# SDG 8: Decent work and economic growth

TARGETS	INDICATORS				
8.1 Sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7 per cent gross domestic product growth per annum in the least developed countries	8.1.1 Annual growth rate of real GDP per capita				
8.2  Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors	8.2.1  Annual growth rate of real GDP per employed person				
8.3  Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services	8.3.1  Proportion of informal employment in non-agriculture employment, by sex				
8.4  Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead	8.4.1  Material footprint, material footprint per capita, and material footprint per GDP  8.4.2  Domestic material consumption, domestic material consumption per capita, and domestic material consumption				
8.5  By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value	per GDP  8.5.1  Average hourly earnings of female and male employees, by occupation, age and persons with disabilities				
8.6  By 2020, substantially reduce the proportion of youth not in employment, education or training	8.5.2  Unemployment rate, by sex, age and persons with disabilities  8.6.1  Proportion of youth (aged 15-24 years) not in education, employment or training				
8.7  Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms	8.7.1  Proportion and number of children aged 5-17 years engaged in child labour, by sex and age				
8.8  Protect labour rights and promote safe and secure working	8.8.1 Frequency rates of fatal and non-fatal occupational injuries, by				

environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment	sex and migrant status			
	8.8.2  Increase in national compliance of labour rights (freedom of association and collective bargaining) based on International Labour Organization (ILO) textual sources and national legislation, by sex and migrant status			
8.9	8.9.1			
By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products	Tourism direct GDP as a proportion of total GDP and in growth rate			
	8.9.2			
	Number of jobs in tourism industries as a proportion of total jobs and growth rate of jobs, by sex			
8.10	8.10.1			
Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all	Number of commercial bank branches and automated teller machines (ATMs) per 100,000 adults			
	8.10.2			
	Proportion of adults (15 years and older) with an account at a bank or other financial institution or with a mobile-money-service provider			
8.A	8.A.1			
Increase Aid for Trade support for developing countries, in particular least developed countries, including through the Enhanced Integrated Framework for Trade-Related Technical Assistance to Least Developed Countries	Aid for Trade commitments and disbursements			
8.B	8.B.1			
By 2020, develop and operationalize a global strategy for youth employment and implement the Global Jobs Pact of the International Labour Organization	Total government spending in social protection and employment programmes as a proportion of the national budgets and GDP			

# <u>Section 1.1 – 'Inclusive Socio-economic Development'</u>

(Inclusive socio-economic development is essential to further improve the living standards of Fijians).

# Fourfold Increase in GDP per Person

• A fourfold increase in per capita income over the next 20 years will raise Fiji up the international development ladder and lead to tangible improvements in the lives of all Fijians.

- Effectively implementing the transformational strategic thrusts will be critical to realising these gains.
- The Fijian Government is fully committed to delivering this overall objective and to achieving inclusive growth and development.

# **Reducing Unemployment Rate to Below 4 Percent**

- With sustained economic expansion and the implementation of new job creation policies,
   the
- unemployment rate will be reduced to below 4 percent.
- All Fijians will be empowered with education and skill sets so that they may be easily absorbed into the workforce.
- A key focus will be on skills development and turning job seekers into job creators.

# **Universal Access to Quality Education**

- Universal access to education at all levels will be maintained with a focus on improving the quality of education.
- Increasing the supply of well-trained, world-class professionals who are equipped for job opportunities in the global market.

# Section 1.2 "Transformational Strategic Thrusts"

(Given our geographical location, economic prospects, ongoing infrastructure development and strong institutions, Fiji is well positioned to become the modern regional hub of the South Pacific.)

# **Nurturing New and Emerging Growth Sectors**

- The Fijian economy has evolved over time with a more diversified and broad economic base.
- Moving forward, new growth sectors will be nurtured to enable the economy to thrive and create more jobs
- Existing sectors will be expanded and modernised. Large-scale commercialisation will be pursued together with Small and Medium Enterprise (SME) development.

# **Building Vibrant Cities and Towns and a Stronger Rural Economy**

- Development will be balanced to ensure the development of both a stronger rural economy and vibrant urban centres.
- Government is exploring options to decentralise some of its offices currently based in Suva to the Western and Northern divisions
- Rural development will be prioritised with improvements in infrastructure and provision of adequate public utilities.

