into account the provisions for minimum wages under the current Wages Councils.

If feasibility is established, the Ministry of Labour will coordinate the preparation of necessary Cabinet papers and regulations to facilitate implementation of a NMW. A phased implementation is proposed, commencing in 2009 with full implementation by January 2012.

2-8C. Greater Private Sector Role in Poverty Alleviation

The Ministry of Commerce will establish a spearhead group comprising private sector, civil society and Government to identify and implement new private sector initiatives for poverty alleviation.

Pillar 9. Making Fiji a Knowledge-based Society

2-9A. Eliminating the School Drop-out Phenomenon

The Ministry of Education (MoE) and other agencies will implement strategies to encourage and support parents to send their children to school daily so that all children complete 12 years of education.

The MoE will ensure the setting-up of a statutory body to manage the operation of a Community and Non-Formal Learning Unit (CNFLU). All community and non-formal teaching undertaken by NGOs, civil society groups, religious organisations, the private sector, trade unions, women and youth organisations will be managed and coordinated by the Unit. . The MoE will also facilitate the establishment of an Education Service Commission to oversee the functions of the Ministry, provide advisory services and policy directions and monitor and evaluate the effectiveness and appropriateness of current policies.

2-9B. Improved Access and Equity Through Efficient Financial Management.

A policy paper for the use of the 'differential resourcing model' as a new formula for the distribution of education grants needs to be developed. Education grants will be based on the disadvantaged indexes of schools and socio- economic status of communities. . The paper and model must be discussed thoroughly with stakeholders before the policy is introduced.

Another policy paper to be drafted will address the establishment of the 'Collaborative Model' of education at village and community level to utilise resources to generate scholarship funds. The CNFLU will coordinate this programme and provide quarterly monitoring and evaluation reports.

Pillar 10. Improving Health Service Delivery

2-10A. Increasing Allocation via Tax Financing

While allocation of resources via taxes will continue in the short term other health insurance schemes will be investigated in the short to medium term

2-10B. Increasing Revenue Collection

Increasing revenue collection will be an ongoing process while at the same time ensuring that revenue generated is for the purpose of improving health service delivery.

2-10C. Outsourcing of Non-Technical Services

The MoH should investigate out-sourcing non-technical services: laundry, maintenance, cleaning and security services could be out-sourced on a contractual basis. The cost benefits of out-sourcing should be thoroughly investigated include consideration of the reduced staff burden on Government. Contractors would be required to work to quality standard guidelines and hospital protocols.

2-10C. Meeting Manpower Needs

MoH, PSC, unions and the medical training institutions should actively discuss and address issues of common interest relating to manpower needs.

3. Medium Term Measures and Actions (4-6 years)

Pillar 1. Ensuring Sustainable Democracy and Good and Just Governance

3-1A. Electoral Reform

The Electoral Commission will oversee on-going capacity building of the electoral administration.

3-1B. Ending the Coup Culture

The NPCC will monitor the implementation of all medium term measures under the 13-Principles Strategies to end the coup culture.

3-1C. National Security Coordination

The Ministry of Defence will continue implementing measures designed to ensure Fiji's compliance with and enforcement of Counter Terrorism Conventions.

3-1D. Improved Response to Law and Order Issues

The Fiji Police Force will continue implementing strategies designed to improve reporting of criminal behaviour and reduce serious crimes, in particular crimes against women and children. Facilities will be established in Police stations to enable effective response to these crimes.

The Ministry of Justice will continue implementing strategies to ensure effective compliance with the Prisons and Corrections Act 2006.

3-1E. Strengthening the Accountability Framework

The Attorney-General's Office will implement recommendations made by the FLRC to strengthen Fiji's anti-corruption laws.

3-1F. A More Effective Parliament

The Legislature Department will complete implementation of the Legislative Needs Assessment.

3-1G. Enhancing the Role of the Media

In consultation with the Fiji Media Council the Ministry of Information will review the effectiveness and efficiency of the Media Tribunal to handle complaints relating to standards of journalism.

Pillar 2. Developing a Common National Identity and Building Social Cohesion

3-2A. A Common National Identity to be Accepted by All Ethnic Groups

In the medium term all citizens need to accept a common identity and sharing of commonalities. Through one of its sub-committees, the NPCC should ensure that all racial connotations are removed from all public offices and major institutions. The Anti-Discrimination Act must be promulgated as well to assist in the removal of all forms of discrimination. Feedback reports on the progress of these activities are to be made available to the NPCC every six months.

Pillar 3. Ensuring Effective, Enlightened and Accountable Leadership

3-3A. Civic Education of Public Leadership Qualities Promoted

Relevant line Ministries will implement a civic education programme for political parties to encourage and enforce appropriate standards for members.

The Parliamentary Emoluments Commission will carry out a review of remuneration and benefits payable to Members of Parliament.

Pillar 4. Enhancing Public Sector Efficiency, Performance Effectiveness and Service Delivery

3-4A. Accountable and Transparent Indigenous Fijian Institutions

Indigenous institutions must revitalise and re-orientate their work to better support the well-being and good governance of the indigenous population. In this regard, measures to improve accountability and transparency of indigenous Fijian institutions will be formulated and implemented by the Ministry of Indigenous Affairs and relevant stakeholders. These measures include the development of a good governance framework and the creation of a more integrated organisational structure for indigenous Fijian administration. Other measures will also be aimed at improving their participation in business and commercial ventures.

Pillar 5. Achieving Higher Economy Growth While Ensuring Sustainability

3-5A. Reform of the Sugar Industry

Sugar Industry reform and implementation of the National Adaptation Strategy will continue. Diversification of by-products (such as ethanol production and co-generation) from sugar processing will be investigated.

3-5B. Diversifying towards Export Orientation

An export strategy will be mainstreamed into the Government's development agenda with the aim of achieving an internationally competitive, diversified and efficient natural resource sector.

The agriculture sector will develop stronger links to the local tourism industry. A Long Term Strategy or 'Road Map' which captures an active role of Government in development of mines is formulated.

3-5C. Ensuring that Government Plays its Part

Upgrade major port infrastructure to cater for increased number of vessels (both large and small) and container storage facilities.

3-5D. Strengthening Environmental Management

Introduce new legislation for protected areas and their management. Mainstream environmental management concepts within Government (including the NLTB) and all Government projects. A waste recycling programme should be promoted as part of measures to extend the life of the Naboro landfill.

3-5E. Deepening Financial Markets by:

- Government to issue a yearly programme indicating when it will issue bonds and Treasury Bills in the market, in order for the market to prepare and for investors to set funds aside. This process will ensure that Government bonds issues are marketed widely, and give small individual investors the opportunity to purchase Government securities. It may even help reduce the purchase of Government bonds by the FNPF;

- more adequate resourcing by Government of prudential supervisors and regulators;

- Government to set up private equity companies like Fiji Investment Corporation Limited (FICL) to invest in companies with the potential to be listed and eventually list them on the Fiji Stock Exchange as an exit strategy to recover their equity investment;

- Government to provide a grant to venture capital companies to invest in high growth companies;

- reducing or removing tax on unit trusts to encourage more savings, especially from low income earners; and

- encouraging banks and other financial institutions to set up associated or subsidiary companies to undertake brokering and investment banking activities in the capital market.

3-5F. Management of Superannuation Funds by:

- Splitting up the management of the FNPF's investment portfolio. This step is essential to promoting an effective secondary market for Government bonds, as a first step towards increasing the depth and liquidity of Fiji's money market; and

- deregulating the superannuation industry ('Demonopolisation' of FNPF). This measure will allow competition in the provision of superannuation products which will in turn allow a diversity of products to meet the differing requirements of customers.

3-5G. Widening Coverage of Financial Services

Conduct a review of the existing legal framework in the sector, particularly those matters identified in the Financial Sector Assessment Program (FSAP) Report (i.e. the Companies Act and the Bankruptcy Laws).

Review the registries in Fiji, particularly the Registrar of Companies and the Registrar of Titles, with a view to computerising and networking these registries.

Increase access to venture capital. Measures to consolidate and encourage efforts to facilitate venture capital scheme financing will be effected.

Government should consider reducing corporate tax by five per cent on companies that list on the Fiji Stock Exchange for a specified time period, e.g. 10 years.

To inculcate a savings habit in our population, key topics like saving, investing and banking should be included in the school curriculum for both primary and secondary schools.

All licensed insurance companies will be required to disclose and publish their annual reports and key performance indicators in the Government gazette and local newspapers.

An insurance course regarding the local industry and its requirements should be developed and taught in a tertiary institution and made available to all insurance agents.

Pillar 6. Making More Land Available for Productive and Social Purposes

3-6A. Improving access to affordable housing

A comprehensive strategy for the housing sector will be implemented nation-wide.

Pillar 7.   Developing an Integrated Development Structure at the Provincial Level

3-7A. Capacity Building

Professional capacity and skills at the divisional level will be upgraded to ensure robustness in the delivery of development services and implementation of development programmes and projects.

3-7B. Mainstreaming Indigenous Fijian Interests

Indigenous Fijians' development interest is to be mainstreamed into national development plans and programmes with line ministries and other responsible agencies.

Pillar 8. Reducing Poverty to a Negligible Level by 2015

3-8A. Improved Coordination and Implementation of Poverty Alleviation Programmes

This is an ongoing initiative. The agencies involved in poverty alleviation will continue to report to the NPCC to ensure efficiency and relevance of their programmes.

3-8B. National Minimum Wage

Following confirmation of feasibility the Ministry of Labour will coordinate the preparation of necessary Cabinet papers and regulations to facilitate implementation. A phased implementation of a NMW will commence in 2009 with full implementation by January 2012.

Pillar 9 . Making Fiji a Knowledge-based Society

3-9A. Building a Just, Progressive and Prosperous Fiji

A 'modular system of learning' at secondary schools needs to be introduced. This change will warrant the training of writers of modules in the different subject areas that will provide broad-based learning. Writers at the University of Fiji and the USP and experienced teachers can write modules (also) as they are familiar with the system of learning here.

A policy paper will be drafted to address the strengthening of science, technology, engineering and agriculture subject teaching (particularly in strategic locations around Fiji) in order to build a progressive and prosperous Fiji.   A review of those subjects may mean refurbishing current institutions and the building of new schools to ensure that manpower is available to achieve desired development goals within the timeframe of 10-15 years. Specialised training may be required to undertake research of better utilisation of agricultural products and the production of industrial goods which are competitive in the world market. Teacher retraining may be required also. A review to strengthen technical and vocational education will also be undertaken.

| Pillar 10. Improving Health Service Delivery |

3-10A. Outsourcing of Non-technical Services

Outsourcing of other non-technical services will continue to be the agenda in the medium to long term.

3-10B. Meeting Manpower Needs

Training and maintaining health care professionals will be an ongoing process.

| Pillar 11. Enhancing Global Integration and International Relations |

3-11A. Effective Engagement and Border control

Managing the integrity of international borders has several dimensions; law enforcement is one of them. Increased trade, investment, social development and tourism require the development of appropriate mechanisms for facilitating legal travel across borders. However, these mechanisms must have the capacity to effectively combat people smuggling, trafficking in persons and illicit drugs, terrorism and other transnational crimes. The present capacity of border management agencies in Fiji to adequately maintain border integrity — likewise in many PICs — is very low. This low capacity is exacerbated by the geographical parameters of the region and the lack of funding and resources to effectively control it.

Fiji is challenged to take a bold step and adjust to the situation by setting up a structure which will ultimately bring forth maximum opportunity and benefits from joining the global family.

Foreign missions must be equipped with experts and officials with backgrounds on contemporary and emerging trade issues. Previous Governments assigned political appointees to foreign missions and since they lacked the ability to identify 'golden' opportunities from which the country would have benefited, that policy has been one of the many/ biggest drawbacks to Fiji's development.

Addressing the following factors will be to Fiji's advantage in improving global integration and international relations.

- Diplomatic skills training to be part of the curriculum in tertiary education, to ensure that selected graduates specialise in diplomatic, trade and investment areas.

- Undertake a review of diplomatic missions and re-look at foreign policy and its purpose in establishing investment, trade and employment opportunities for Fiji citizens.

- Being aware of preference erosion which will be an ongoing phenomenon, as will the demands from developed country partners for reciprocation of preferences. There will be associated implications for adjustment costs.
- The worldwide proliferation of preferential trading arrangements among major trading arrangements such as NAFTA, ASEAN, PICTA, PACER will continue to threaten Fiji with its marginalised trading preference. Preferential trading arrangements hinder market accessibility for Fiji in the major trading markets and therefore proactive trade policy measures should be implemented to address the anomaly

- There will be increasing pressure to conform to global trading rules and the technical demands of those rules.

- The importance of technical barriers to trade and sanitary and phytosanitary measures, and the use of trade remedy measures such as anti-dumping measures, will continue to escalate. Security requirements will place increasing demands on firms and countries engaged in international trade.

- The intensity of competition to attract Foreign Direct Investment (FDI) will not diminish and if anything, is likely to intensify.

4. Long Term Measures and Actions (to year 2020)

Pillar 1. Ensuring Sustainable Democracy and Good and Just Governance

4-1A. Electoral Reform

The Electoral Commission, if possible through international aid, will facilitate a review of the electoral system to determine its overall effectiveness.

4-1B. Ending the Coup Culture

The NPCC will monitor the implementation by responsible bodies of all long term measures under the 13-Principles Strategies to end the coup culture. The Ministry of Defence will continue reviewing the role of the National Security Council to determine the effectiveness of national security policy formulation.

4-1C. Role of the Military Articulated

The Ministry of Defence in coordination with the RFMF will review the ability of the RFMF to operate effectively under its re-defined role.

Pillar 2. Developing a Common National Identity and Building Social Cohesion

4-2A. A Peaceful, Non-racial, Inclusive and United Society

The NPCC should ensure that all implementing agencies (Government, NGOs, and Private Sector) include in their annual corporate plans activities that contribute to a peaceful, non-racial, inclusive and united society. The implementation of the Anti Discrimination Act should assist in the removal of all forms of discrimination.

Pillar 3. Ensuring Effective, Enlightened and Accountable Leadership

4-3A. Civic Education of Public Leadership Qualities Promoted

On-going civic education programmes to promote leadership qualities amongst leaders at all levels. The NPCC will review and monitor the effectiveness of this programme.

4-3B. Leadership Code of Conduct

The Attorney-General's Office will review the effectiveness of the enforcement agency and mechanisms responsible for enforcement and investigation of conduct standards under the Code of Conduct.

Pillar 4. Enhancing Public Sector Efficiency, Performance Effectiveness and Service Delivery

4-4A. Role of Indigenous Fijian Institutions/Administration

The work of indigenous Fijian Institutions/Administration to focus more on accessing emerging social and economic opportunity for the best advantage of the indigenous population, and where their capacity building roles are no longer needed.

Pillar 5. Achieving Higher Economic Growth While Ensuring Sustainability

4-5A. An internationally competitive, diversified and efficient natural resource sector

Maintain access to EU sugar market and develop new sugar markets. Continue product diversification strategy — such as ethanol production and co-generation.

4-5B. Widening coverage of Financial Services

Widening coverage of financial services will be facilitated via the following measures:

- The promotion of rural and school banking initiatives in addition to those being carried out by the commercial banks to inculcate the savings habit in our population;

- Microfinance – this may involve the private and public sectors and civil society organisations.

- There is a need to improve not just access to basic banking services, such as savings accounts, but also credit for small bankable proposals;

- Trade finance, particularly given the growing imbalance between exports and imports; and

- Remittances – to explore measures or channels that can be implemented to lower the cost of inward remittances.

Pillar 6. Making More Land Available for Productive and Social Purposes

4-6A. Improving Access to Affordable Housing

Implement a comprehensive strategy for the housing sector nationwide.

Pillar 8. Reducing Poverty to a Negligible Level by 2015

4-8A. Improve Coordination and Implementation of Poverty Alleviation Programmes

This is an ongoing initiative. The agencies involved in poverty alleviation will continue to report to the NPCC to improve their programmes.

Pillar 9. Making Fiji a Knowledge-based Society

4-9A. Building a Just, Progressive and Prosperous Fiji

A 'modular system of learning' at secondary schools needs to be introduced. This change will warrant the training of writers of modules in the different subject areas that need to be introduced into the secondary education to provide broad-based learning. USP writers and experienced teachers can assist in writing modules as they are familiar with the system of learning.

