

Written Question 28/2019

Hon. Inosi Kuridrani ask the Minister for Agriculture, Rural and Maritime Development, Waterways and Environment – Can the Minister inform Parliament why the Agriculture sector's contribution to GDP continue to decline from 16% in 1995 to 6 % in 2016.

Honorable Speaker, As Minister responsible for Agriculture, I rise to answer question 28/2019 asked by the Hon. Inosi Kuridrani on why the Agriculture sector's contribution to GDP continue to decline from 16% in 1995 to 6 % in 2016.

It is utmost important that we clear the misconception that the agriculture sector is not a declining sector or stagnant. Despite a decline in Sugarcane sector, the overall agricultural output has substantially increased. For example, in 1995, agricultural output stood at \$372m which steadily rose to \$500.8m in 2016.

However, over the same period, agricultures relative importance in the economy decline substantially, from 16% in 1995 to 7% in 2016. There is nothing obscure about this.

Fiji has undergone a lot of changes and development over the last decade which also see the establishment of new industries. In the late 1990s and early 2000s the agriculture sector also experienced a lot of changes whereby agriculture leases were expiring and farmers decided to move to other sectors of the economy. (Farmer to taxi driver, hotel worker, garment worker etc.).

The agriculture sector shares contribution to national GDP with other industries, therefore when other industry contribution increases, the agriculture contribution will decrease. The aggregate share of all industries to the national economy is 100%.An example is the tourism and manufacturing sector which has seen significant increases in their contribution over the years and this have impacted contribution from other industries such as agriculture.

Honorable Speaker, it will be appropriate to further enlighten the house, that from 1996 – 2017 the Agriculture Sector experience an annual average growth rate of 2 %. Therefore, contribution of Agriculture to National GDP will continue to decline if contribution of other sector are increasing but Statistics show that Agriculture output continue to increase annually at a positive rate.

M.R