Inclusive Socio-economic Development	2015	2021	2026	2031	2036
Gini Coefficient (0 – 1) (SDG 1.2)	0.32			0.16	

Transformational Strategic Thrusts	2015	2021	2026	2031	2036
Average GDP growth rate in period (%)	3.6	4-5	4-5	4-5	4-5
Income per capita (\$) (SDG 8.1)	10,617		21,233		42,466
Investment (% of GDP) (SDG 17.3)	25	25	25	25	25
Private Sector Investment (% of GDP) (SDG 17.3)	20.9	>15	>15	>15	>15
Public Debt (%of GDP)	48.7	47.7	45	40	35
Unemployment Rate (%) (SDG 8.5)	6.2	4	4	4	4

# What is the Gini Coefficient?

The Gini coefficient is a commonly-used measure of income inequality that condenses the entire income distribution for a country into a single number between 0 and 1: the higher the number, the greater the degree of income inequality.

If all the income went to a single person (maximum inequality) and everyone else got nothing, the Gini coefficient would be equal to 1. If income was shared equally, and everyone got exactly the same, the Gini would equal 0. The lower the Gini value, the more equal a society.

### The GINI of other countries

Slovenia – 0.24 (2017); *LOWEST* UK – 0.34 (2016) USA – 0.41 (2016) Australia – 0.34 (2014) China – 0.38 (2016)

Mexico – 0.45 (2018) South Africa – 0.63 (2014); *HIGHEST* 

Source and more information on GINI coefficient:

https://data.worldbank.org/indicator/SI.POV.GINI?locations=GB-CU&most\_recent\_value\_desc=t rue

Further Reading: <a href="https://www.scientificamerican.com/article/ask-gini/">https://www.scientificamerican.com/article/ask-gini/</a> - This article explores some of the limitations of the Gini Coefficient.

#### What is GDP?

Gross Domestic Product (GDP) provides an economic snapshot of a country, used to estimate the size of an economy and growth rate. GDP can be calculated in three ways, using expenditures, production, or incomes

When a country's **GDP** is **high** it means that the country is increasing the amount of production that is taking place in the economy and the citizens have a **higher** income and hence are spending more. There is an increase in the lifestyle of the citizens and there are more individuals going to college.

### Source and more information on GDP:

https://www.investopedia.com/terms/g/gdp.asp#:~:text=Gross%20Domestic%20Product%20(GDP)%20is%20the%20monetary%20value%20of%20all,expenditures%2C%20production%2C%20or%20incomes.

## Fiji National Development Plan Target 3.1.8 – Youth and Sports Development

The government aims to "empower youth to be agents of change and promote sports for development".

Youth Development

- 62% of Fiji's population is below the age of 35 which provides great opportunities to stimulate growth and development.
- The government will ensure that educational, employment and leadership opportunities are provided for the Fijian youth.
- In the next 5 years there will be more initiatives, in part through financial support for voluntary organizations, promoting:
- o Entrepreneurship
- o Leadership
- o Climate change
- o Sexual health awareness
- There will be support for the establishment of MSMEs for rural and urban youth which will help to create self-employment and develop entrepreneurial skills.

- The National Employment Centre will continue to help people find jobs.
- Youths will be encouraged to participate in policy development through the International Youth Exchange Programme, National Youth Conference and Youth Parliament.

Figure 1: 2014 Fiji Youth Parliament



# Sports Development

- Sport has helped to build social cohesion and improve Fiji's global image
- It has also generated employment opportunities and increased remittance flows from Fijian sports people overseas.
- There is potential to expand the sector further increasing its income-generation.
- Over the next 5 years there will be a focus on developing elite sports people and modernising sports facilities.
- Sport support services will be improved with increased sports education and the development of sports coaches.
- Sports psychology, sports science and sports medicine will become part of the tertiary curriculum.
- Increased participation in sports will improve the health and well being of the population and reduce the levels of NCDs and obesity.
- Fiji will bid to host international events such as the 2026 Commonwealth Games and the government will continue to upgrade sports infrastructure.
- A National Sports Academy will be established with specialised training, coaching, management of injuries and dietary programmes.