A policy paper needs to be drafted for the strengthening of science, technology, engineering and agriculture in order to build a progressive and prosperous Fiji. This warrants a thorough review of those subjects and recommendations to strengthen the teaching and learning of these subjects in strategic locations around Fiji. It may mean refurbishing current institutions and the building of new schools to ensure that manpower are produced to achieve the desired goal within the timeframe of 10 to 15 years. It will also mean specialisation training to undertake research of better utilisation of agricultural products and the production of industrial goods which are competitive in the world market.

In relation to the above Government needs to strengthen Technical and Vocational education, especially in rural areas, to support students acquire appropriate knowledge and skills that will be

beneficial to them after school. It calls for the retraining of teachers in these areas to ensure that these subjects are properly taught and learned.

Pillar 10. Improving Health Service Delivery

4-10A. Introduce a National Health Insurance (NHI) Scheme

The feasibility of introducing health insurance in Fiji requires thorough investigation and would necessarily entail large system-wide changes. The MoH, in consultation with and assistance from WHO and other donor agencies, will undertake a study on the feasibility of introducing the 'best-possible' mechanism in Fiji.

10.4 Implementation and Monitoring Mechanism

It is recognised that the successful implementation of the Peoples Charter will be a mammoth exercise, requiring effective leadership, effective coordination, commitment, the necessary resources and continuous capacity building. Therefore, it is important that the institutional set up for implementation and monitoring has the powers to carry out its required mandates. Otherwise, the Peoples Charter will be seen only as a noble set of commitments to change not properly delivered and will be an exercise in futility.

The Peoples Charter monitoring mechanism will involve Parliament, the NPCC, eleven sub-committees (i.e., one for each Key Pillar), a secretariat, Ministries and Departments, private sector and civil society. The entities involved in the mechanism and their reporting relationship is illustrated in Figure 10.3.

10.4.1 Composition and Functions of the NPCC

The members of the NPCC should be inclusive and representative of the people of Fiji. Therefore, members should be drawn from the Government of the day, members of Parliament, recognised private sector organisation, the Great Council of Chiefs, Non Government Organisations, religious organisations, provincial councils, advisory councils and other community-based organisations.

Whereas the implementation and monitoring mechanisms of successive previous Governments have focused largely on passively reviewing implementation performance, the Peoples Charter will need adjustment and updating as circumstances change over time. In light of this necessity and the need for greater public inclusiveness, dialogue and participation, the NPCC shall be actively engaged in performing the role of facilitator, setting and shaping the ongoing agenda for change.

The NPCC will monitor Peoples Charter outputs and their respective Key Performance Indicators (KPIs), as contained in the attached Implementation and Monitoring Matrix. The NPCC and sub-committees will not limit themselves to assessing progress against the KPIs: an

important function of the sub-committees will be to assess the continuing relevance of outcomes and KPIs and the quality of information they are providing so that the adequacy of all KPIs is kept under review.

The functions of the NPCC shall include:

- Charter implementation generally focusing on the outputs and Key Performance Indicators;
- providing a forum for consultation for all stakeholders, among Government, private sector and all other sectors of society on national development issues; and
- civic education on the Peoples Charter, good governance issues, national identity and other issues considered necessary by the NPCC.

The NPCC will convene on a six-monthly basis, in the first and third quarters each year, to allow meaningful reporting from its sub-committees.

Sub-Committees

To support the work of the NPCC, eleven sub committees will be established to coordinate the work relevant to their respective Pillars based on their Terms-of-Reference. The sub-committees will comprise representatives from Government, the private sector and civil society. To facilitate implementation, the sub-committees will meet on a quarterly basis during the year.

The sub-committees will:

- set a broad agenda for the four meetings in the year in consultation with the Secretariat;
- with the assistance of the Secretariat, hold meetings in accordance with the forward programme. The objective of the meetings will be to monitor progress made in the achievement of KPIs, identify constraints and corrective actions; and
- provide an oral report and recommendations to meetings of the NPCC

Secretariat

A Secretariat will be established under the Prime Minister's Office to support the NPCC in its functions. The secretariat needs to be professional and have a strong technical background to better support the NPCC. In light of the broad range and complexity of issues involved, the Secretariat must be adequately equipped with resources and expertise.

The Secretariat will:

- determine, with the sub-committees' Chair , which Ministries and Departments, private sector and civil society sections have responsibilities relevant to the work of the sub-committees;
- determine from the Implementation and Monitoring Framework and annual corporate plans of relevant Ministries and Departments what progress should be expected, and

what information available, in the forthcoming financial year; also assist the Chair to set a forward agenda;
- communicate the forward agenda to all members and Permanent Secretaries of relevant Ministries and Departments, private sector and civil society;
- maintain contact with relevant Ministries and Departments to determine the range of performance information available;
- set up an information and cooperation network with relevant Ministries and Departments, the private sector and civil society so that they can actively support the Secretariat role;
- set dates for meetings and inform members of sub-committees; ensure as far as possible that information relevant to the discussion is circulated beforehand; and where final published information is not available, obtain estimates or provisional data; and
- record the discussions to form a basis for the Chair's oral report to the NPCC.

Permanent Secretaries of Ministries and Departments

Permanent Secretaries will contribute to the implementation and monitoring of the Peoples Charter by:

- ensuring that there are direct links between their annual corporate plans, Peoples Charter and budget bids. Performance indicators and milestones in annual corporate plans should be realistic and achievable within the resources of the Ministry or Department with appropriate collaboration from other parts of Government, and capable of being achieved within the year covered by the Plan;
- aligning their personal performance agreements to the outputs and coordination requirements identified in the Peoples Charter and the annual corporate plans; and
- personally attending meetings of the sub-committees to which their Ministry or Department is relevant, and taking a personal interest in the quality and timeliness of the information being provided by their Ministry or Department to the sub-committees.

10.4.2 Management Information System

The effectiveness of monitoring and evaluation systems is dependent on the establishment of a well-developed management information system. The availability of timely and quality data is essential to ensure informed decisions are undertaken.

The Fiji Islands Bureau of Statistics, as the national statistical agency, is mandated to 'collect, compile, abstract, analyse and publish statistical information relating to the commercial, industrial, agricultural, social, economic and general activities and conditions of the people of Fiji in a timely and coherent manner.'

An Information System will be established and maintained so that the implementation of reforms can be tracked and timely corrective actions taken. The Information system will include agreed baselines, time-bound indicators, and specific benchmarks to measure and monitor progress. It will permit timely analysis and prompt publication of the results from and effects of the Peoples Charter initiatives.

10.5 Conclusion

The Peoples Charter for Change, Peace and Progress is the commitment of the people of Fiji to address the country's deep-rooted and complex problems. The Charter covers a range of key areas including good governance, growing the economy and socio-cultural development, and national identity. These undertakings are based on eleven Key Pillars which focus on strategic areas considered to be the foundation for rebuilding a nation in despair.

The eleven foundational Pillars are cross-cutting, very much inter-linked and complement each other. Therefore, a holistic approach, commitment and ownership by all stakeholders are needed to achieve the desired outcomes in the Peoples Charter.

Implementation of the Peoples Charter for Change, Peace and Progress will be a collective responsibility of all stakeholders and in particular Government, the private sector, civil society and the people of Fiji.

Figure 10.3 Monitoring Framework for the **People's Charter**

PARLIAMENT

NATIONAL PEOPLE'S CHARTER COUNCIL

| Sub-Com Pillar 1 | Sub-Com Pillar 2 | Sub-Com Pillar 3 | Sub-Com Pillar 4 | Sub-Com Pillar 5 | Sub-Com Pillar 6 | Sub-Com Pillar 7 | Sub-Com Pillar 8 | Sub-Com Pillar 9 | Sub-Com Pillar 10 | Sub-Com Pillar 11 |

Government Ministries and Departments   Civil Society Organisations   Private Sector Organisations
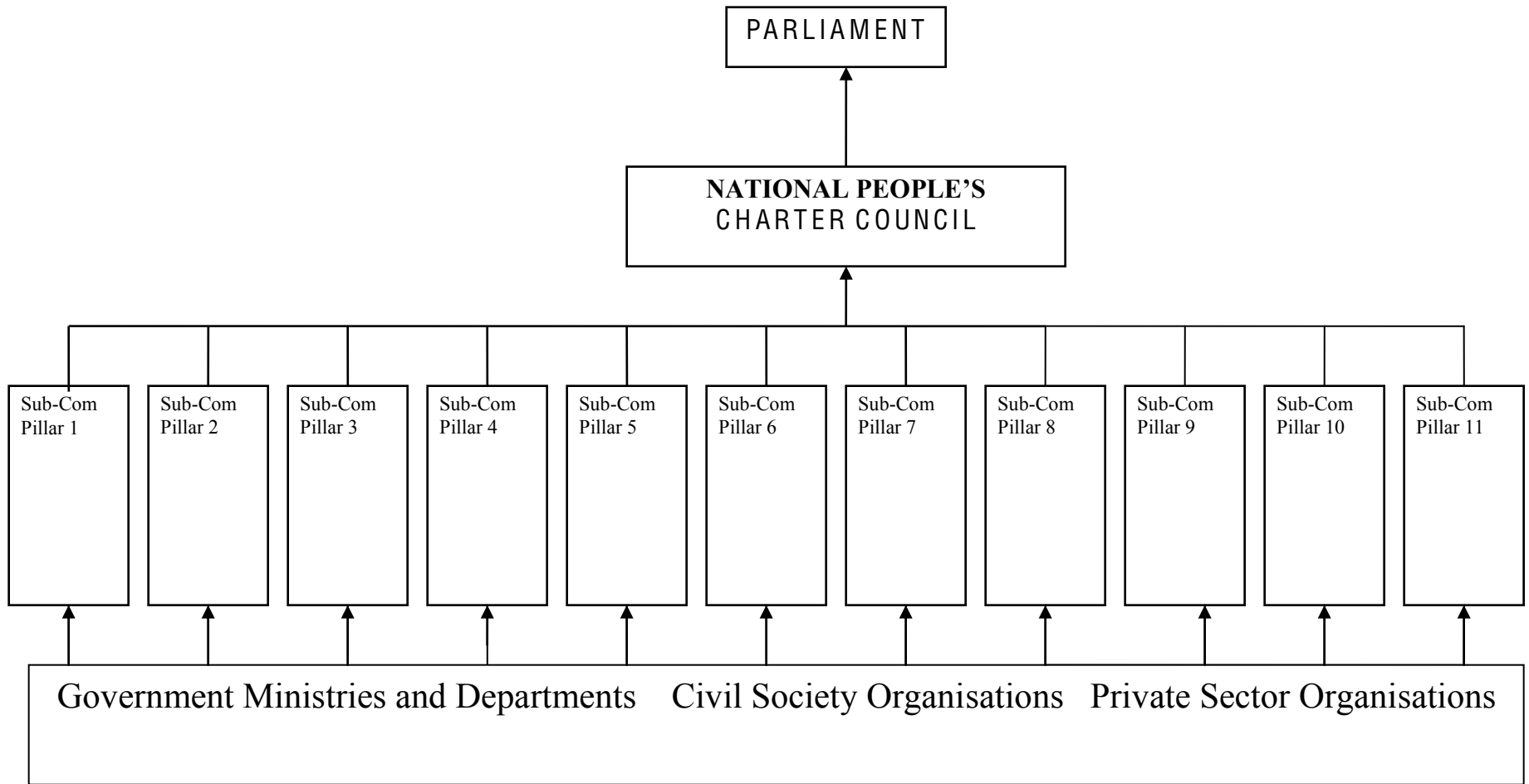
Indicator	Phase
Pillar 1: Ensuring Sustainable Democracy and Good and Just Governance	
▪ A Fair and Representative Electoral System	☒☐☐☐
▪ Likelihood of Coups Substantially Reduced	☒☒☒☒
▪ National Security Strengthened	☒☒☐☐
▪ Role of the RFMF Articulated	☒☒☐☐
▪ Effective Operation of the Rule of Law	☒☒☐☐
▪ Improved Response to Law and Order Issues	☒☒☐☒
▪ An Entrenched Culture of Democratic Governance	☒☒☒☒
▪ Enhanced Public Sector Accountability and Participation in Governance	☒☒☒☐
▪ An Effective Anti-Corruption Framework	☒☒☐☐
▪ A Free and Responsible Media that Contributes to Good Governance and National Development	☒☒☒☐
▪ Improved Parliamentary Oversight	☐☒☐☐
Pillar 2: Developing a Common National Identity and Building Social Cohesion	
▪ Adoption of a Common Name	☒☒☐☐
▪ A Peaceful, Non-racial, Inclusive and United Society	☒☒☒☒
▪ A Common National Identity to be Accepted by All Ethnic Groups	☒☒☒☐
▪ Strengthening the Role of Religion, Culture and Education in Promoting National Unity	☒☒☒☒
Pillar 3: Ensuring Effective, Enlightened and Accountable Leadership	
▪ A More Visionary Style of Leadership	☒☒☒☒
▪ Greater Accountability for Holders of High Public Office	☒☒☒☐
Pillar 4: Enhancing Public Sector Efficiency, Performance, Effectiveness and Service Delivery	
▪ Improved Government Transparency and Accountability	☒☒☒☒
▪ Enhanced Capacity & Performance of Government Machinery	☒☒☒☒
▪ Enhanced Public Sector Service Delivery	☒☒☒☒
▪ A Leaner and more Efficient Public Service	☒☒☒☐
▪ Better Performing Public Service	☒☒☒☐
▪ More Accountable and Transparent Indigenous Institutions	☒☒☒☒
▪ Faster Process for Public Enterprise Restructuring	☒☒☒☐
▪ Improved Performance and Accountability of Public Enterprises	☒☒☒☐

Key	☒ Immediate (2008-09)	☒ Medium Term (4-6 years)
	☒ Short Term (2-3 years)	☒ Long Term (up to 2020)

Pillar 5: Growing the Economy While Ensuring Sustainability
- An Internationally Competitive, Diversified and Efficient Natural Resource Sector
- Deepening Financial Markets
- Critique of Prudential Supervision
- Management of Superannuation Funds
- Widening Coverage of Financial Services
- Rationalising the Role of Government
- Improved Business Regulatory Environment
- Effective Macro-economic Management
- Strengthening Civil Society Organisations as Advocates and Partners with Government on Service Delivery Programmes
- Effective Environmental Management
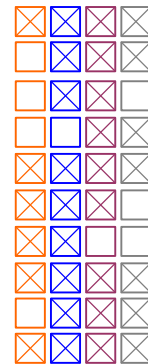
Pillar 6: Making More Land Available for Productive and Social Purposes
- Improved Accessibility to Land for All Races and for All Purposes
- Creation of a Market for Leased Land
- Clear, Effective and Comprehensive Housing Strategy
- Availability of Mixed-income and Multicultural Housing Schemes
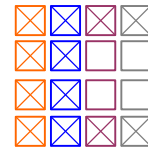
Pillar 7: Developing an Integrated Development Structure at the Provincial Level
- Effective Provincial (Rural and Outer Island) Development for All

Pillar 8: Reducing Poverty to a Negligible Level by 2015
- Greater Coordination and Strengthened Monitoring Mechanisms
- Strengthened Government Pro-poor Legislation, Policies and Programmes
- Strengthened Institutions and Programmes that Support Children of the Poorest of the Poor
- Greater Private Sector Role in Poverty Alleviation
- National Minimum Wage
- Enhancing Government Partnerships with Civil Society
- Clearly Articulated Principles on Social Justice and Affirmative Action
- Clear Policy Framework for Social Justice and Affirmative Action Programmes
- Improved Administration of Social Justice Programmes
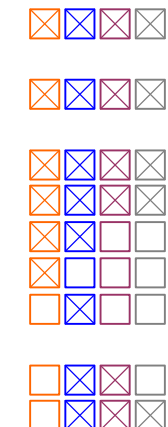
Pillar 9: Making Fiji a Knowledge-Based Society
- Eliminating the School Dropout Phenomenon
- Improved Access and Equity Through Efficient Financial Management
- Building a Just, Progressive and Prosperous Fiji
- Building a Pluralistic, Harmonious and Peaceful Nation
- Building National Identity
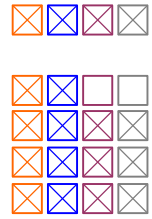
Pillar 10: Improving Health Service Delivery
- Improved Revenue for Health
- Improved Service Delivery
- Meeting Manpower Needs
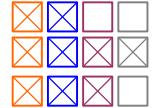
Pillar 11: Enhancing Global Integration and International Relations
- Cordial Bilateral and Multi-lateral Relationships
- Enhanced Global Trading Opportunities
- Diligent and Influential Foreign Trade Office and Missions
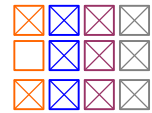
APPENDICES

