



Ministry of Employment, Productivity & Industrial Relations

PO Box 2216, Government Buildings, Suva
4th Floor, Civic House
Phone: (679) 331 4451 Fax: (679) 330 4701

Website: www.labour.gov.fj

**PARLIAMENT SITTING TUESDAY 13 MARCH 2018 -
MINISTER FOR EMPLOYMENT, PRODUCTIVITY AND INDUSTRIAL RELATIONS,
HONOURABLE JONE USAMATE**

WRITTEN QUESTION 78/2018

**HONOURABLE DR. MERE SAMISONI TO ASK THE MINISTER FOR EMPLOYMENT,
PRODUCTIVITY AND INDUSTRIAL RELATIONS –
CAN THE MINISTER ADVISE THE HOUSE WHAT HAS BEEN FIJI'S
PRODUCTIVITY LEVEL FOR THE MODERN 21ST CENTURY ECONOMY AND THE
TREND FROM THE LAST DECADE**

*(The APO Databook 2017 measures labour input by total hours worked per worker without
adjustments for changes in labour quality)*

1.0 FIJI'S PRODUCTIVITY LEVEL FOR THE MODERN 21ST CENTURY ECONOMY

1.1 From the years 1970 to 2015 Fiji showed an upward improvement of 22% of per-worker labour productivity when compared with countries such as Myanmar, Lao PDR, India and Pakistan.

Table 1.0 Per-Worker Labour Productivity Levels, 1970, 1980, 1990, 2000, 2010, 2015

Countries	1970 (%)	1980 (%)	1990 (%)	2000 (%)	2010 (%)	2015 (%)
Myanmar	2.5	2.8	2.8	3.9	6.5	5.7
Lao PDR	2.0	2.5	3.4	4.6	7.8	11.1
Fiji	14.9	17.4	16.9	17.8	18.9	22.1
India	2.9	3.1	4.4	6.3	11.4	14.6
Pakistan	5.2	6.2	9.6	12.7	14.7	16.1

(Source: Table 9 Per-Worker Labour Productivity Levels 1970, 1980, 1990, 2000, 2010, 2015 - 2017 APO Productivity Database 2017)

2.0 FIJI'S AVERAGE GROWTH RATE OF GDP

2.1 Fiji's per-worker labour productivity growth showed a marked improvement to 3.1 percent from 2010 to 2015 in comparison to -0.2 percent in 1990 to 1995.

Table 2.0 Per-Worker Labour Productivity Growth, 1990-1995, 1995-2000, 2000-2005, 2005-2010, 2010-2015

Countries	1990-1995 (%)	1995-2000 (%)	2000-2005 (%)	2005-2010 (%)	2010-2015 (%)
Myanmar	2.8	3.8	5.0	5.6	-2.9
Lao PDR	3.6	2.3	4.8	5.9	6.9
Fiji	-0.2	1.2	0.7	0.4	3.1
India	3.1	4.2	4.7	7.0	5.0
Pakistan	3.9	1.6	3.1	-0.1	1.8

(Source: Table 10 Average annual growth rate of GDP at constant basic prices per worker, using 2011 PPP - APO Productivity Database 2017)

3.0 FIJI'S PER HOUR LABOUR PRODUCTIVITY GROWTH

3.1 Fiji showed improvement in per hour labour productivity growth since 1990. Although there was a negative growth of -0.7% in 1990, Fiji showed improvement to 2.5% growth in 2010 to 2015.

Table 3.0 Per-Hour Labour Productivity Growth, 1990-1995, 1995-2000, 2000-2005, 2005-2010, 2010-2015

Countries	1990-1995 (%)	1995-2000 (%)	2000-2005 (%)	2005-2010 (%)	2010-2015 (%)
Myanmar	2.8	3.8	5.0	5.7	-2.9
Lao PDR	3.6	2.3	4.8	5.9	6.9
Fiji	-0.7	1.1	0.5	1.0	2.5
India	3.2	4.1	4.6	6.9	5.0
Pakistan	3.4	1.9	3.3	0.2	2.1

(Source: Table 12 Average annual growth rate of GDP at constant basic prices per hour, using 2011 PPP - APO Productivity Database 2017)

3.2 Looking at the breakdown of the period 1970 to 1985 Fiji was running at a negative Total Factor Productivity (TFP) of -0.5 percent. From 1985 to 2000 Total Factor Productivity picked up to 2.5% and declined to negative growth in

1995. There were signs of improvement from 1995 onwards. Until 2015 Total Factor Productivity growth had picked up to 3.1%.