# Fiji National Development Policy 3.1.9 – Women in Development

The government aims to "empower women to reach their full development potential"

# Economic and Political opportunities

- The potential of women needs to be harnessed for the benefit of the whole population.
- The government will provide equal opportunities in education, leadership and economic development.
- In the last election female representation in parliament improved and is now one
  of the highest in the Pacific region.
- Equal opportunities in education, health and social services will raise female participation in the workforce.

#### Domestic violence

- The Domestic Violence Act and the Elimination of Violence Against Women Task Force will help to eliminate discrimination and violence against women.
- Greater help will be available to women experiencing domestic violence with better access to health care services, advocacy, counselling, police protection and the justice system.
- Partnerships with the government, police, NGOs and agencies will help to prevent gender-based violence.

# Social equality

- In line with SDG 5 women's participation in decision making will be increased through strategies that focus more on economic participation, recognition of domestic workers and elimination of discrimination.
- Shared-decision making in areas such as family planning, child care, choices of work will be encouraged in relationships.

# Strategies

- Fiji will value women as an important resource and the government will continue to empower and develop women.
- The government will work with women's groups to support income-generation and the National Women's Expo will continue to market products made by women.
- This will be realized through the Women's Plan of Action and the National Gender policy

Figure 1: The National Women's Expo



Figure 2: A Fiji women's group



Fiji National Development Policy 3.1.10 – Culture and Heritage

The government aims to "protect and promote unique Fijian cultural heritage for sustainable development"

- Cultural heritage forms an essential part of Fijian identity, this includes language, food, rituals and arts.
- · These need to be safeguarded and promoted for future generations.
- The National Culture Policy and National Culture and Education Strategy helps to protect and preserve cultural heritage.
- The cultural mapping programme will be key to gather information on traditional knowledge and heritage.
- The use of local culture in the tourism industry will promote and protect cultureal heritage and the "Fijian Crafted" campaign will help to promote cultural performances and traditional crafts.

- The Fiji Museum and the National Library will be upgraded contributing to the preservation of Fiji's heritage.
- · Artisan production will be scaled up to provide genuine and culturally appropriate goods to tourists.
- · Cultural heritage sites will be protected.

Figure 1: Fijian tapa, a fundamental part of Fijian culture.



Figure 2: A Fijian meke, a traditional Fijian dance



# 3.1.11 NATIONAL SECURITY AND THE RULE OF LAW

"An inclusive, safe, secure, stable and prosperous Fiji"

• Fiji's system of governance is based on the principle that all Fijians are equal under the law and this must be preserved to uphold national security.

- There is a focus on Fijians' protection from environmental risks and natural disasters, transnational crimes (human and drug trafficking), food and nutrition security and public health risks and financial and cybercrime.
- The police force will be strengthened through resources, recruitment and training to ensure high security and crime prevention.
- Border security will be maintained through improved coordination and ensuring availability of adequate resources.
- Government will continue its efforts to further improve access to justice. Correctional services and rehabilitation of inmates for re-integration of inmates into society.
- Expanding legal services to improve access to justice for all Fijians has been a key priority.

# 3.2.6 MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT

"Promoting entrepreneurial culture through sustainable micro, small and medium enterprises"

- The growth of micro, small and medium enterprises (MSMEs) is essential for job creation, income generation, rural development, poverty alleviation and empowerment of youth and women.
- A MSME council has been established to provide policy direction and leadership to enable and facilitate strategies for the development of MSMEs in the country
- The primary focus will be on coordinating financing, facilitating business training, mentoring, advisory and incubation, and data-collection support.
- Government will also launch the Young Entrepreneurship Scheme (YES), which will provide immediate assistance to qualified young and budding entrepreneurs
- A 'Roadside Stalls Project' will be piloted to provide vendors along the highway in the areas outside of municipalities with standardized stalls to sell their produce
- To guide the operations of microfinance service providers, a legal and regulatory framework will be developed.
- A database will be established to register MSMEs to ensure availability of reliable data that will assist in policymaking. More funding and other resources will be channelled towards business incubation, skills training and other support services.



Image 1. The roadside stall pilot project at Vakabalea, Navua.

#### **FURTHER INFO**

### **MSME** council

The national MSME Development Council, chaired by the Prime Minister, provides strategic policy direction and leadership for the development of MSMEs in Fiji. Whilst the Central Coordinating Agency (CCA) will be the primary body that implements this framework, working towards the goal of promoting entrepreneurial culture through sustainable MSMEs.