IMPLEMENTATION AND MONITORING FRAMEWORK

Key: KPI: Key Performance Indicator; I: Immediate; ST: Short Term; MT: Medium Term; LT: Long Term

Output	KPI	Actions Required	Implementing Agencies	Reporting Mechanism	Commentary and Phase
PILLAR 1: ENSURING SUSTAINABLE DEMOCRACY AND GOOD AND JUST GOVERNANCE					
A Fair and Representative Electoral System	• Public approval for electoral reform • Over 95% voter registration and accessibility • No more than 5% invalid votes, and proper reconciliation of ballot papers after counting • Elections conducted every 5 years	• Commence public consultations on electoral reform package • Amendment to the Constitution and Electoral Act and subsidiary legislation to implement electoral reform package • Complete and implement review on the size of the House of Representation, Cabinet and appointment and composition of the Senate • Launch a public awareness programme on voter education • Availability of appropriate resources for Elections Office	TASS & NCBBF PM's Office Attorney-General's Office Electoral Commission Elections Office	NCBBF Reports and publicity materials on electoral reform Draft Bills/Constitution and Electoral Act 1998 Reports: Elections Office, Electoral Commission Constituency Boundaries Commission	Electoral reform is an immediate measure to be implemented before the next general election Measures to ensure free and fair general elections require immediate, ST, MT and LT measures to improve electoral administration in terms of capacity and effectiveness
Likelihood of coups substantially reduced	• 13 Key Principles for ending the coup culture to ensure political stability implemented by 2012 • All disputes addressed through legal process	• Identify immediate, ST and MT measures under the 13 Principles for implementation • Sustain and broaden reconciliation initiatives • Engage in deep dialogue processes between ruling factions that emphasize non violent conflict resolution • Strengthen the roles of intermediaries (third party interveners) to deal with intractable conflict issues	PM's Office/ Min of Defence, RFMF/Fiji Police Force /PSC/Fijian Institutions/ Churches/NGOs eg ECREA, CCF/Community Groups	National Peoples Charter Council [NPCC] Reports Annual reports for relevant line Ministries/Departments	There will be phased implementation of all measures provided under the 12 Principles as set out in Chapter 3

Output	KPI	Actions Required	Implementing Agencies	Reporting Mechanism	Commentary and Phase
		• Introduce early childhood skills in non-violent conflict resolution • Engage the media in responsible reporting based on solid analysis			
National security strengthened	• Key national security priorities agreed by 2009 • All UN Counter Terrorism Conventions ratified and implemented by 2012 • Anti people trafficking framework established by 2010	• Formalise new composition of the National Security Council • Develop procedure for security coordination within National Security Council • Strengthen security and management services in coordination with the National Security Council • Strengthening of networking between border and security agencies • Implementation and strengthening of Anti-Money Laundering Legislation, Mutual Legal Assistance, and review relevant international treaties Including extradition treaties and MLA treaties	Min of Defence, National Security and Immigration and its line agencies in all aspects of security eg in maritime, border control, etc	Annual Reports: Min of Defence RFMF Fiji Police Force Other relevant agencies	The development of new National Security Council procedures is an immediate measure to be put in place in 2009 The ratification of the 8 remaining Counter Terrorism Conventions is also immediate measure however review of measures to be taken to ensure compliance are ST, MT and LT measures
Role of the RFMF articulated	• Changes to legislation to re-define role of the RFMF by 2010	• Review of the role of the RFMF, in refocusing not only on hard security, but also encompassing human security	Min of Defence /RFMF/PSC in coordination with Office of the President	Annual Reports: Min of Defence RFMF	Contemporary role for RFMF spelt out with implications for functioning, deployment, structure and composition to ensure: a. No military interventions in political conflict and debate

Output	KPI	Actions Required	Implementing Agencies	Reporting Mechanism	Commentary and Phase
					b. Increased military integration into national development *c.* Increased participation in public development projects
Effective Operation of the Rule of Law	• Case backlog reduced annually • Legal aid services extended annually • All citizens to have access to legal aid services by 2012	• Implement measures for the legal enforcement of Guiding Principles for Judicial Officers • Implement measures to provide Judicial Department with greater financial and administrative autonomy • Implement recommendations of the 2008 Connors Report on the Magistracy to improve efficiency • Implement strategies to improve public awareness of the Legal Aid Commission • Support to civil society to improve awareness of basic legal rights • Provide FLRC with functions to revise the laws of Fiji • Extend work program of the FLRC to ensure law reform on more issues of national importance • Provide for independent investigation of complaints against legal practitioners	Min of Justice Judicial Services Commission Attorney-General's Office Judicial Services Commission Min of Justice Attorney-General's Office Legal Aid Commission Fiji Law Reform Commission	Peoples Charter Annual Reports – Judicial Department Annual Reports: Judicial Department Legal Aid Commission Attorney-General's Office Fiji Law Reform Commission	The incorporation of the need to respect the authority of the courts into the Peoples Charter is the only immediate measure Other reforms while commencing immediately will be implemented as ST, MT and LT measures These reforms, while commencing immediately, are ST, MT and LT measures
Improved	• Reduced serious crime	• Improved integration of law and justice	Min of Defence/	Annual Reports:	The development or

Output	KPI	Actions Required	Implementing Agencies	Reporting Mechanism	Commentary and Phase
response to law and order issues	annually particularly for crimes against women and children • Alternative justice strategies established by 2013 • All prison service and facilities meet international standards by 2020	sector agencies, with a focus on crime prevention, through partnerships between government agencies and community including with youth and through Fijian traditional structures • Increase capacity and capability to collate and analyse intelligence and investigate serious and complex fraud • Develop alternatives to custodial sentences by the courts • Provision of programmes for offenders and prisoners • Provision of capacity building for prison officers	Min of Justice/Fiji Police Force/Fiji Prisons Service/ NGOs/ Dept of Social Welfare	Min of Justice Fiji Police Force Min of Social Welfare Prisons Service	formulation of strategies is an immediate measure Implementation of these strategies is an ST, MT or LT measure
An Entrenched Culture of Democratic Governance	• Public awareness strategies developed by 2009	• Teaching good governance in schools through incorporating into civic education curriculum • Development and broadcasting of programmes on good governance through the public broadcaster • Increased support for civil society involved in promoting and advocating good governance • Cooperation with international and regional agencies on good governance projects	Min of Education Min of Information Line Ministries & Departments	NPCC Reports Annual Reports: Min of Education Min of Information Annual Reports: Line Ministries Reports by international and regional agencies	The development or formulation of strategies is an immediate measure Improved public awareness of good governance principles will: a. Increase awareness of good governance principles b. Regularly broadcasts of good governance educational programmes c. Increase in civic education programmes on

Output	KPI	Actions Required	Implementing Agencies	Reporting Mechanism	Commentary and Phase
					good governance issues d. Fully implement good governance-related aid projects
Enhanced public sector accountability and participation in governance	• Public sector mal-administration reduced by 10% annually • Audit queries reduced by 10% annually	• Establish part-time Accountability Council • Implement measures to ensure regular appearances before parliamentary committees to report on activities for Ombudsman, OAG, FHRC and FICAC • Implement measures to enforce conduct standards set out under subsection 156(2) of the Constitution • Review measures to provide greater financial and administrative autonomy to OAG and Ombudsman • Review role and functions of Ombudsman to investigate Ministerial action and as FHRC Chair • Carry out and implement Needs Assessment for FICAC, FHRC, OAG and Ombudsman	Min of Finance Auditor-General PM's Office Ombudsman Fiji Human Rights Commission	Annual Reports of Accountability Council Annual Reports of agencies/Reports by parliamentary committees on their performance	All functions needs to be achieved within the medium term
An effective anti-corruption framework	• Strong anti-corruption laws for both the public and private sector established by 2010 • Not less than 80% of cases won by FICAC annually	• Amend Part 11 of the Constitution to provide for the establishment and functions of FICAC • Review Anti-Corruption Promulgations • Provide greater resources for anti-corruption public awareness campaigns	Attorney-General's Office Fiji Independent Commission Against Corruption	Annual Reports: Attorney-General's Office FICAC Parliamentary Committee reports on	The amendment of the Constitution to establish FICAC and an increase in resources are immediate or ST measures

Output	KPI	Actions Required	Implementing Agencies	Reporting Mechanism	Commentary and Phase
	• Reduction in the average time for disposing of cases from 18 months to 3 months after first interrogation by 2015	• On-going public awareness campaigns to increase awareness of the dangers of corruption • At least one national level seminar organized annually		FICAC performance	The review of anti-corruption laws is an ST measure Implementation is an ST or MT measure
A free and responsible media that contributes to good governance	• Complaints against media reduced (to be determined by AG's Office)	• Review and reform existing legislation that regulates licensing of the media industry • Consolidate and up-date laws that give effect to constitutional limitations on freedom of the press • Enact legislation that provides for independent regulation of professional standards of journalism • Encourage the recruitment of qualified journalists and increase in training through existing programs • Enact legislation to regulate foreign ownership within the media industry in accordance with accepted international practice • Provide support for the training of journalists • Develop basic strategy and work plan to ensure more efficient responses to the media and dissemination of information	Ministry of Information Attorney-General's Office	Fiji Media Council Reports Annual Reports Min of Information Media Reports Reports by Civil Society/ International agencies on Media Freedom in Fiji	The issue of independent regulation of media standards can be an immediate measure However, issues relating to ownership and consolidation of current laws that limit media freedom are ST measures

Output	KPI	Actions Required	Implementing Agencies	Reporting Mechanism	Commentary and Phase
Improved Parliamentary Oversight	• 2002 UNDP Legislative Needs Assessments implemented after next general elections	• Implement parliamentary procedures to facilitate reporting to parliament on Peoples Charter Implementation • Amend parliamentary procedures to facilitate improved reporting (through appearance before committees) to Parliament • Reform procedures for the operation of the Public Accounts Committee • Provide more specific scrutiny functions to sector standing committees • Strengthen support services for parliamentary committees	Legislature Department	Annual Report: Legislature Department Annual Statement of Activities: House of Representatives	The implementation of parts of the 2002 Legislative Needs Assessment is an immediate measure All other reforms will be implemented by Parliament and are ST and MT measures
PILLAR 2: DEVELOP A COMMON NATIONAL IDENTITY AND BUILDING SOCIAL COHESION					
The name of the nation to be Fiji Adoption of a common name A peaceful, non-racial, inclusive and united society	• All official records to have Fiji not Republic of the Fiji Islands • All official records to have "Fijian" as a common name by end 2014 • Racial categorization in all government records and register removed by 2015	• Official announcements • Official announcement on common names • Public awareness on common names annually • NPCC to coordinate public awareness and consultations • Wider consultation with selective stakeholders to promote national identity, particularly that of common names on an annual basis	Attorney General's Office PMO/PSC/NPCC/Media/CSOs	Implementing agencies to provide reports quarterly to National Peoples Charter Council Annual Report of MRCI	Immediate action Official records to have national names in the ST and LT Official announcement on common names after the PCCPP is launched Public awareness annually
A common national identity to be accepted by all ethnic groups	• Other ethnic groups to retain their primary identity but with the name *Fijian* added to it, eg Fijian Indians by 2009	• National anthem to be sung in the 3 languages • National anthem to be sung in state functions	MOE /Media/CSOs/Private sector	MOE Annual Report January	MOE to ensure that Flag ceremony and Anthem to be conducted in all school assemblies weekly

Output	KPI	Actions Required	Implementing Agencies	Reporting Mechanism	Commentary and Phase
	• Anti-Discrimination Act promulgated by 2013	• National flag ceremony to be observed in all schools and important state functions • Fiji Day celebrations to promote national identity • MOE/MRCI to coordinate the public awareness and activities		Annual	
Strengthen the role of religion, culture and education in promoting national unity	• Commission of Healing and Reconciliation, Truth and Justice established by 2010 • National Identification System established in 2011 • An education curriculum to include the teaching of the three languages by 2010	• Cabinet paper on the establishment of the Commission of Healing and Reconciliation, Truth and Justice • NPCC to coordinate reconciliation, interfaith dialogue and sharing of spiritualities • Media and sports promotion • Include multi-cultural education & social cohesion in FNCF • Education circular to be provided • National interfaith dialogue and sharing of spiritualities conducted • Equipping the media, sports organization to promote national unity • Promotion of multi-cultural education and social cohesion in schools by 2011	PMO/Media/ECREA NPCC/Media/Sports Council MOE	Ministry's Annual Report Quarterly Reports to Charter Council	Commission of Healing and Reconciliation established in 2010 Interfaith dialogue coordinated annually MOE to include teaching of the 3 languages and multi-cultural education in FNCF in 2010
PILLAR 3: ENSURING EFFECTIVE, ENLIGHTENED AND ACCOUNTABLE LEADERSHIP					
A More Visionary Style of Leadership	• Adoption of Leadership Model under the Peoples Charter by 2009 • Enactment of Code of Conduct bill by 2009	• Public awareness programme of leadership qualities • Drafting of Code of Conduct Bill • New models of political, public and traditional leadership developed	PM's Office	NPCC Reports	The promotion of leadership qualities is an on-going measure Formulation of strategies to achieve

Output	KPI	Actions Required	Implementing Agencies	Reporting Mechanism	Commentary and Phase
Greater Accountability for Holders of High Public Office		• Civic education of public leadership qualities promoted to increase public awareness of leadership qualities • Code of Conduct with effective enforcement powers to ensure leaders in public office are penalised for improper behaviour	Attorney-General's Office	Annual Reports – Enforcement Agency Attorney-General's Office	this is an immediate measure The enactment of a Code of Conduct is an immediate measure while ensuring the effectiveness of the relevant enforcement agency is on-going

| PILLAR 4: ENHANCING PUBLIC SECTOR EFFICIENCY, PERFORMANCE, EFFECTIVENESS AND SERVICE DELIVERY |

Output	KPI	Actions Required	Implementing Agencies	Reporting Mechanism	Commentary and Phase
Improved Government Transparency and Accountability	• Freedom of Information Legislation enacted by end of 2009 • Access to all public funded information by 2010 • Good governance index increased from 0.53 in 2005 to 0.70 by 2012	• Drafting of FOI Bill; • Approval by Cabinet; • Passage by Parliament; • FOI Commissioner established and resourced to administer legislation • Implementation of public awareness programme; • Policy formulation and integrated approach amongst all line Ministries and Departments for release of public information	Attorney-General's Office Office of the Ombudsman	Cabinet Memorandum on FoI Bill Auditor Generals Office, FICAC, Transparency indicators PIAS studies International, Human rights Commission - Annual reports	• This legislation will enhance the transparency and accountability of the public Sector • The enactment of Freedom of Information legislation in *Fiji* is provided for under the 1997 Constitution
Enhanced Capacity & Performance of Government Machinery	• At least 80% of output in the ACP is achieved annually • Contracting of Senior Executive Service by 2009	• Institutional reform to provide greater participation in governance generally through Customer Service Councils; • Well defined Central Agency Coordination, Monitoring and Evaluation mechanism between PSC, Finance, and National Planning • Develop an integrated policy formulation,	Prime Minister's Office PSC PSC/PM's Office	PM's Office, Finance, PSC, Public Enterprise Quarterly Reports	Prime Ministers Office playing a leading role in Charter implementation, public sector reform, and coordination of policy development and Implementation

