

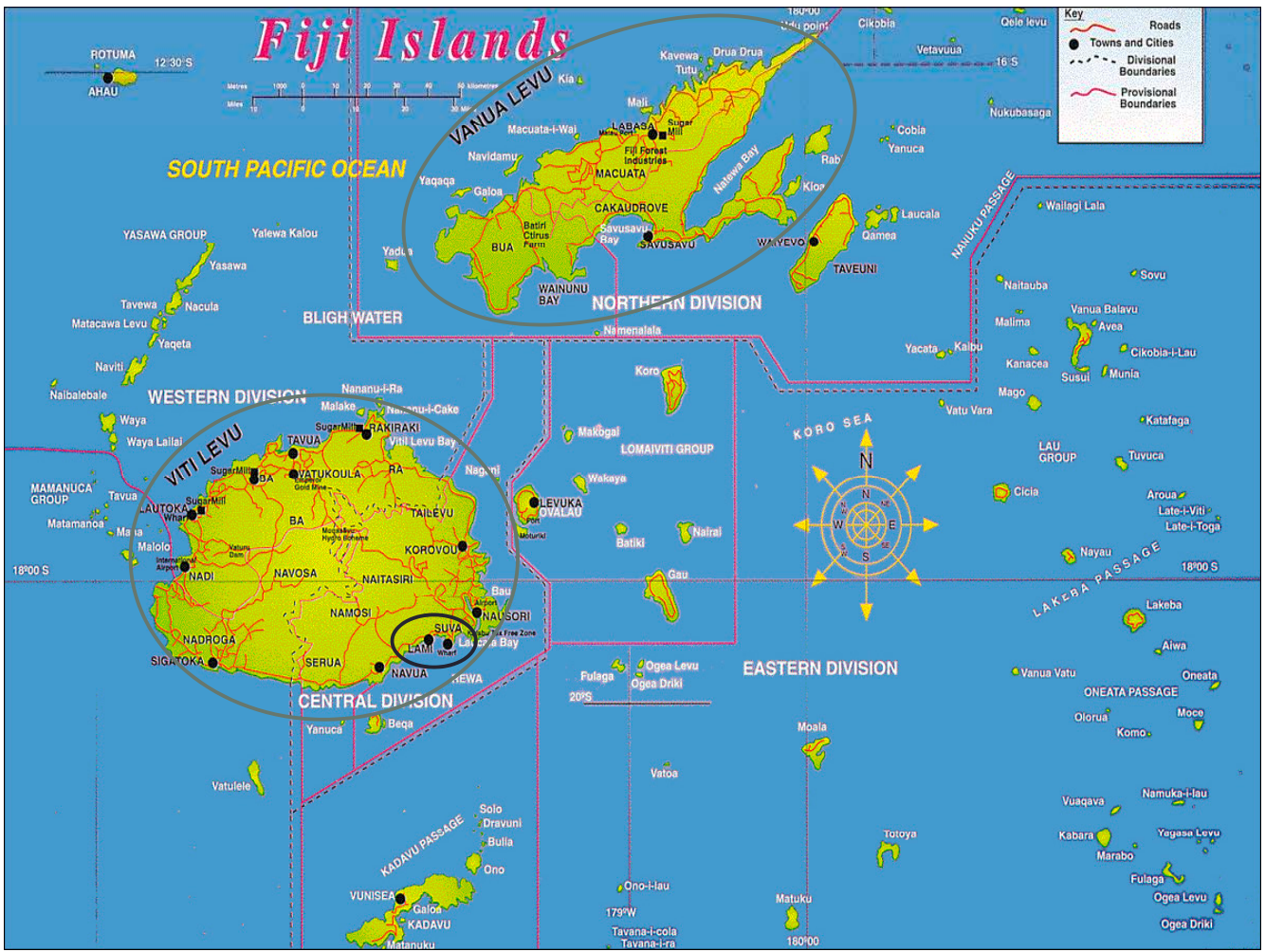
**Joint CBSL-IMF Capacity Building Seminar on
Enhancing Social Spending in Support of Inclusive
Growth in Asia
Colombo, 15 July, 2016**