### MSME Central Coordinating Agency

The principal purpose of the MSME CCA is to develop, implement, monitor and evaluate MSME development in collaboration with stakeholders. The primary focus of the CCA will be on coordinating financing, facilitating business training, mentoring, advisory and incubation and data-collection support

Some of the schemes and initiatives under coordination by the CCA:

- The micro and small business grant initiative (MSBG)
- Young Entrepreneurship Scheme (YES)
- National Innovation Framework
- Roadside Stalls Project

- National Innovation Framework
- Activities undertaken by the national centre for small and micro enterprise development (NCSMED)
- Livelihood Grant Ministry of Women & Social Welfare
- Youth Grant Ministry of Youth & Sports
- Young Entrepreneurship Grant Ministry of Youth & Sports
- Empowerment Project Ministry of Youth & Sports
- Import Substitution Programme Ministry of Agriculture
- Export Promotion Programme Ministry of Agriculture
- Food Security Programme Ministry of Agriculture

As part of the FNDP, more funding is being channelled towards business incubation, skills training and other support services.

#### Sources and more information on MSME:

https://www.mcttt.gov.fj/divisions/msme\_fiji/)
https://investinfiji.today/wp-content/uploads/2018/12/ToR-MSME-CCA-Programme-Director.pdf

### 3.2.7 MANUFACTURING AND COMMERCE

"Building sustainable and globally competitive manufacturing and commerce"

- To transform Fiji, the manufacturing sector will be developed further, with more value addition and expansion into new areas of manufacturing
- The elimination of fiscal duty on raw materials, zero duty on plant and machinery, low corporate taxes, tax free regions and other incentives have been provided by Government to support manufacturing and commerce
- Government's focus in the next 5 years is to develop Fiji as a manufacturing hub of the Pacific
  - large educated workforce
  - competitive wage rates
  - attractive business environment provide the enabling environment for the manufacturing sector to thrive
- Investments will be supported for competitive highvalue-added industries with an emphasis on agrobased manufacturing and niche products for export development
- Specialised training and skill development will be provided to meet the skills requirements of the manufacturing sector.
  - Skills will be developed in collaboration with the technical colleges and tertiary institutions.

### 3.2.8 FINANCIAL SERVICES

"A deep, competitive and stable financial system"

- A robust, well-functioning and regulated financial sector is a key driver for economic development.
- Fiji has a relatively well-developed financial sector comprising commercial banks, licensed credit institutions, insurance companies, non-bank financial institutions, a superannuation fund and the stock exchange
- In the next 5 years, more emphasis will be placed on improving financial literacy, financial inclusion, access to finance, integrated digital-payment systems, access to insurance services, capital market development, and establishing the legal framework for regulation of credit unions and moneylenders.

#### **3.2.16 TOURISM**

"A world-class tourism destination that increasingly adds value to the local economy"

- Tourism is one of the leading sectors of the Fijian economy. It makes a major contribution to foreign exchange earnings and employment and has large beneficial multiplier effects in the economy.
- Visitor arrivals increased to an all-time high of 792,320 in 2016, with total tourism earnings of over \$1.6 billion. While Australia, New Zealand and the USA remain Fiji's key source markets, visitor arrivals from emerging markets like China and India are growing at significant rates.
- Accommodation and airline services have both improved in the last few years and by 2021, tourism earnings are expected to increase to around \$2.2 billion.
- The Fijian Tourism 2021 (Fijian Tourism Development Plan 2017-2021) sets out the following
  - o priority areas to achieve the goal of total earnings of \$2.2 billion:
  - Driving demand for Fiji's tourism brand
  - Increasing the value of Fiji's tourism products
  - Facilitating and promoting domestic and foreign investment
  - Investing in tourism-related infrastructure
  - Strengthening linkages to the tourism industry
  - Ensuring continued sustainable development of the tourism industry
  - Building a conducive and updated legal framework
  - Enhancing Risk Management Measuring the performance of Fiji's tourism industry
- In the next 5 years Fiji aims to expand to niche tourism segments, such as sports tourism, cruise tourism, wedding, and honeymoon tourism, hosting of conferences and entertainment events, wellness tourism, and adventure tourism.
- The Fijian government will also attempt to bring international events such as sports competitions to the country to promote in foreign markets.