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Output	KPI	Actions Required	Implementing Agencies	Reporting Mechanism	Commentary and Phase
		implementation and evaluation framework **Development of SES Contractual Framework**	PSC/PM's Office/Finance/PE Min of Finance/PSC – Central Agencies		Public Sector seriously has leadership problems that need to be addressed Enhancing the human capital of the Public sector in terms of competence, productivity and morale is a priority
Enhanced Public Sector Service Delivery	• Developed Service Delivery Improvement Framework by 2009 • Function reviews of key agencies by end of 2009 • Efficiency audit review of service delivery systems by 2012 • Reviews of systemic service delivery problems by the end of 2009 • Introduction of Service Charters in each agency by end 2010 • Development of contracting out framework by 2010	• Yearly surveys of service delivery performance by an external body • Corporatisation of key problem areas of water and roads • Improved health service delivery systems • Greater focus on outer islands • Develop Service standards with benchmarks standards • Feasibility study on the impacts of corporatisation of public utilities especially the pricing structure versus service delivery • Service Delivery Improvement Systems for outer Islands • Identifying possible government activities that can be outsourced to the private sector	PSC Line Ministries & Departments External Body All Agencies Min of Public Utilities All agencies PSC & all agencies	PSC bi annual Report Corporate Plan of Ministry of Health, Ministry of Public Utilities and Ministry of Provisional Development	Quality in service delivery in Fiji relates to the expectations that people have of government in delivering services The public perception is the level of service delivery has seriously deteriorated over the years Focuses on qualitative and quantitative mechanism to measure service standards Attention given to public utilities component of public

Output	KPI	Actions Required	Implementing Agencies	Reporting Mechanism	Commentary and Phase
					sector to uplift service standards
A Leaner and Efficient Public Service	• Size of the public service reduced by 30% by 2011 (10% annually from 2009-2011) • Human resource management & development framework for the Public Service by 2009	• Functional Review of all Ministries and output • Staff size linked to salary budgets rather than establishment • New Redundancy Policy by end of 2009 • Successive & Career Path HRM Plan • HRD Plan for the Public Service • Determine the acceptable size and capacity needed in public service • Expedite the reform process	PSC/PM's Office PSC PSC/Min of Finance PSC	PSC Bi Annual Report	Public Service is too large Focuses on right sizing and improving the efficiency and effectiveness
Better Performing Public Service	• A competitive market rate salary by 2010	• A survey to determine specific factors undermining public sector morale leading to an action plan to improve on key concerns to be conducted annually • Conduct regular service delivery surveys of all departments and Ministries • Capacity Needs Assessment followed by reorganization of public sector training • Parliament to endorse a ethical standards for all Public office bearers and politicians • Removal of political involvement on Public Service appointments • Strengthening of independence and neutrality of Public Service Commission and the Public Service	PSC PSC/PM's Office PSC/PM's Office PSC PSC	PSC and NGOs Annual survey Reports	Focuses on reforms to improve the performance of public service
More accountable and	• All outstanding accounts for Indigenous Institutions	• Development of a good governance framework covering financial	Min of Indigenous Affairs	Ministry of Indigenous Affairs/ Provincial	The development of a new vision on what

Output	KPI	Actions Required	Implementing Agencies	Reporting Mechanism	Commentary and Phase
transparent indigenous institutions	are audited within twelve months	management, accountability, transparency and management systems and practices • Creation of a more integrated organizational structure for Fijian administration • Develop a reporting mechanism to Parliament, Province, Tikina and Village Councils	Provincial Development PM's Office	Development – Bi Annual Reports	needs to be achieved for the indigenous people by the Indigenous Institutions is vital to the operation of these Institutions. A medium to long term achievement
Empowerment of Indigenous Fijians to fully utilize their resources for their economic and social advancement	• Indigenous Fijian households income to increase from 51% in 2002 to at least 60% by 2014 • Less than 40% of rural Fijians to be subsistence workers from existing 61% • Zero urban sector subsistence workers from existing 25%	• Continuous training and capacity building to develop business and entrepreneurial skills and corporate governance • Increased involvement of the Indigenous population in business and commercial ventures	Min of Indigenous Affairs to coordinate with other stakeholders	Participatory Assessment of Poverty and Hardship Ministry of Indigenous Affairs/ Bi Annual Reports	Trust and "Vanua Based" companies could be used as vehicles for utilizing (human and natural) resources to create economic activity The most important issue that would need to be addressed is changing the "mind set" that people continue to earn income through hard work
Fast-tracking the public enterprise reform programme	• Not less than 10 public entities sold into private ownership by 2010 • Less than 5% of GDP tied up in Public Enterprise from existing 30% by 2014	• Re-look at the PER processes, and identify improvements to the process • Simplification of public enterprise restructuring process • Ensuring that the timetable for restructuring is met, with public reporting	Attorney-Generals Office Min of Public Enterprises	Ministry of Public Enterprises – Annual Report January Annual	Assessment of public enterprise performance depicts appalling profitability levels and output. This warrants expediting the restructuring programme

Output	KPI	Actions Required	Implementing Agencies	Reporting Mechanism	Commentary and Phase
Improve performance and accountability of Public Enterprises	• Aggregate rates of return in public enterprises listed under Public Enterprise Act increased from 3% to 10% by 2010	• Introduce specially negotiated targets for public enterprises • Capacity building and cultural change on new commercialization approach • Increased remuneration to staff to be based on improved performance • Merit based appointment to Boards and Management Team • More commercial autonomy to be given to management • Explore the possibility of developing a National Code of Corporate Governance	Min of Public Enterprises	Ministry of Public Enterprises Annual Report Auditor General	The country will achieve greater productivity in the use of assets currently owned or managed by public sector commercial entities
PILLAR 5: GROWING THE ECONOMY WHILE ENSURING SUSTAINABILITY					
An internationally competitive, diversified and efficient natural resource sector	• Implementation of a Cane Quality Payment System in all mills in the sugar industry by 2010 • Annual quota requirement to EU sugar market met, with adequate surplus for local and regional market needs • At least one new industry created through by-products from sugar processing	• Accelerate Sugar Industry Reform (covering farming, transport and milling systems, and product diversification) • Re-engage with EU on implementation of National Adaptation Strategy (NAS) • Stakeholder dialogue and negotiation in good faith	MFNPSIPU MPI MWT Sugar Industry Stakeholders	Annual FSC Mill Performance Reports NAS Annual Progress Reports	Immediate Currently a 5year deal is in place Need to be proactive to continue to secure market access in the MT and LT Co-generation and ethanol, as by-products from sugar processing are MT to LT objectives
	• Fiji to a net exporter of agricultural products by 2020 • Fiji ports are a 'hub in the	• Rationalization of Government expenditure mix to increase spending on infrastructure (roads, bridges, ports, utilities) • Timely and effective provision of	MPI MWE	Quarterly Economic Statistics (BOS) Annual Budgets	To be a net exporter should be the LT objective of the agriculture sector,

Output	KPI	Actions Required	Implementing Agencies	Reporting Mechanism	Commentary and Phase
	Pacific' for all vessels in the transatlantic route (fishing vessels, container ships, yachts and cruise liners, etc) by 2016 ● Local agriculture sector supplies at least 80% of agricultural produce/products needs of the tourism industry by 2012	supportive Government services (quarantine, extension, research, trade facilitation etc) ● Reform of MPI to be customer oriented and in-tune with private sector and industry needs ● Formalize a Compact between Economic Sector Ministries with Central Agencies (MFNP in particular), within existing regulations, to facilitate key development projects / initiatives	MFNPSIPU MITTC Private Sector Industry Councils	Annual Project Progress Reports	whilst preserving food security Political will is needed to make the substantial investment to realize this LT goal of being the 'hub of the Pacific' Strengthening linkages with the tourism industry is a medium to long term objective
	● Enactment of revised Mining Act in 2010 ● Formulation of a Long Term Strategy or 'Road Map' for the mining sector by 2010, which captures an active role of Government in development of mines	● Reconfirm proposed new Mining legislation with industry stakeholders ● Submit new Mining Bill to Parliament ● Adequate resourcing (financial, technical capacity) of the Mineral Resource Department ● Organize a National Mining Industry Conference to discuss 'Road Map'	MLMR SGs Office PSC Mining Industry Stakeholders Private Sector Organizations	Parliamentary Papers Government Gazette Annual Budget	Immediate Road Map is a MT objective as it requires a wide, forward looking consultative approach
Deepening financial markets	● Development of the Capital Markets which includes market infrastructure and microstructure; policy frameworks and enabling legislation; training and development for intermediaries; awareness and education programs for investors and businesses by	● establishing a Capital Markets Master Plan; ● review of Legislations impacting the financial sector; ● enhancing the value proposition for Fijian issuers; ● improving the role of the capital market in meeting investors preferences; ● developing internationally competitive	Capital Market Development Authority (CMDA) Capital Market	Monthly and quarterly update of CMDA new product initiatives	The capital market needs to be developed further to address the issue of liquidity in stock trading and to encourage the listing of more companies in the medium term While the Authority

Output	KPI	Actions Required	Implementing Agencies	Reporting Mechanism	Commentary and Phase
	2009 • Development of capital market regulatory aspects which include licensing market players; protecting investors through prudential supervision; ensuring compliance with relevant laws and rules by market players; regulating & supervising the Stock Exchange; and promoting Good Governance by 2015	market institutions and intermediaries; • ensuring the effectiveness of regulation within the changing market environment; • formulating a comprehensive vision and programme for the development of Fiji's capital market; • formulating a framework for the orderly and effective sequencing of deregulation and liberalization; and • identifying and mapping the direction for the strategic positioning of Fiji's capital market both domestically and externally	Development Authority (CMDA)		has the potential to fulfill its role better, it is constrained by limited government funding and manpower resources
Critique of prudential supervision	• 50% of exports are financed by export finance at competitive rates by 2015 • The annual rate of detection of suspicious transactions increased from 300 to 500 by 2011 • Increase rural and outer island households with savings in institutions and banks from 30% to 50% and with borrowings from 6% to 25% by 2013	• Establishing a Financial Services Ombudsman • Examining whether there are adequate mechanisms for protecting consumers and addressing consumer complaints • Establishment of a financial services commission for the entire financial system to look at customer's grievances, to manage a comprehensive program of consumer awareness and education, providing information and guidance on the financial institutions and instruments • Review of financial services transaction framework to encourage lending to sole and small proprietorships • To ensure that the financial system is operating under a sound and stable	Reserve Bank of Fiji (RBF) Ministry of Finance	Consultation with Government, in particular with Ministry of Finance Quarterly update and Budget Address announcement of new monetary policy measures Quarterly update and	To further strengthen Fiji's financial system, RBF will be targeting its efforts towards a number of initiatives, which include amongst others, short term priorities such as improving financial literacy and outreach, the development of trade finance products, strengthening of its supervision of particular sectors, continued development of the capital market and MSME promotion, effectiveness and

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Output	KPI	Actions Required	Implementing Agencies	Reporting Mechanism	Commentary and Phase
		environment with an appropriate levels of funds management and improved disclosures of financial statements • The central bank's role in monitoring and supervising the financial services system must be increased to avoid unnecessary exposure to economic or financial shock		Budget Address announcement of new monetary policy measures	regulation
Management of superannuation funds	• Using private fund managers to invest FNPF funds, demonopolize the industry with superannuation remaining mandatory, and demonopolizing the industry with superannuation optional for each citizen by 2015 • Investment scheme of the FNPF be extended to Government and Government guaranteed bonds by 2015 • Government to consider issuing bonds only earmarked for small investors by 2011 • All offshore investments strengthened	• Splitting up the management of the FNPF's investment portfolio • Deregulation of the Superannuation industry (Demonopolisation of FNPF) • Improving the financial literacy of its members • Government to issue a yearly program indicating when it will issue bonds and Treasury Bills in the market, in order for the market to prepare and for investors to set funds aside	Fiji National Provident Fund (FNPF) Fiji National Provident Fund (FNPF)/Ministry of Finance Ministry of Finance Fiji National Provident Fund (FNPF) Reserve Bank of Fiji (RBF)	Annual Review of FNPF policies on superannuation Monthly update on bonds issuance Monthly update on financial literacy	This is essential to promote an effective secondary market for government bonds, as a medium term priority and first step towards increasing the depth and liquidity of Fiji's money market This is a medium term priority that will allow competition in the provision of superannuation products which will in turn allow a diversity of products to meet the differing requirements of different customers This will ensure that government bonds issues are marketed widely and give small individual investors the opportunity to

Output	KPI	Actions Required	Implementing Agencies	Reporting Mechanism	Commentary and Phase
					purchase government securities in the medium term It may even help reduce the purchase of government bonds by the FNPF
Widening coverage of financial services	• Increase rural and outer island households with savings in institutions and banks from 30% to 50% and with borrowings from 6% to 25% by 2012	• To explore avenues to capture remittances within the capital markets • Develop a National Strategy for the development of micro, small and medium enterprises • Setting up of incubator programme for MSMEs' • Strengthen the central bank's monitoring and supervisory role • Developed/establish an information sharing network system amongst financial services sector entities	RBF/CMDA National Centre for Small Medium Enterprises Development (NCSMED) NCSMED Reserve Bank of Fiji (RBF) All Financial Services Sector Stakeholders	Annual report Monthly publication	To facilitate the development of an enabling policy and regulatory environment, develop training programmes and business management, and facilitate access to funds for SMEs This is a short term priority Financial markets are sufficiently developed to support the ongoing development of the real sector
Rationalizing the Role of Government	• Civil service employment costs reduced from 36% to 20% of annual Government expenditure by 2013 • Number of Civil servants reduced from 25,000 to 15,000 by 2013	• Simplification of public enterprise restructuring process • Ensuring that the timetable for restructuring is met, with public reporting	MFNPSIUD, MOENHA, MOHWSW MLIRE MLGUDH MPI MLMR PSC MITTC PRB	Annual Budget 6-monthly submissions from line agencies and statutory bodies	Refocusing the mode of Government intervention in economy is a gradual and short term objective

Output	KPI	Actions Required	Implementing Agencies	Reporting Mechanism	Commentary and Phase
			HA Private Sector (incl FEF, FMA, FCCI, FIBC)		
Improved Business Regulatory Environment	• Fiji to be in the top 10 of the World Bank Doing Business ranking before 2013 • Annual exports of goods and services to be not less than 65% of GDP • Annual value of domestic private investment to be 10% of GDP	• Fast Tracking the implementation of the recommendations of the ADB study on " An Analysis of the Legal Framework for Private Sector Development • Harmonize current Investment Approvals Process (IAP) reforms with the above study • Review/amend legislations relating to business establishment and Investment • Mainstream the National Export Strategy in Government's developmental agenda	MFNP RBF SGs Office MPI MLMR MITTC Private Sector	Quarterly Economic Statistics (BOS) 6-monthly submission from the MITTC	Investment target is a LT objective and requires among other prerequisites, a stable political environment and consistent policy
Effective Macroeconomic Management	• Annual growth rate to reach 5% by 2010Inflation is to be brought securely below 3% per year after 2008 • Debt to be reduced from 52% of GDP to less than 40% of GDP by 2012	• Set up Committee to undertake consultations and submit draft Fiscal Responsibility Bill to Parliament • Incorporate principles of the Fiscal Responsibility Act onto the Financial Management Act 2004 • Ongoing support for implementation of the Fiscal Review recommendations • Greater oversight on the Accrual Accounting System in Government finance	RBF MFNPSIPU FIRCA Financial Sector Stakeholders (FIA, ABIF, CMDA etc)	Parliamentary Paper Government Gazette RBF Economic Review Macro Policy Committee Briefings FIRCA Press Releases	Incorporating principles of Fiscal Responsibility Act into FMA 2004 is a ST objective to be binding on Government to improve accountability and public financial management, as evident in countries with similar legislation such as NZ
Strengthening Civil Society Organisations (CSOs) as	• At least one PPP project over $100 million by 2009 onwards	• Greater co-ordination of programme activities of line agencies to avoid duplication of development activities	MENHCA MHWSW MLIRE MLGUDH	Annual Project Progress Reports from NPO	PPP is an immediate objective to contribute towards streamlining Government