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Outline

- Fiji on the World Map
- Fijian growth story
- Fiji's approach to inclusive development
- Key messages



Fijian growth story

- 2016 is the 7th consecutive year of +ve economic growth
 - Estimated at 2.4 percent despite the effects of Tropical Cyclone Winston
- Incidence of poverty has declined
 - 28.1 percent based on the 2013/14 HIES
- Incomes are equalizing
 - More wealth is accruing to the bottom 40 percent of households
- Unemployment has declined
 - Estimated at 6.2 percent in 2014

Fiji's approach to inclusive development

- 2013 Constitution
 - Protects a wide range of civil, political and socio-economic rights through a comprehensive Bill of Rights
 - Demands accountability and transparency from Government officials
 - Establishes a common and equal citizenry, without denying anyone's individuality or culture
 - Values each Fijian equally, regardless of ethnicity, birth right, faith, gender, social condition or geography
 - Recognises and protects the indigenous peoples of Fiji
 - Protects the rights of all other Fijians, including the rights of tenants and lease holders

Fiji's approach to incl. dev. (cont'd)

- Fiscal space
 - Income tax threshold has been increased – allowing ordinary taxpayers to keep as much of the fruit of his or her labour as possible—source of private capital formation for investment
 - VAT rate has been reduced from 15 to 9 percent
 - 300 percent tax deduction on wages paid to disabled persons
 - Duty free importation of equipment for disabled persons. VAT has also been eliminated from these items to make it affordable to people who need them
 - Establishment of tax free regions

Fiji's approach to incl. dev. (cont'd)

- Huge spend on infrastructure development
 - An avg. of \$500M in roads, bridges and jetties since 2013
- Improving access to utilities
 - Water and electricity
 - Free water for households below a certain income threshold
- Access to legal services
 - Decentralizing Legal Aid services to 14 offices around the country for those that cannot afford high costs of legal fees
- Addressing critical social issues
 - Women's Plan of Action
 - Criminalizing domestic violence and operationalizing a hotline
 - Child helpline

Fiji's approach to incl. dev. (cont'd)

- Empowering Fijians

- Poverty benefit scheme reaches out to about 22,000 + poor families
- Social pension scheme for elderly above the age of 66
- Child Protection Allowance
- Disability services
- Transition from welfare to workfare through the State's welfare graduation programme
- SME grants to promote entrepreneurial culture
- Social housing – upgrade of squatter settlements and development of affordable housing for ordinary Fijians

Fiji's approach to incl. dev. (cont'd)

- Education

- Education is the greatest investment a nation can make in its future, and we cannot shortchange our future
- Free primary and secondary school education
- 600 + national toppers scholarship and tertiary education loan—low interest Government loans for those accepted by tertiary institutions
- Grants for 3 universities in the country for infrastructure upgrades required for quality teaching and learning
- Establishment of ECE centers and digital literacy programme
- TVET training through 12 technical colleges around the country

Fiji's approach to incl. dev. (cont'd)

- Health

- Government's focus is to make health services easily accessible to all
- Upgrade and maintenance of facilities are funded through the national budget including development of maternity units in rural areas
- Food vouchers for rural pregnant women
- Development of health centres and sub-divisional health facilities
- New vaccines for prevention of child mortality
- Deployment of community health workers—in light of increasing burden of NCDs
- Forging deeper partnerships with donors and friends in developing systems, policies and guidelines for health service delivery

Fiji's approach to incl. dev. (cont'd)

- Building resilience to climate change

- Government is increasingly focussed on mitigation and adaptation efforts
- Relocation of coastal villages to higher ground
- Future-proofing public buildings through revision of national building code
- Tap into the 'climate capital boom' because we cannot do it by ourselves!

Key messages

- Inclusive growth and poverty reduction must be viewed from a wider development lens
- Creating conditions that allows citizens to seize opportunities to create, to build, to grow is critical
- Innovative sources of finance will help lift the ball game
- Vision should be shared by all
- Long term planning should be grounded in the vision

Thank You