Table 4.0 Fiji Output Growth and Contributions of Labour, Capital and Total Factor Productivity, 1970-2015

Years	Output	Labour	Capital		TFP
			IT	Non-IT	
1970-1975	5.6	1.8	0.1	3.2	0.5
1975-1980	3.7	1.3	0.1	3.0	-0.7
1980-1985	0.7	1.3	0.1	2.3	-0.3
1985-1990	3.7	0.8	0.1	0.3	2.5
1990-1995	2.7	1.5	0.2	1.5	-0.5
1995-2000	2.0	0.5	0.0	1.4	0.1
2000-2005	2.0	0.7	0.1	0.8	0.4
2005-2010	0.7	-0.1	0.2	0.4	0.3
2010-2015	3.6	0.4	0.1	0.0	3.1

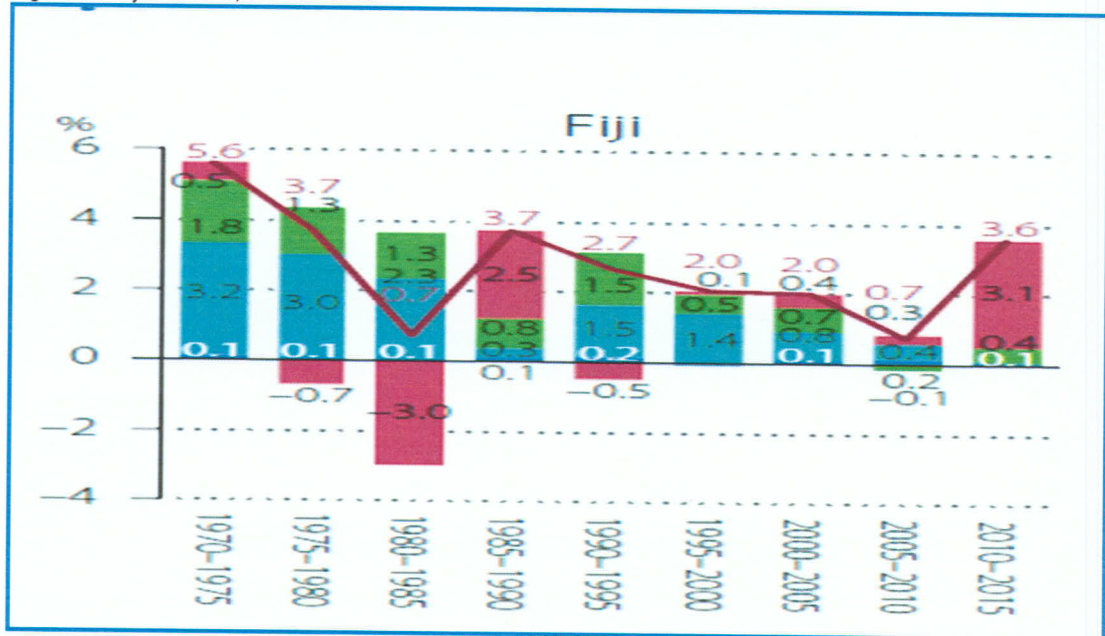
(Source: Table 13 Output Growth and Contributions of Labour, Capital, and TFP 1970-2015 APO Productivity Database 2017)

4.0 TREND FROM THE LAST DECADE

- 4.1 In looking at Fiji's productivity growth level from 1970 to 2015, a large part of Fiji's economy was driven by input growth namely from labour input and non-IT capital input.
- 4.2 TFP growth made a steady contribution in the 1990s. Fiji's TFP growth reached to 2.5 percent in 1985 to 1990.
- 4.3 TFP growth slowed in 2000-2005 and picked up momentum to 0.3 percent in 2005 to 2010.

4.4 A gradual growth happened from then on culminating in a 3.1 percent of TFP in 2010 to 2015.

Figure 1.0 Fiji's Growth, 1970 to 2015



(Source: Figure 55 Fiji's Growth 1970-2015 APO Productivity Database 2017)

Keys: Pink TFP; Light Blue Non IT-capital Dark Blue IT capital Lime Labour Pink Line Output