Output	KPI	Actions Required	Implementing Agencies	Reporting Mechanism	Commentary and Phase
Advocates and Partners with Government on Service Delivery Programmes		• Improve service of the National Planning Office • Establish Forums for regular and open exchange between Government and Civil Society	MPI MLMR MFNP	6-monthly submissions from line agencies	operations, as it taps also into the expertise and resources in civil society
Effective Environmental Management	• All new developments to conduct EIA and establish monitoring benchmarks consistent with the Environment Management Act by 2011	• Transform the DOE into an Independent Statutory body • Strengthen DOE capacity to implement the Environmental Management Act (eg Utilize Environmental Health Officers and Mining officials) • Review of the current 'development control' administration • Drafting new legislation for Protected Area management • Mainstream environmental management concepts within Government • Implement provisions of the new Forestry Policy in respect of Forest Certification for sustainable forest management • Mainstream environmental management within NLTB land development processes • Management and monitoring of the Naboro landfill (including encouragement of recycling); • Better coordination and management of donor assistance especially for Climate Change programmes and renewable energy	DOE MOHWSW NLTB MPI MLMR Private Sector Civil Society Organizations	Country Submissions on MDGs and WSSD Progress Reports 6-monthly submission from DOE	Sustainable development is an immediate concern for SIDS such as Fiji, which needs to be managed for the LT
PILLAR 6: MAKING MORE LAND AVAILABLE FOR PRODUCTIVE AND SOCIAL PURPOSES					
Improved	• Repeal of ALTA	• Extensive stakeholder consultation and	PMO	Parliamentary Paper	Although an immediate

Output	KPI	Actions Required	Implementing Agencies	Reporting Mechanism	Commentary and Phase
accessibility to land for Creation of a market for leased land	legislation in 2010 • Adoption of new legislation in 2010 to cover administration of all land in Fiji under a market based framework of NLTA, while also adopting meritorious aspects of ALTA • Establishment of a National Land Register in 2011 • Legislative enforcement of National Land Use Policy in 2009	awareness • Formation of a body or committee to provide oversight into drafting process of newly proposed legislation • Amalgamation and integration of all land data (Crown, Freehold and Native) • Computerization of data into GIS • Amendment of Land Conservation and Improvement Act • Greater co-ordination on the CBUL initiative •	MIA MPDMEA MLMR MPI NLTB SG Office Interest Groups (Farmers and landowners associations, financial institutions	Government Gazette 6-monthly reporting by line agencies	concern most actions needs to be resolved within the short term
Clear, effective and comprehensive housing strategy	• Not less than 1,500 recipients of family assistance graduate from assistance programmes through income generating projects • At least 10% of HART tenants graduating to higher income houses annually • No new squatter settlements from 2009 onwards	• Develop a Cabinet paper with TOR for the commission of inquiry • Housing policy advisor appointed by March 2009 • Commission of inquiry convened by June 2009 • Housing subsidy programs consolidated to less than 5 by 2010	MoLUDH, NPO, NGOs	Cabinet memo November 2008 Budget address Annual	The commission of inquiry will include high-level designated representatives of all relevant institutions An ongoing annual housing seminars is required

Output	KPI	Actions Required	Implementing Agencies	Reporting Mechanism	Commentary and Phase
Availability of mixed-income and multicultural housing schemes	• At least one mixed-income and multicultural housing scheme developed in both urban and rural area annually • Settlements on Vakavanua and other lands reduced by 10% annually	• Start a process to make available at least one housing scheme • NLTB to actively negotiate with land owners and tenants	MoLGUDH, NLTB, MLMR	Annual reports and quarterly progress reports Annual	This will be an ongoing process with the aim to benefit both landowner and tenant In the medium term to long term there should be zero informal settlements
PILLAR 7: DEVELOPING AN INTEGRATED DEVELOPMENT STRUCTURE AT THE PROVINCIAL LEVEL					
Effective Provincial (Rural & Outer Island) Development for all	• A master plan for the outer islands and remote areas incorporating sustainable development planning by 2020 • An outer islands and remote areas trust fund by 2015 • A separate budget strategy for the outer islands and remote areas by 2015 • Investment in shipping, infrastructure and ICT by 2020 • A food security policy and the adoption of the sustainable livelihoods framework and methodologies by 2015 • Commitment to a basic village infrastructure	• Further consultations required to develop detailed strategies on effective rural and outer island development	Ministry of Provincial Development & Multi-Ethnic Affairs, FEA, PWD	Fijian Affairs Board Quarterly	Greater co-ordination of programme activities of line sector agencies to avoid duplication of development activities

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Output	KPI	Actions Required	Implementing Agencies	Reporting Mechanism	Commentary and Phase
		programme that will ensure that all villages in Fiji have access to basic infrastructure including potable water, sewerage, electricity and telecommunications by 2015			
PILLAR 8: REDUCING POVERTY TO A NEGLIGIBLE LEVEL BY 2015					
Greater coordination and strengthened monitoring mechanisms	• National Poverty Eradication Council (NPEC) established by 2009	• A Cabinet Paper on the establishment of the strengthening and relocation of the Poverty Monitoring Unit to the Prime Ministers Office	Prime Ministers Office, Poverty Monitoring Unit (PMU), National Planning Office, NPEC	PMU Quarterly	PMU will coordinate and facilitate effective implementation of poverty alleviation programmes in order to eradicate poverty
Strengthened Government pro-poor legislation, policies and programmes to target citizens through municipalities, provincial councils, and advisory councils in both rural and urban areas	• Poverty gap reduced to less than 3% of GDP	All agencies (government, private sector and civil society) involved in • increasing access to economic opportunities, through micro finance, particularly microfinance, infrastructure development, regional labour mobility schemes, and technical training, • supporting the development of commercial agriculture, forestry, fisheries, tourism, MSME enterprises and market networks linking producers, processors and end product markets; • supporting the development of rural towns and regional centres with facilities and services to attract people back to villages and rural areas • implementing Public Private Partnership	Poverty Monitoring Unit and relevant Government agencies and NGOs	Poverty alleviation provide six monthly reports to the PMU and the NPEC covering progress, challenges and way forward for reducing poverty Quarterly	These include the ongoing initiatives of which need to be continually improved to target poverty reduction

Output	KPI	Actions Required	Implementing Agencies	Reporting Mechanism	Commentary and Phase
		policy at local government level; and • improving access to quality social services, health, education, housing and utilities through transparent and targeted subsidies where necessary			
Strengthened institutions and programmes that support children of the poorest of the poor	• Number of projects supporting young people increased from 180 to 250 annually • Access to education to all children by 2010	• The programmes should target specific needs of children including food, transport, school levies, text books and stationery to assist at least one child per household to get access to education, from primary all the way to tertiary level at least one child per household to get access to education, from primary all the way to tertiary level, as a way for enabling the very poor to get out of the poverty trap • Head Teachers and Principals will be responsible for identifying students who face hardships and poverty and they will also be accountable for monies and in-kind contributions towards the support of such children	PMU, Ministry of Education, Save the Children Fund (SCF), Department of Social Welfare, Private Sector, Civil Society	PMU, MOE, Save the Children Fund Quarterly	This is an immediate measure which needs to be implemented to assist the poorest of the poor children to continue with their education
Greater private sector role in poverty alleviation	• Proportion of population below the HIES defined basic needs poverty line reduced from 35% to less than 15% by 2020	• A Committee comprising private sector representatives and Government be set up to advance this initiative by the Ministry of Commerce • Encouraging the observance of corporate social responsibility, requesting the private sector to take the initiative of addressing poverty alleviation as an "Entrepreneurial Challenge" and form a spearhead group to drive this initiative	Ministry of Commerce, Private Sector	Ministry of Commerce Quarterly	This is an immediate measure which requires a well thought out collaboration between the private sector and other stakeholders

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Output	KPI	Actions Required	Implementing Agencies	Reporting Mechanism	Commentary and Phase
National Minimum Wage	• A phased implementation of a national minimum wage from 2009 to 2011 with full implementation by January 2012	• The Ministry of Labour to coordinate the preparation of necessary Cabinet Papers and regulations to facilitate implementation of national minimum wage	Ministry of Labour, Private Sector	Ministry of Labour Quarterly	It is envisaged that the implementation of this initiative will be done in the medium term
Enhancing Government partnerships with civil society	• A partnership agreement between Government and Civil Society (NGOs) which establishes an understanding about their working relationship and areas of social responsibility by 2009	• The NPO to coordinate the preparation of a partnership agreement between government and the civil society	National Planning Office, Poverty Monitoring Unit, Department of Social Welfare	National Planning Office Quarterly	A short to medium term initiative
Clearly articulated principles on social justice and affirmative action	• A draft Social Justice Preamble statement for a revised Act by 2010	• To be integrated in the planned review of the Social Justice Act of 2001 and Affirmative Action Programmes under the Blue Print	Special Projects Unit, Ministry of Indigenous Affairs	Ministry of Indigenous Affairs Quarterly	A short to medium term initiative
Clear policy framework for social justice and affirmative action programmes	• Review Social Justice Act of 2001 to ensure its legality and compliance with constitution and the declaration of Human Rights by 2010 • Review the race-based AAPs so that they are in line with constitutional requirements by 2010	• To be integrated in the planned review of the Social Justice Act of 2001	Special Projects Unit, Ministry of Indigenous Affairs Relevant Ministries	Ministry of Indigenous Affairs Quarterly	A short to medium term initiative

Output	KPI	Actions Required	Implementing Agencies	Reporting Mechanism	Commentary and Phase
	• Include in the revised Act necessary race-based AAPs with the condition that these receive 70% consensus of voting pop by 2010				
Improved administration of social justice programmes	• Establish a Research & Analysis Commission, appointed by the President, to ensure independence and reliability of data, and whose membership comprises academia and civil society by 2010 • Develop Key Outcomes and Indicators for the 3 Broad Programme Areas in Section 44 of Constitution by 2010 • Current Monitoring mechanism reviewed and a central monitoring mechanism established by 2010. Membership to include elected parliamentarians • Annual Narrative reporting to Parliament is to attach audited financial reports for	• A cabinet paper to be prepared on the establishment of a Research and Analysis Commission • Ministries/Departments to ensure that their financial reports are audited by the Auditor General's Office • Auditor General's Office to ensure that all financial reports are audited • Review current AAPs Indicators to be in line with the Key Outcomes & Indicators of the 3 Broad Programme Areas by 2010 • Auditor General's Office is to conduct the auditing for each APP and overall AAP by 2010	Special Projects Unit Ministry of Indigenous Affairs All Ministries/ Departments	Ministry of Indigenous Affairs Quarterly	A short to medium term initiative

Output	KPI	Actions Required	Implementing Agencies	Reporting Mechanism	Commentary and Phase
	each AAP and overall AAP by 2010				
	• Develop and implement a Financial Tracking & Monitoring system to account for funds spending and to avoid wastage and misappropriation of funds by 2010 This task is recommended to the Central Monitoring Committee		Auditor General's Office Special Projects Unit		
	• Include in the revised Act provisions on: (a) roles and responsibilities of the Central Monitoring Committee; (b) status and responsibilities of the Research and Analysis Commission; (c) powers of the Auditor General's Office to audit AAPs by 2010				
PILLAR 9: MAKING FIJI A KNOWLEDGE-BASED SOCIETY					
Elimination of School Dropout	• Statutory body established that will manage and coordinate all activities of 'Community and Non Formal Learning Unit' by 2009 • Education Service	• A Cabinet paper on setting up the statutory body for Community and Non Formal Learning Unit • A Cabinet paper on the establishment of an Education Service Commission • Policy paper on the establishment of centres of learning in rural schools	MoE, NGOs, civil society groups, religious organizations, private sector, trade unions, women and youth organizations	Cabinet memo Quarterly progress reports January	The establishment of the first two KPIs needs immediate attention while the establishment of centres of leaning will stretch from short to

Output	KPI	Actions Required	Implementing Agencies	Reporting Mechanism	Commentary and Phase
	Commission established by 2009 • All rural areas to have centres of learning by 2015				long term
Improved access and equity through efficient financial Management	• National Curriculum Framework implemented in 2009 • Differential resourcing model used as a base for the distribution of all education grants by 2010 • Collaborative Model of education at all village and community level to generate scholarship funds for the community utilizing resources established by 2012	• Implement the new National Curriculum Framework for ECE and Primary Education • Policy Paper on the use of Differential Resourcing Model for the distribution of all education grants • Policy paper on the use of Collaborative Model of Education in villages and communities	MoE, MFNPSI	Cabinet memo Quarterly progress reports January	*The KPIs while targeted in the immediate to short term its monitoring will be a continuous process*
Building a Just, Progressive and Prosperous Fiji	• Modular system of learning introduced at secondary schools by 2015 • A 10 year initiative for the strengthening of science, technology, engineering and agriculture introduced by 2011 • Number of in-service teacher training increased 10% annually	• A Cabinet Paper for the introduction of the 'modular system of learning' at secondary schools • Policy Paper for the 10 to 15 year initiative in the strengthening of science, technology, engineering and agriculture • Cabinet Paper for the establishment of a centre for the training of school leadership and management as well as professional upgrading • Policy paper for the strengthening of technical and vocational education	MoE, Teacher Unions	Cabinet memo Quarterly progress reports Quarterly January	These are medium to long term initiatives and needs to be regularly reviewed in conjunction with changing needs
Building a	• Comparative study of the	• Cabinet Paper for the review of	MoE, Teacher's	Quarterly progress	This deals with

Output	KPI	Actions Required	Implementing Agencies	Reporting Mechanism	Commentary and Phase
Pluralistic, Harmonious and Peaceful Nation	principles of major religions and their principles conducted by 2010 • All schools to emphasise on the study of various languages by 2012 • Integrate / Amalgamate small neighbouring schools by 2015 • All school names that denote racial affiliations removed by 2012 • teacher unions amalgamated from 2 to 1 by 2012	Constitution and Education Act in relation to the teaching of religion • Cabinet Paper dealing with the integration of schools, removal of school names denoting racial affiliations • Cabinet paper on the study of the two main languages- Fijian and Hindi	Union, Parents and Teachers Association	reports Quarterly January	building a pluralistic, harmonious and peaceful nation and as such needs to be achieved in the short term
Building National Identity	• Compulsory teaching and learning of the Fijian language and culture all schools by 2012 • All schools to hold a flag ceremony at least once a week	• Cabinet paper to establish the study of Fijian language and culture as compulsory • Policy paper for all schools to observe flag ceremony once a week	MoE, Parent's and Teachers Association	Quarterly progress reports Quarterly January	National Identity is an important component in achieving social cohesion It should be achieved in the immediate to short term
PILLAR 10: IMPROVING HEALTH SERVICE DELIVERY					
Improved revenue for health	• Health Policy Commission (HPC) established by March 2009 • Increase financing as a proportion of GDP by at least 05% annually to 7 % over the next 5-10 years • All legislative changes are	• A Cabinet paper on the establishment of Commission • MFNPSI to increase health expenditure using existing tax financing mechanism • MoH and SG's office to expedite legislative changes which are 70-80 complete by 2009	MoH, SG's Office MoH, MFNPSI, SG's Office MoH, SG's Office MoH, MFNPSI	Cabinet memo Budget estimate MoH Annual report Annual January	HPC will be independent Tax financing is an immediate and ST measure Following appropriate legislative changes in the ST, health insurance

Output	KPI	Actions Required	Implementing Agencies	Reporting Mechanism	Commentary and Phase
	made by 2010 • At least 5% improvement in fiduciary collection annually				schemes needs to be implemented in the MT and LT
Improved service Delivery	• Hospital boards established by 2009 • Public Health Board to be revamped to tidy up the primary health care needs of the community in both rural/urban areas by 2009 • outsourcing, where applicable, laundry, security, maintenance and cleaning services by 2010 • pharmaceutical services to become a profit/ service oriented machinery in 2010	• A Cabinet paper on the establishment of hospital boards • Legislative changes to ensure decentralisation of services • Cabinet paper on the costs and benefits of outsourcing various activities	MoH	Cabinet memo Annual report Annual January	Focuses on the decentralisation of service delivery Other aspects of improving efficiency and service delivery will continue in immediate to LT
Meeting manpower needs	• Consultation forum established by 2009 • Reduction in migration of health professionals by 10% annually • Reduction on indemnity costs by 5% annually	• Training medical administrators • PSC, MoH and MFNPSI to actively support the decentralisation of health services	MoH, FNA, FMA, PSC, MFNPSI, FSMed	Quarterly reports Quarterly January	This will be an ongoing process and needs to be achieved at least in the ST to MT
PILLAR 11: ENHANCING GLOBAL INTEGRATION AND INTERNATIONAL RELATIONS					
Cordial bilateral and multi-lateral relationships *Enhanced global trading*	• Re-admission into the Commonwealth by 2009 • Agreements in place with Australia and New Zealand on Temporary employment	• Bi-lateral discussions • Convening of National Elections • Alignment of Development Plans to MDGs, WSSD commitments, Mauritius Strategy and other Global Commitments	Ministry of Foreign Affairs & External Trade Ministry of Industry, Tourism,	MFAET Quarterly and annually reports	The immediate challenge is for the country to regain its lost credibility Foreign policies to