- Attempts to develop production studios and nurture local acting will also increase tourism as well as continuing to offer attractive tax rebates for production of films and television shows in Fiji.
- Micro, small, and medium enterprises (MSMEs) will also be supported in the tourism industry by providing training, mentoring, incubation, and other business development support services through the MSME Central Coordinating Agency. This is for niche activities run by MSMEs such as dolphin and whale watching, and village tours.
- Manufacturing of high-end niche products such as natural body products, exotic herbs and spices, local confectionaries, local fruit juices, handicrafts and packed organic goods will be promoted. Local agriculture will also be marketed to the tourism industry.
- Cruise tourism will be targeted with improvements made to jetties and urban gardens and seaside walks being developed.
- Government will continue to provide a marketing grant to Tourism Fiji. Tourism Satellite
  Accounts (TSA) will be prepared by the Fijian Bureau of Statistics on a two-year interval
  to accurately measure the economic contribution of the tourism industry and at the same
  time identify areas of strategic intervention where the industry can expand further.

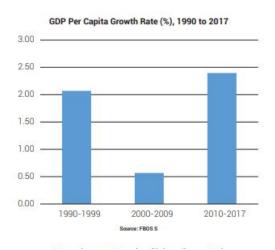
## SDG in Figures:

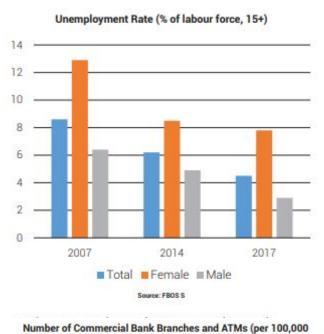
- 4.1% Total unemployment rate (2019)
- 5.3% Female unemployment rate (2019)
- 3.5% Male unemployment rate (2019)

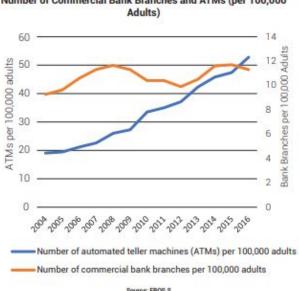
#### Statistics sourced from:

https://public.tableau.com/profile/asiandevelopmentbank#!/vizhome/SustainableDevelopmentGoalsFiji/DashSDG8

#### SDG 2019 Review:







- Serious progress has already been made, as Fiji's 10 years of consecutive positive economic growth have improved employment prospects, bringing unemployment down to 4.5 percent, its lowest level in the past 20 years.
- Investment levels remain strong on the back of consistent public infrastructure development.
- While the performance of primary industries are mixed, Fiji continues to develop its service and manufacturing sector by offering unique tourism products, back-office and ICT support services, niche garment production and bottled water exports.
- Nearly 50 percent of the Fijian population is below the age of 27 years, requiring sustained investments and economic growth to further raise employment opportunities.

• The National Employment Policy = Government's commitment to fair employment opportunities for all.

# **Employment and Unemployment**

- male and female unemployment rates have been steadily declining.
- The unemployment rate for women declined from 13.0 percent in 2007 to 7.8 percent in 2017
- The unemployment rate for men declined from 6.5 percent to 3.0 percent in 2017.
- Compulsory registrations with the Fiji National Provident Fund has doubled in the last five years, indicating job growth has been strong.
- Between 2010 and 2017, Fiji achieved an average GDP per capita growth of 9.5% annually, higher than the average of 3.5% and 6.9% between 2000-2010 and 1990-1999, respectively.
- In 2016, Cyclone Winston wiped out one-third of Fiji's GDP overnight, despite this, Fiji maintained growth, showing economic resilience.
- Moreover, Fiji's GDP per capita growth between 2010 and 2017 is higher than the Pacific Small Island Countries average of 2.0 percent annually and the world average of 1.8 percent annually.
- A decade of positive economic growth has led to a reduction in unemployment rates from 8.6 percent in 2007 to 4.5 percent in 2017, in combination with reduced income inequality

### Minimum Wage

- The Fijian Government has continued to gradually increase the minimum wage rate in a collaborative process that does not undermine the economic and business feasibility of wage increases
- Fiji's national minimum wage for unskilled workers increased from FJ \$2.00 to FJ \$2.32 in 2015. In 2017, the national minimum wage was increased further to FJ \$2.68 (this is under review).