Output	KPI	Actions Required	Implementing Agencies	Reporting Mechanism	Commentary and Phase
opportunities *Diligent and Influential foreign trade office and missions*	of Fiji nationals as skilled and/or seasonal workers by 2009 ● Increased inflow of development aid, in particular Aid for Trade facility by 2009 ● Donor Roundtable Meeting in 2009 ● Formalization of Diplomatic training programme in selected local academic institution by 2009	● Bilateral discussions with Australia and NZ (and Forum Island Countries) on temporary worker scheme ● Develop TOR for Review of Foreign Trade Missions ● Formalization of Diplomatic training programme established in selected local academic institution ● Review of Foreign Trade Missions ● Review of Foreign Trade Missions	Trade & Communication Department of Environment NGOs and Civil Society Ministry of Education	MFAET & MLIRE/ Quarterly follow-up MFAET, MOE, USP, UOF & FIT Quarterly	focus on its commitment in restoring relationship with the global family through returning to true democracy and pro-active participation in the international fora, respecting the provisions of international treaties and fostering fruitful bilateral and multilateral diplomatic relations with friendly nations and international organizations

NATIONAL TASK TEAM MEMBERSHIP

National Task Team 1 – Good Governance

1. Mr. Josefa Serulagilagi (Co-Chair) (*Chairman, Tailevu Provincial Council*);
2. Mr. Aiyaz Sayed-Khaiyum (Co-Chair) (*Attorney-General and Minister for Justice, Public Enterprises, Electoral Reform and Anti-Corruption*);
3. Mr. Filipe Bole (*Minister for Education, National Heritage, Culture and Arts, Youth and Sports);*
4. Ratu Epeli Ganilau (*Minister for Defence, National Security and Immigration*)
5. Ratu Williame Katonivere (*Macuata Provincial Council*);
6. Ratu Meli Bolobolo (*Ra Provincial Council*);
7. Mr. Daniel Urai (*Fiji Trade Union Congress*);
8. Ratu Meli Vesikula (*Peoples Initiatives for Change*);
9. Mr. Rajeshwar Kumar (*Lord Mayor, Nasinu*);
10. Rev. Akuila Yabaki (*Citizens Constitutional Forum*);
11. Ms. Penelope Moore (*Women's Action for Change*);
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6. Ms. Lorine Tevi
7. Ratu Samuela Waqanaceva

Non-Government Members
8. Fr. Kevin Barr
9. Mr. Hassan Khan
10. Professor Richard Naidu
11. Prof. Vijay Naidu
12. Mr. Michael Brook
13. Ms. Leba Halofaki
14. Ms. Teresa Apted
15. Mr. Savenaca Nacanaitaba
16. Dr. Mary Schramm
17. Ms. Alisi Daurewa
18. Mr. Ajay Ashween Kumar
19. Rev. John Teana
20. Ms Suruj Mati Nand
21. Mr. Mesake Dakai
22. Mr. Mesake Senibulu

Government Members
23. Mr. Viliame Naupoto
24. Mr. Ross Ligairi

25. Ms. Litia Mawi
26. Ms. Latileta K. Makasiale
27. Mr. Albert Rosa
28. Mr. Tevita Boseiwaqa
29. Ratu Tevita Uluilakeba Mara
30. Ms. Ilisapeci Rokotunidau

Working Group 8 – Meeting Basic Needs, Education, Health and Housing

NCBBF Members
1. Ms. Lorine Tevi
2. Mr. Dewan Chand Maharaj
3. Dr. Jiko Luveni
4. Mr. Atunaisa Lacabuka
5. Mr. Desmond Whiteside

Non-Government Members
6. Mr. Alipate Naiorosui (Chair)
7. Mr. Isikeli Nasoga
8. Mr. Philip Michael Filipo
9. Dr. Neil Sharma
10. Dr. Sitiveni Yanuyanutawa
11. Ms. Ms. Mere Rokosawa
12. Mr. Sam Foi
13. Ms. Sushila Pathik
14. Mr. Alec Fatiaki
15. Mr. Mesake Dakai
16. Mr. Ugesh Narayan
17. Mr. Mike Brook
18. Dr. Graham Roberts
19. Ms. Urmila Prasad Jokhan
20. Fr. Kevin Barr
21. Mr. Humphrey Chang

Government Members
22. Mrs. Emi Rabukawaqa
23. Mr. Netani Baleiwaievo Rika
24. Mr. Jone Tavainavesi
25. Mr. Subhas Chandra
26. Ms. Rusieli Taukei
27. Dr. Ami Chandra

Working Group 9 – National Identity and the Role of Religion and Culture in Nation Building

NCBBF Members
1. Rt. Epeli Nailatikau
2. Mr. Dijendra Singh

3. Mr. Kamlesh Arya
4. Ms. Lorine Tevi (Chair)
5. Mr. Dewan Chand Maharaj
6. Mr. Atunaisa Lacabuka
7. Mr. Desmond Whiteside
8. Ratu Meli Vesikula

Non-Government Members
9. Mr. Aisake Casimira
10. Mr. Bhuwan Dutt
11. Ms. Tessa Mackenzie
12. Prof. Satendra Nandan
13. Mr. Indra Deo
14. Ms. Marama Sovaki
15. Mr. Mike Brook

Government Members
16. Ms. Laisa Vueti
17. Mr. Mosese Semi
18. Mr. Peni Cavuilagi
19. Mr. Misiwaini Qereqeretabua
20. Mr. Are Wakowako
21. Mr. Ram Chandar
22. Mr. Nemani Drova
23. Mr. Sefanaia Qalobogidua

ISSUES AND DISCUSSION PAPERS

The following Issues and Discussion Papers (IDPs) were dedicated to the NTTs to assist each WG in its examination of the tasks assigned to it:

NTT1 – Good Governance

WG 1 Governance, Leadership, Constitutional and Electoral Reform

(i)   Leadership;
(ii)   The Urgency for a Change of Electoral System;
(iii)   The Political Architecture of Democracy: Power Sharing Options for Fiji;
(iv)   The Effectiveness of Fiji's Legal System;
(v)   Accountability Mechanisms; and
(vi)   Background Paper on the Role of the Media in a Democratic Fiji Islands.

WG 2 Institutional and Public Sector Reform

(i)   Freedom of Information Legislation in Fiji;
(ii)   Public Sector Reforms;
(iii)   Improving Policy Making;
(iv)   Improving Service Delivery in the Public Sector;
(v)   Background Paper on Fijian Administration; and
(vi)   Review of Fijian Institutions.

WG 3   The Role of Fiji's Security Forces in National Development

(i)   Effectiveness of Police Force and Prisons Services;
(ii)   Ending the Coup Culture;
(iii)   Role of the Republic of Fiji Military Forces; and
(iv)   National Security Coordination.

NTT2 – Growing the Economy

WG4   Clarifying the Respective Roles of Government, Private Sector and Civil Society to achieve stronger growth, greater equity and sustainability

(i)   Strengthening Civil Society Organisations as Advocates and Partners with Government in Service Delivery Programmes;
(ii)   Environmental Management

	(iii)	Options for Monetary Policy and the Exchange Rate Regime and
	(iv)	Achieving Change, Peace and Progress through Outer Islands Development.

WG5   Development of the Financial Services Sector

No IDPs were prepared, but detailed submissions were made by the players in the financial sector including RBF, FNPF and CMDA.

WG6   Development of Resource Based Sectors

	(i)	Marketing and Management in Fiji's Agriculture Sector; and
	(ii)	Increasing the Availability of Leased Land for Productive and Social Purposes.

NTT3 – Socio-Cultural identity and Nation Building

WG7   Poverty, Social Justice & Human Rights

	(i)	An assessment and identification of policies and strategies on poverty alleviation;
	(ii)	A review of the effectiveness of social justice programmes; and
	(iii)	The effectiveness of human rights legislation in preserving and protecting human rights in Fiji.

WG8   Meeting Basic Needs : Housing, Health and Education

	(i)	Quality Homes and Sustainable Communities;
	(ii)	Meeting Health Care Needs; and
	(iii)	Education.

WG9   National Identity and the role of Religion and Culture in Nation Building

	(i)	Benefits of Having a Common National Identity;
	(ii)	Contribution of Education, Values and Symbols towards National Unity and Identity;
	(iii)	Role of Culture, Literature, Language and Religion in Nation-Building; and
	(iv)	Role of Culture, Education and Religion in Nation-Building.

Outreach and Consultation at Village and Settlement Level

Central

1. Alastair Ward	36. Koio
2. Rt Timoci S Vulaidausiga	37. Korolailai
3. Qauwai, Nausori.	38. Savura
4. Muanaweni Settlement	39. Newtown
5. Suva Youth	40. Caubati Methodist Church MYF
6. Nabua Youth	41. Kaudamu Meth Church, Suva
7. Reservoir Rd Sett. Suva	42. Delaivalelevu Indian Comm.
8. Tamavua-i-wai Sett, Suva	43. Nasinu Youth.
9. Delainakua Sett.	44. National Youth Group, Nasinu
10. Fulaga Sett.	45. Delaivalelevu, Nasinu.
11. Valenimanumanu Sett	46. RFMF Married Quarters, Nabuni.
12. Kecisemani/Veikaveti Sett.	47. Upper Cunningham Indian Comm.
13. Wailoku Sett.	48. Caubati MYF Consultant
14. Wairua Sett	49. Burekalou Sett, Nepani
15. Vilamaria Sett	50. Naivolasiga Cell Grp, Davuilevu.
16. Namadai Sett.	51. Veisari Squatter Sett, Suva
17. Kalekana Sett	52. Lower Cunningham Indian Comm.
18. Qauia Sett	53. Delaitokatoka Meth. Church.
19. Kauvula Sett	54. Raiwaqa Meth Womens Circuit
20. Delainavesi	55. Delaivalelevu Fijian Comm.
21. Kilikali Sett	56. Baulevu/Koroqaqa Indian Comm.
22. Vunidakua	57. Namara Sett, Nasinu
23. Tutaleva	58. Waisavusavu, Naitasiri.
24. Muanivatu	59. Serea, Soloira, Naitasiri
25. Veidogo	60. Delaiwaimale, Naitasiri
26. Nanuku	61. Nakorovatu, Naitasiri
27. Wailea 1	62. Nabukaluka, Naitaisiri
28. Wailea 2	63. Nakini, Naitasiri
29. Lagilagi	64. Lomaivuna. Naitasiri
30. Peciseita	65. Sawani, Naitasiri
31. Lovoni	66. Navolau, Naitasiri
32. Wailekutu	67. Lutu, Naitasiri
33. Valenicina	68. Udu, Naitasiri
34. Marata	69. Naqeleqai, Naitasiri
35. Baliwai	70. Nakorosule, Naitasiri

71. Nabaitavo, Naitasiri	112. Nasava
72. Naluwai, Naitasiri	113. Narokorokoyawa
73. Nairukuruku, Naitasiri	114. Sawanikula
74. Koio	115. Bukunivatu
75. Korolailai	116. Lomai
76. Savura	117. Taulevu
77. Newtown	118. Nabena
78. Caubati Methodist Church MYF	119. Waidracia
79. Kaudamu Meth Church, Suva	120. Waisasavu
80. Delaivalelevu Indian Comm.	121. Nasoqo
81. Nasinu Youth.	122. Udu
82. National Youth Group, Nasinu	123. Laselevu
83. Delaivalelevu, Nasinu.	124. Nasalia
84. RFMF Married Quarters, Nabuni.	125. Wairuarua
85. Upper Cunningham Indian Comm.	126. Dreketi
86. Caubati MYF Consultant	127. Nawaisomo
87. Burekalou Sett, Nepani	128. Navatisila Sett
88. Naivolasiga Cell Grp, Davuilevu.	129. Namatanidrika Sett
89. Veisari Squatter Sett, Suva	130. Waibalavu
90. Lower Cunningham Indian Comm.	131. Saumakia
91. Delaitokatoka Meth. Church.	132. Navuniyasi
92. Raiwaqa Meth Womens Circuit	133. Sanavila
93. Delaivalelevu Fijian Comm.	134. Korovou
94. Baulevu/Koroqaqa Indian Comm.	135. Vatulili
95. Namara Sett, Nasinu	136. Vanuakula
96. Waisavusavu, Naitasiri.	137. Nawadina
97. Serea, Soloira, Naitasiri	138. Tabanimako Sett.
98. Delaiwaimale, Naitasiri	139. Navulokani Sett.
99. Nakorovatu, Naitasiri	140. Waidradra Sett.
100. Nabukaluka, Naitaisiri	141. Vatukorosia
101. Naqali, Naitasiri	142. Navuakece Sett
102. Narokorokoyawa, Naitasiri	143. Waitaqolo sett.
103. Naivucini, Naitasiri	144. Savurua sett.
104. Navolau, Naitasiri	145. Noiumalu District
105. Bureni, Naitasiri	146. Bukunivatu
106. Bukunivatu	147. Saunikula
107. Waibasaga	148. Navunimono, Tailevu
108. Muaira	149. Visama, Tailevu
109. Lomai	150. FEMLINK
110. Tubarua	151. Naranji, Tamavua,
111. Nasauvere	TAILEVU
	152. Naigani

153.	Mokani	195.	Viwa
154.	Nailega	196.	Naila
155.	Sawakasa 1	197.	Vatoa
156.	Sawakasa 2	198.	Verata wailevu
157.	Burerua	199.	Nabouva'
158.	Dakuinuku	200.	Naqeledamu
159.	Lodoni	201.	Souva Sett.
160.	Vorovoro	202.	Vusuya sett
161.	Nananu	203.	Dromuna
162.	Burelevu	204.	Nadali
163.	Lawaki	205.	Naluna, Tailevu.
164.	Qelekuro	206.	Vutuvo, Tailevu
165.	Nabualau	207.	Luvunavuaka, Tailevu
166.	Delaikuku	208.	Dravo, Tailevu
167.	Nadrano	209.	Maumi, Tailevu
168.	Driti	210.	Nabitu, Tailevu
169.	Natalaira	211.	Tobuniqio, Tailevu
170.	Silana	212.	Burerua, Tailevu
171.	Nasinu	213.	Naikawaga, Namara, Tailevu
172.	Delasui	214.	Nadranu, Namena, Tailevu.
173.	Nataradave	215.	Nabau Sett, Qelekuro, Tailevu.
174.	Matamaivere	216.	Nabilo, Korovou, Tailevu
175.	Molituva	217.	Naila, Bau, Tailevu.
176.	Naduru	218.	Kuku, Vuci AOG Church
177.	Tubalevu	219.	Vuci, Tokatoka, Tailevu.
178.	Vadrai	220.	Naburenivalu, Namena, Tailevu.
179.	Nasilai	221.	Navunisole, Namalata, Tailevu.
180.	Naimalovau	222.	Vatani, Dromuna, Tailevu
181.	Vatorua	223.	Naisausau, Namara, Tailevu.
182.	Vatani	224.	Kiuva, Tailevu
183.	Naloto	225.	Ovea, Bau, Tailevu.
184.	Ucunivanua	226.	Buretu Tailevu
185.	Kumi	227.	Naisaumua, Tailevu
186.	Navunimono	228.	Nasogovau, Tailevu
187.	Veinuqa	229.	Dravuni, Verata, Tailevu.
188.	Davetalevu	230.	Nakorolevu, Namara, Tailevu
189.	Naitutu	231.	Nakalawaca, Tailevu
190.	Uluiloli	232.	Naivakacau, Tailevu
191.	Nabulini	233.	Naiborebore, Tailevu
192.	Naibita	234.	Namuka, Nakelo, Tailevu
193.	Wailevu	235.	Maumi, Nakelo, Tailevu
194.	Naituvatuvavatu		

236.	Natuva, Tailevu.
237.	Nameka, Tailevu
238.	Vatukarasa, Tailevu.
239.	Yavusa Nukutabua, Yanuca Is
240.	Tonia, Tailevu
241.	Nadali, Nausori.
242.	Vunuku, Rewa
243.	Nadoi village Rewa
244.	Nabudrau, Noco, Rewa
245.	Naivikinkini, Rewa
246.	Nabua
247.	Lokia
248.	Muaivuso
249.	Waiqanake
250.	Nabaka
251.	Namakala
252.	Kalokolevu
253.	Ucuinamono
SERUA	
254.	Serua Is
255.	Nuku.
256.	Nuku, Serua
257.	Vakabalea, Serua
258.	Serua
259.	Vunaniu, Serua
260.	Qarasarau, Serua
261.	Navutulevu, Serua
262.	Galoa, Serua
263.	Vunibau, Deuba, Serua
264.	Waidradra Sett, Serua
265.	Nakaulevu Sett, Serua
266.	Lepanoni Sett, Serua
267.	Makosoi Estate
268.	Wainidrova Sett, Serua
269.	Naboutini, Serua
270.	Nabukelevu, Serua
271.	Nabukebuke, Serua
272.	Wainadoi Sett. Serua
273.	Waibogi
274.	Wainidiro
275.	Nuku
276.	Masi

277.	Sabata
278.	Naimasimasi
279.	Culanuku
280.	Sadro
281.	Nasavu
282.	Yanuca
EASTERN	
283.	Savenaca Kasana
284.	Manohar Lal
LAU	
285.	Makudru, Matuku
286.	Keteira, Moala,
287.	Maloku Moala,
288.	Qalikarua, Matuku
289.	Makadru, Matuku
290.	Natokalau, Matuku.
291.	Levukaidaku, Matuku
292.	Muana-i-cake Fulaga
293.	Muana-i-ra Fulaga
294.	Vakano, Lakeba
295.	Keteira Moala
296.	Nautovatu, Cikobia
297.	Vatulele. Cikobia
298.	Navidamu, Fulaga
299.	Naroi, Moala
300.	Lakeba Is, Lau
301.	Oneata Is, Lau
302.	Nasau, Korotolu.
303.	Matulu Is.
304.	Cicia Is.
305.	Nayau Is.
306.	Kabara Tikina, Nasole, Suva
307.	Vanuavatu
308.	Yavusa Nukuleka, Kabara
309.	Yavusa Vunigigia, Kabara
310.	Tikina Ono-i-lau, Nepani
311.	Mataqali Nakorodu, Vanuavatu
312.	Lomaloma, Vanuabalavu
313.	Namuka-i-lau. Komo
314.	Waiqori & Dakuloa, Oneata
315.	Tubou, Lakeba

316.	Levuka, Lakeba	357.	Lovu, Gau
317.	Yadrana, Lakeba	358.	Sawaieke Youth
318.	Waciwaci, Lakeba	359.	Somosomo, Gau.
319.	Nukunuku, Lakeba	360.	Koro Island High School
320.	Waitabu, Lakeba	361.	Namacu, Koro
321.	Vakano, Lakeba	362.	Nakodu, Koro
322.	Nasaqakau, Lakeba	363.	Nacamaki, Koro
323.	Nuku, Moala	364.	Nasau, Koro
324.	Vadra, Moala	365.	Viro, Ovalau
325.	Cakova, Moala	366.	Levuka, Delaikoro
326.	Vunuku, Moala	367.	Nasaga, Levuka, Ovalau
327.	Yaroi, Matuku	368.	Nasoki, Moala
328.	Navidamu, Fulaga	369.	Waitovu/Nasogo, Levuka.
329.	Nayau, Vanuavatu	370.	Viro, Ovalau
330.	Nasaqalau	371.	Draiba, Ovalau
331.	Vakano	372.	Wainaloka, Ovalau
332.	Nukunuku	373.	Niubasaga, Moturiki
333.	Suisui	374.	Nasauvuki
334.	Naricivo	375.	Naicabecabe
335.	Uruone	376.	Nasova & Prison, Ovalau
336.	Levukana	377.	Tokou
337.	Tuvuca	378.	Nukutocia
338.	Mualevu	379.	Natokalau
339.	Daliconi	380.	Mua, Batiki
340.	Malaka	381.	Wailoa, Nairai
341.	Muamua	382.	Makogai Is
342.	Yavea	383.	Wakaya Is
343.	Boitaci	384.	Tiya
344.	Muaikacuni	385.	Vatukalo, Levuka
345.	Nakabati	386.	Visoto
346.	Lomati	387.	Nacobo
347.	Dakuiloa	388.	Bureta
348.	Totoya	389.	Daku/Uluibau, Moturiki
LOMAIVITI		390.	Vagadaci
349.	Vadravadra, Gau	391.	Navuti
350.	Nawaikama, Gau	392.	Lovoni
351.	Levuka-i-Gau	393.	Nasaumatua
352.	Yadua, Gau	394.	Nakodu, Nairai
353.	Sawaieke, Gau	395.	Natauloa, Nairai
354.	Qarani, Gau	396.	Waitovu
355.	Vione, Gau	397.	Nauouo
356.	Vanuaso, Gau	398.	Rukuruku

399.	Navuloa		440.	Naqalotu
KADAVU			441.	Tawava
400.	Drue/Navuatu		442.	Lomanikoro
401.	Naikorokoro		443.	Kavala
402.	Naivakarauniniu		444.	Vacalea
403.	Vunisei		445.	Lavidi
404.	Daku		446.	Nacomoto
405.	Nauciwai/Gasele		447.	Soso
406.	Rakiraki/Naioti		448.	Muanisolo
407.	Levuka		449.	Vunisei
408.	Nakoronawa		450.	Vabea
409.	Kavala		451.	Waisomo
410.	Lawaki		452.	Nabouwalu
411.	Solotavui		453.	Buliya
412.	Lomanikoro		454.	Dravuni
413.	Nakaugasele		ROTUMA	
414.	Tavuki		455.	Itu'tiu
415.	Baidamudamu		456.	Itumuta
416.	Nagonedau		457.	Pepjei
417.	Namuana		458.	Malaha'a
418.	Galoa		459.	Noa'tau
419.	Cevai		460.	Juju
420.	Wailevu		461.	Oinafa
421.	Mokoisa		WESTERN	
422.	Muani		NADI	
423.	Ravitaki		462.	Ramendra Narayan
424.	Solovola		463.	Kamlesh Prasad
425.	Matanuku		464.	Rajendra Mani
426.	Nasegai		465.	Marika Buinadali
427.	Gasele		466.	Solovi Back Road, Nadi.
428.	Nauciwai		467.	Nawaka, Nadi.
429.	Rakiraki		468.	Nadi Airport
430.	Dagai		469.	Nadi.
431.	Talaulia		470.	Waqadra, Nadi.
432.	Lomati		471.	Nawaka, Nadi
433.	Nabukelevuira		472.	Navoci, Nadi
434.	Qalira		473.	Vunamoli, Nadi
435.	Daviqele		474.	Lomolomo Public Sch, Lautoka
436.	Nasau		TAVUA	
437.	Tabuya		475.	Tavualevu, Tavua
438.	Mataso		476.	Nabuna
439.	Yakita			

477.	Korovou
478.	Vatutavui
479.	Nadelei
480.	Narabulu
481.	Navala
482.	Nakoroboya
483.	Vitogo
484.	Naviyago
485.	Namoli
486.	Saru
487.	Vakabuli
488.	Najia
489.	Yakani
490.	Naibalebale
491.	Spsp
492.	Muaira
493.	Kese
494.	Marou
495.	Gunu
496.	Somosomo
497.	Yalobi
498.	Natawa
499.	Wayalevu
500.	Nalauwaki
501.	Nawaqadamu
502.	Uto
503.	Vunamoli
504.	Tore
505.	Rararua
506.	Marou Waikubukubu
507.	Vatucere
508.	Naiyaca
509.	Lewa
510.	Nagatagata
511.	Koro
512.	Drala
513.	Buyabuya
514.	Nadala
515.	Teci
516.	Dalomo
517.	Tamusua
518.	Bukama

519.	Nabukaru
520.	Nagado
521.	Natawa
RAKIRAKI	
522.	Burenitu Ra
523.	Nabukadra, Ra
524.	Navuniivi, Ra
525.	Nakorokula, Ra
526.	Navolau 2, Ra
527.	Barotu, Ra
528.	Dokanavatu, Ra
529.	Matawailevu, Ra.
530.	Dama
531.	Burenitu Ra
532.	Nabukadra, Ra
533.	Draunivau, Ra
534.	Matawainananu, Ra
535.	Matuku, Ra
536.	Nadogoloa, Ra
537.	Nalawa, Ra
538.	Nausori, Ra
539.	Narekoso, Ra
540.	Nawaca, Ra
541.	Nawairuku, Ra
542.	Nokonoko, Ra
543.	Tobu, Ra
544.	Savulotu, Ra
545.	Nasavusavu, Ra
546.	Naevuevu, Ra
547.	Vaidoko, Ra
548.	Vuke Sett, Ra
549.	Nukulau, Ra
550.	Vunisea, Ra
551.	Mataveikai, Ra
552.	Naraviravi, Ra
553.	Navuniyaugunu, Ra
554.	Naevuevu, Ra
555.	Matawailevu, Ra.
556.	Naivoco, Ra
557.	Delaiyadua, Ra
558.	Verevere, Ra
559.	Saioko, Ra

560.	Naocobau, Ra
561.	Nadavacia, Ra
562.	Veidrala, Ra
563.	Bucalevu, Ra
564.	Soa, Ra
565.	Naidi, Ra
566.	Mataso, Ra
567.	Savulotu, Ra
568.	Baleniga, Ra
569.	Matawailevu, Ra
570.	Nubumakita, Ra
571.	Ovalau, Ra
572.	Nawairuku, Ra
573.	Nasau, Ra
574.	Vanuakula, Ra
575.	Nakorovou, Ra
576.	Navitilevu Ra
577.	Rokovuaka, Ra
578.	Nalalawa, Ra
579.	Burenitu, Ra
580.	Namuaimada, Ra
581.	Draunivi, Ra
582.	Navuavua, Ra
583.	Naseyani, Ra
584.	Vatusekiyasawa, Ra
585.	Navuvuni, Ra
586.	Nananu, Ra
587.	Navolau No.1, Ra
588.	Vitawa, Ra
589.	Navutulevu, Ra
590.	Nasereilagi, Ra
591.	Nativi, Ra
592.	Rokoroko, Ra
593.	Naqelecibi, Ra
594.	Nasavu, Ra
595.	Nabalasere, Ra
596.	Nailuva, Ra
597.	Navuniyaumunu, Ra
598.	Naivutu, Ra
599.	Naraviravi, Ra
600.	Mateveikai, Ra
601.	Maniava 2, Ra

602.	Nailawa, Ra
603.	Narauyaba, Ra
604.	Nayaulevu, Ra
605.	Vatukacevaceva, Ra
606.	Rewasa, Ra
607.	Nokonoko, Ra
608.	Nalawa Multiethnic Sett, Ra
609.	Ra Youth
NADROGA/NAVOSA	
610.	Batiri, Malomalo, Nadroga
611.	Kabisi, Tuva, Nadroga.
612.	Nabalebale, Nadroga
613.	Tuvu, Bemana, Nadroga
614.	Namada, Nadroga
615.	Vunimoli, Nadroga
616.	Tubenasole, Nadroga
617.	Namulomulo, Nadroga
618.	Raiwaqa, Nadroga
619.	Naviyago, Nadroga
620.	Togovere, Tuva, Navosa
621.	Tonuve, Navosa
622.	Sawene, Navosa.
623.	Draiba, Sawene
624.	Keiyasi, Navosa
625.	Navula, Navosa
626.	Wauosi, Navosa
627.	Nasaucoko, Navosa
628.	Nausori Highland, Navosa
629.	Korolevu, Navosa
630.	Nakuilau, Navosa
631.	Nakoro, Navosa
632.	Draubuta, Navosa
633.	Nabuyanitu, Navosa
634.	Wema, Navosa
635.	Vatubalavu, Navosa
636.	Nasikawa, Nadroga
637.	Waibasaga, Navosa
638.	Matokana, Navosa
639.	Nabau/Semo, Navosa
640.	Namatakula
641.	Vucilevu
642.	Biuasevu

643.	Namoli		685.	Namuamua, Namosi
644.	Komave		686.	Nukusere
645.	Votua		687.	Nakavika
646.	Nukuilau		688.	Saliadrau
647.	Votualailai		689.	Namosi
648.	Naroko		690.	Navunibau
649.	Vatukarasa		691.	Navuniyasitu
650.	Balenabelo		692.	Waivaka
651.	Vunayawa		693.	Nasoqo
652.	Naivibuli		694.	Wainilotulevu
653.	Sovi		695.	Wainiyavu
654.	Nadrala		696.	Buratu
655.	Korotogo		697.	Vundavo
656.	Naroko		698.	Veivatuloa
657.	Nawamagi		699.	Mau
658.	Barata		700.	Nabukavesi
659.	Yako		701.	Qilai
660.	Vatubalavu		702.	Navunisoco
661.	Nabila		703.	Lobau
662.	Tau		704.	Namelimeli
663.	Navata		705.	Nakavu
664.	Nakoroqura		706.	Naqarawai
665.	Waibasaga		707.	Wanimakutu
666.	Bavu		708.	Naraiyawa
667.	Motokana		709.	Dranikula
668.	Naveisabasaba		B A	
669.	Vasama		710.	Waqadra Multiethnic comm.
670.	Sanasana		711.	Namulomulo, Ba
671.	Sawena		712.	Magodro, Ba.
672.	Emuri		713.	Vunamoli, Ba
673.	Malomalo		714.	Senior Citizens Facility, Ba
674.	Nalele		715.	Nailaga, Ba
675.	Naoromai		716.	Naloto, Ba
676.	Nalele		717.	Bulu, Ba
677.	Nasaucoko		718.	Viwa, Ba
678.	Vanatovau		719.	Nacula, Ba
679.	Tilivalevu		720.	Vuda, Ba
680.	Wauosi		721.	Rukuruku, Ba
681.	Tagaqe		722.	Qaliyalatina, Ba
682.	Malomalo		723.	Koronubu Indian Comm.
683.	Lomawai		724.	Nukuloa Sett, Ba
684.	Malevu		725.	Moto Bhartiya Sch, Ba

726.	Tavaru Indian Sch, Ba
727.	Wailailai Kuti, Ba
728.	Vatulaulau, Police Post, Ba
729.	Vaturu, Ba
730.	Savatu, Ba
731.	Naviti, Ba
732.	Rararua
733.	Dreke
734.	Nawaqadamu
735.	Yavuna
736.	Narewa
737.	Viwa
738.	Yasawairara
739.	Tubanasolo
740.	Yavusania
741.	Sikituru
742.	Palomo
743.	Naisisili
744.	Votua, Ba
745.	Nawaqarua, Ba
746.	Matawalu
747.	Nasolo, Ba
748.	Koroqaqa
749.	Natutu, Ba
750.	Natalacake, Ba
751.	Vadravadra, Ba
752.	Sasa, Ba
753.	Navaga, Ba
754.	Bukuya, Ba
755.	Viseisei, Ba
756.	Lauwaki
757.	Abaca
758.	Malakati
759.	Vuaki
760.	Namatayalevu, Ba
761.	Natalau
762.	Naboutini
763.	Nadele
764.	Korobebe
765.	Balevuto
766.	Nadrugu
767.	Toge

768.	Rara
769.	Nalotawa
770.	Taburaki
771.	Yaloku, Ba

772.	Arya Prayindhi Sabha of Fiji		814.	DAC Serua/Namosi
773.	Fiji Muslim League		815.	DAC Rewa
774.	Gujarat Samaj		816.	DAC Naitasiri
775.	Methodist Church of Fiji		817.	Ba Province
776.	Saint Andrews Presbyterian		818.	Rotuma Island Council
777.	Shri Sanatan Dharam of Fiji		819.	Provicial Youth Forum
778.	Roman Catholic Church		820.	PRB Housing , Toorak, Raiwai
779.	Fiji Labour Party		821.	PRB Housing Raiwaqa
780.	United People's Party		822.	ECREA
781.	Daily Post		823.	PRB Housing Nadera
782.	Denarau Is Resort		824.	PRB Housing New town
783.	Fiji Australia Business Council		825.	DAC Northern Div
784.	Fiji Chamber of Commerce		826.	Citizen's Constitutional Forum
785.	Fiji Institute of Accountants		827.	FCOSS
786.	Fiji Resorts ltd		828.	Fiji Disabled People's Assc
787.	Fiji Women's Rights Movement		829.	Fiji Forum of Non State Actors
788.	Naisoqosoqo Vakamarama		830.	FICTU
789.	National Council for Women		831.	Fiji National Council for Disabled People
790.	British High Comm		832.	FTA
791.	World Bank		833.	National Youth Advisory Board
792.	ABC Foundation			
793.	Chinese Association of Fiji			**INDIVIDUALS**
794.	Tailevu Provincial Council		834.	Aseri Tokalaulevu
795.	Roko Tuis, Nadave		835.	Dave Aidney
796.	NAC, Holiday Inn		836.	Dr. Mohammed Yunus
797.	Cakaudrove Provincial Council		837.	Dr. A.Q. Buksh
798.	Nadroga/Navosa Prov. Council.		838.	Steve Ratuva
799.	Ba Prov. Council		839.	Filipe Bole
800.	Ra Prov Council		840.	Fr. Kevin Barr
801.	Lomaiviti Provincial Council		841.	Mr. Hari Punja
802.	Tuva District Council		842.	Ikbal Jannif
803.	Serua Dist Council		843.	I. Kaloumaira
804.	Bua Provincial Council		844.	John Teaiwa
805.	Rewa Provincial Council		845.	Kanti Lal Tappoo
806.	Rewa Prov Council		846.	Maan Singh
807.	Lau Prov Council		847.	Mahendra Motibhai
808.	YWCA		848.	Mike Brook
809.	ACS Old Girls		849.	Dixon Seeto
810.	Namosi Prov Coucil		850.	Nalin Patel
811.	FTA Executives		851.	Petero Delai
812.	DAC Lomaiviti		852.	Satendra Nandan
813.	DAC Tailevu			

853.	Sukdhev Shah	895.	Jayant Maharaj
854.	Vijay Naidu	896.	Lakhan Kumar
855.	G. Hassall	897.	Mrs. Coral Kennedy
856.	Prof. Rajesh Chandra	898.	Dr. Arjun Singh
857.	Josateki Koroi	899.	Umesh Narayan
858.	RG McDonald	900.	Narendra Reddy
859.	Semi Uluivuya Bagaga	901.	NAC Taskforce
860.	Setefano Osonamoli	902.	Teatu Rewi
861.	Moti Tikaram	903.	Macuata Provincial Meeting
862.	Suliana Siwatibau	904.	Sanju Reddy
863.	Teresa J Apted	905.	Ram Deo
864.	YP Reddy	906.	Cr Leslie Williams, Mayor of Labasa
865.	Praveen Bala	907.	James & Kyoka Bandy, ALSO Island Limited, Qaraicikobia
866.	Leslie Williams		
867.	Rohit Kumar	908.	Mohammed Jakir Hussain, Soasoa Indian Community
868.	Timoci Koroiqica		
869.	Rajeshwar Kumar	909.	Mrs Miliakere Dugulele, Lovoniqai Settlement, Nayarabale
870.	Vikash Singh		
871.	Ratu Isikeli Tasere		
872.	VS Burenivalu	910.	Parbhu Dayal, Cawaira Settlement, Labasa
873.	SL Lalibuli		
874.	SL Rabuka	911.	Sanju Reddy, Elvis Shameer & Eroni Ranadali, Nasea
875.	Tarterani rigamoto		
876.	J. Nawalowalo	912.	Macuata Provincial Council, Labasa
877.	Peni Sokia		
878.	J. Matanatabu	913.	Safiq Mohammed, Bua
879.	L.Naikasewa		
880.	Solomoni Naivalu		
881.	S Tuilawaki		
882.	Rosi Waivure		
883.	T Tabukarawa		
884.	Vananalagi L		
885.	Joseva Serulagilagi		
886.	Winston Thomson		
887.	Filipe Bole		
888.	JB Mar		
889.	Savenaca Nacanaitaba		
890.	V.M Tagivetaua		
891.	Savenaca Narube		
892.	Bhoo P Ghautam		
893.	Davendra Naidu		
894.	G. Williams		

NORTHERN DIVISION	
Cakaudrove	
Community/Settlement Submissions	
914. Waibula Community	
915. Nacaugai Community	
916. Matei Community	
917. Naviavia Melanesian Community	
918. Belego Community	
919. Buca Community	
920. Rava Community	
921. Devodara Community	
922. Natakea Community	
923. Taburewa, Rabi Island	
924. Kioa Island	
925. Kasavu Settlement	
926. Tabia Settlement, Nayarabale	
927. Nayagalevu Settlement, Vanuavou	
928. Kaka Settlement, Tabia	
929. Vuniama Settlement, Tabia	
930. Nakabuta Settlement	
931. Wailailai Settlement, Navonu	
932. Nayagalevu Settlement, Vanuavou	
933. Mataqali Bucaira (I), Tabua Settlement	
934. Mataqali Bucaira (II), Namaqala Settlement	
935. Mataqali Burevakacegu, Namaqala Settlement	
DISTRICT	
936. Nasavusavu District	
937. Wailevu District	
938. Koroalau District	
939. Saqani District	
940. Natewa District	
941. Wairiki District	
942. Tunuloa District	
943. Vaturova District	
944. Navatau District	
945. Naweni District	
946. Tawake District	

947. Wainikeli District, Taveuni	
948. Vuna District, Taveuni	
949. Cakaudrove District, Taveuni	
950. Laucala District, Taveuni	
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Cakaudrove District	
951. Dakuniba Village	
952. Nakobo Village	
953. Nakuku Village	
954. Nawi Village	
955. Nanuku Village	
Koroalau District	
956. Bucalevu Village	
957. Nabua Village	
958. Nakawaga Village	
959. Nukubolu Village	
960. Vunidogoloa Village	
961. Vuinadi Village	
Nasavusavu District	
962. Nacavanadi Village	
963. Naceakoro Village	
964. Nagigi Village	
965. Nukubalavu Village	
966. Savudrodro Village	
967. Vivili Village	
968. Waivunia Village	
969. Yaroi Village	
Natewa District	
970. Buca Village	
971. Dawa Village	
972. Nadavaci Village	
973. Natewa Village	
974. Tukavesi Village	
975. Vusaratu Village	
976. Vusasivo Village	

Navatu District	
977.	Drekeniwai Village
978.	Korolevu Village
979.	Koronatoga Village
980.	Korosi Village
981.	Lea Village
982.	Nasinu Village
983.	Navakaka Village
984.	Tabia Village
985.	
986.	Viani Village
Naweni District	
987.	Dromoninuku Village
988.	Naweni Village
989.	Tacilevu Village
Saqani District	
990.	Biaugunu Village
991.	Lakeba Village
992.	Malake Village
993.	Maravu Village
994.	Naboutini Village
995.	Nacula Village
996.	Nadogo Village
997.	Natuvu Village
998.	Navetau Village
999.	Saqani Village
1000.	Sese Village
1001.	Valovoni Village
1002.	Vuniwai Village
1003.	Wainikoro Village
1004.	Yasawa 1 Village
Tawake District	
1005.	Nagasauva Village
1006.	Tawake Village
1007.	Vatu Village
1008.	Wainigadru Village
1009.	Wainiika Village

1010.	Yasawa II Village
Tunuloa District	
1011.	Muana Village
1012.	Nalou Village
1013.	Naqaravatu Village
1014.	Kanakana Village
1015.	Karoko Village
1016.	Koroivonu Village
1017.	Salia Village
1018.	Wailevu Village
Vaturova District	
1019.	Domokavu Village
1020.	Korokoli Village
1021.	Korotasere Village
1022.	Lekutulevu Village
1023.	Naqera Settlement
1024.	Nayarabale Village
1025.	Nayagalevu Village
1026.	Vatukuca Village
1027.	Vaturamulo Village
1028.	Vaturamulo Village (II)
1029.	Wavu Village
Wailevu District	
1030.	Bagata Village
1031.	Batiri Village
1032.	Batiri Village (II)
1033.	Dawara Village
1034.	Dawara Village (II)
1035.	Dreketi Village
1036.	Dreketi Village (II)
1037.	Jerusalemi Village
1038.	Keka Village
1039.	Laucala Village
1040.	Levuka Village
1041.	Nabaci Village
1042.	Nabalebale Village
1043.	Nadamole Village
1044.	Naidi Village
1045.	Naiqaqi Village

1046. Nakalavo Village	1080. Bocalevu Multiethnic Community
1047. Nakasa Village	1081. Nakama Multiethnic Community
1048. Naloaloa Village	1082. Seaqaqa Multiethnic Community
1049. Natua Village	1083. Seaqaqa Multiethnic Community (II)
1050. Natuvu Village	1084. Naisavau Point Multi-Ethnic Community
1051. Naviavia Village	
1052. Naviavia Settlement	1085. Soasoa Settlement, Dama
1053. Nayaralagi Village	1086. Cawaira Settlement, Labasa
1054. Urata Village	1087. Dama Settlement, Labasa
1055. Vakativa Village	1088. Soasoa Settlement, Labasa
1056. Valeni Village	1089. Multiethnic Communities, Wainikoro
1057. Vatulele Village	
1058. Vatuvonu Village	1090. Multiethnic Communities, Labasa
1059. Vuadomo Village	1091. Multiethnic Communities, Seaqaqa
1060. Vunivesi Village	1092. Yavusa Vuniwai, Naseavakaviti
1061. Vunidamoli Village	1093. Cikobia District School
1062. Vunidawamoli Village	

Wairiki District	**DISTRICT**
1063. Navakuru Village	1053. Dreketi District
1064. Matalolo Village	1094. Seaqaqa District
1065. Satuwaki Village	1095. Macuata District
1066. Suweni Village	1096. Sasa District
	1097. Udu District
Individual/Group submission	1098. Dogotuki District
1067. Cakaudrove Provincial Committee	1099. Namuka District
	1100. Nadogo District
	1101. Mali District
	1102. Wailevu District
MACUATA	1103. Labasa District
Community/Settlement Submissions	1104. Cikobia District
1068. Wavuwavu Multiethnic Community	
1069. Wainikoro Multiethnic Community	**Villages**
1070. Labasa Multiethnic Community	**Cikobia District**
1071. Lagalaga Multiethnic Community	1105. Nalele Village
1072. Qawa Multiethnic Community	1106. Nautovatu Youth, Nautovatu, Village
1073. Muanidevo Multiethnic Community	
1074. Naduna Multiethnic Community	1107. Nautovatu Men, Nautovatu Village
1075. Vunicuicui Multiethnic Community	1108. Vatulele Women, Vatulele Village
1076. Vuo Multiethnic Community	1109. Vatulele Men, Vatulele Village
1077. Korovatu Multiethnic Community	1110. Vuninuku Village
1078. Batinikama Multiethnic Community	
1079. Waiqele Multiethnic Community	

Dogotuki District	
1111.	Dogotuki Village
1112.	Kedra Village
1113.	Lagi Youth, Lagi Village
1114.	Lagi Men, Lagi Village
1115.	Nabuna Village
1116.	Namako Village
1117.	Namukalau Village
1118.	Nayaroyaro Village
1119.	Qaranivai Village
1120.	Rauriko Village
1121.	Saroni Village
1122.	Vitina Village
1123.	Vugalei Village
Dreketi District	
1124.	Lutukina Village
1125.	Nabavatu Village
1126.	Tabulotu Village
1127.	Vuinaqalutu Village
Labasa District	
1128.	Dreketilailai Village
1129.	Lovelove Village
1130.	Mataniwai Village
1131.	Qelemumumu Village
1132.	Raranibulubulu Village
1133.	Vuiyakana Village
1134.	Vuo Village, Labasa
Macuata District	
1135.	Buavou Village
1136.	Daku Women, Daku Village
1137.	Daku Youth, Daku Village
1138.	Daku Men, Daku Village
1139.	Kia Village
1140.	Ligau Youth, Ligau Village
1141.	Ligau Women, Ligau Village
1142.	Ligau Men, Ligau Village
1143.	Nabukadogo Village
1144.	Naividamu Village
1145.	Nakalou Village

1146.	Namama Village
1147.	Naqumu Village
1148.	Nasea Village
1149.	Nasuva Village
1150.	Raviravi Village
1151.	Yaro Village
Mali District	
1152.	Batinikama Village
1153.	Bulileka Village
1154.	Matailabasa Village
1155.	Nakawaga Youth, Nakawaga Village
1156.	Nakawaga Women, Nakawaga Village
1157.	Nakawaga Men, Nakawaga Village
1158.	Nakorowiri Village
1159.	Nasekula Village
1160.	Nubunikavula Village
1161.	Vesi Men, Vesi Village
1162.	Vesi Youth, Vesi Village
1163.	Vesi Women, Vesi Village
1164.	Vunivau Village
1165.	Vunimoli Village
Nadogo District	
1166.	Bulu Village
1167.	Mouta Village
1168.	Nabutubutu Village
1169.	Nakelikoso Village
1170.	Nasasa Village
1171.	Naqili Village
1172.	Navukebuli Village
1173.	Nosovivi Village
1174.	Nubu Village
1175.	Vunivutu Village
Namuka District	
1176.	Cawadevo Village
1177.	Delaivadra Village
1178.	Kavewa Men, Kavewa Village
1179.	Lakeba Village

1180. Matainadoi Village	1213. Vatulovona Village
1181. Nabubu Village	1214. Vuinakawakawa Village
1182. Naua Village	1215. Wailevu Village
1183. Qelewara Village	1216. Waisali Village
1184. Ravuka Village	1217. Yaudigi Village
1185. Salevukoso Village	
1186. Sogobiau Village	
1187. Visogo Village	**BUA**
Sasa District	**Community Submissions**
1188. Korovuli Village	1218. Vunivau Community
1189. Nakavika Village	1219. Nakabua Community
1190. Nasealevu Village	1220. Wainivesi Community
1191. Navakasobu Village	1221. Nabunikadamu Community
1192. Sasa Village	1222. Korokadi Community
1193. Vuiraqilai Village	1223. Nasarawaqa Community
Seaqaqa District	**Village Submissions**
1194. Batiri Village	**Dama District**
1195. Lomaloma Village	1253. Nasau Village
1196. Nacereyaga Village	1224. Nawaca Village
1197. Namakomako Village	1225. Dama Village
1198. Nayarailagi Village	1226. Tavulomo Village
1199. Saivou Village	1227. Naruwai Village
1200. Vesidrua Village	
Udu District	**Wainunu District**
1201. Nabouono Village	1228. Daria Village
1202. Cawaro Village	1229. Navakasali Village
1203. Nukudamu Women, Nukudamu Village	1230. Saolo Village
1204. Nukudamu Youth, Nukudamu Village	1231. Cogea Village
	1232. Nadua Village
1205. Nukusa Women, Nukusa Village	
1206. Nukusa Youth, Nukusa Village	
1207. Nukusa Men, Nukusa Village	**Kubulau District**
1208. Vunikodi Village	1233. Natokalau Village
	1234. Raviravi Village
Wailevu District	1235. Kiobo Village
1209. Dogoru Village	1236. Navatu Village
1210. Nakama Village	1237. Nakorovou Village
1211. Nasaqa Village	1238. Nadivakarua Village
1212. Savusavuitaga Village	1239. Kilaka Village

Solevu District	
1240.	Nawaido Village
1241.	Nawaido Village
Navakasiga District	
1242.	Naiviqiri Village
1243.	Nasau Village
1244.	Naivaka Village
Bua District	
1245.	Waitabu Village
1246.	Koroinasolo Village
1247.	Bua Lomanikoro Village
Lekutu District	
1248.	Kavula Village
1249.	Tavea Village
1250.	Votua Village
1251.	Banikea Village
1252.	Namuavoivoi Village
1253.	Nasarowaqa Village
1254.	Galoa Village
1255.	Yaqaga Village, Yaqaga Island
1256.	Bua Advisory Council, Nasarawaqa, Bua

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