



## **STANDING COMMITTEE ON ECONOMIC AFFAIRS**

### **Consolidated Review Report of the Sugar Cane Growers Council 2019, 2020 and 2021 Annual Reports**



**PARLIAMENT OF THE REPUBLIC OF FIJI**  
**Parliamentary Paper No. 56 of 2024**

July 2024

Published and Printed by the Department of Legislature, Parliament House, SUVA

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## **List of Acronyms**

KPIs	-	Key Performance Indicators
SCGC	-	Sugar Cane Growers Council
SDGs	-	Sustainable Development Goals
SO	-	Standing Order

## Chairperson's Foreword

The Standing Committee on Economic Affairs hereby submits to Parliament the Consolidated Review Report of the Sugar Cane Growers Council 2019, 2020 and 2021 Annual Reports.

The Sugar Cane Growers Council ("SCGC") is the only grower representative organisation that is committed to provide service delivery, representation and leadership to ensure long term viability of growers in the industry.

The Committee was made aware that in 2021, SCGC recorded eighteen percent (18%) reduction in cane production compared to 2020 season. The decline in production was mainly due to the destruction by *Tropical Cyclone Yasa* in December 2020 which affected farms to progress in subsequent harvesting season.

In 2021, SCGC introduce Fiji's first Micro Insurance Product for our cane growers in assisting growers to recover quickly following a disaster. Such initiative was deemed a game changer for most vulnerable farmers.

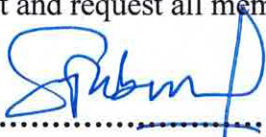
While the Committee understands that there are 16,864 registered cane growers, however close to 11,622 growers actively grow cane individually running small to medium family cane farms with the majority producing less than 200 tonnes per year. Over the years, many farmers and next of kin have moved to urbanized areas for better opportunities.

Historically, the sugar industry has shaped the development of Fiji's economy for over decades, however the Committee is concerned that for the past 15 years, sugarcane production has been declining. The Committee strongly feels that the sugar industry existence needs to be relooked at and closer monitoring system to be in place to identify the production progress.

Therefore, it is vital to identify important policy and practical measures to reform the sugar industry in Fiji and boost farmers confidence and motivation as critical ingredients for increasing sugarcane crop cultivation, production, yield, and for farmers to continue in sugarcane farming business.

At this juncture, I would like to thank our Committee Members who were part of the team that produced this report: - Deputy Chairperson Hon. Sashi Kiran, Hon. Premila Kumar, Hon. Tomasi Tunabuna, and Hon. Semi Koroilavesau. I also thank the secretariat for their invaluable support.

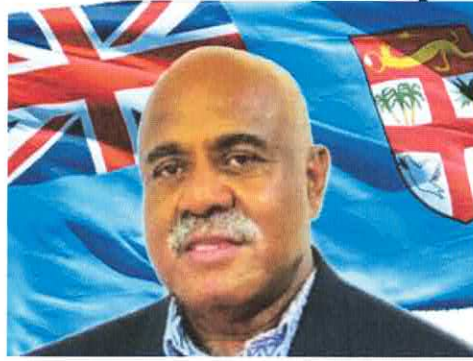
On behalf of the Standing Committee on Economic Affairs, I commend this Review Report to Parliament and request all members of this august House to take note of the report.



.....  
**Hon. Sakiusa Tubuna**  
**Chairperson**



## Committee Membership



Hon. Sakiusa Tubuna  
**Chairperson**



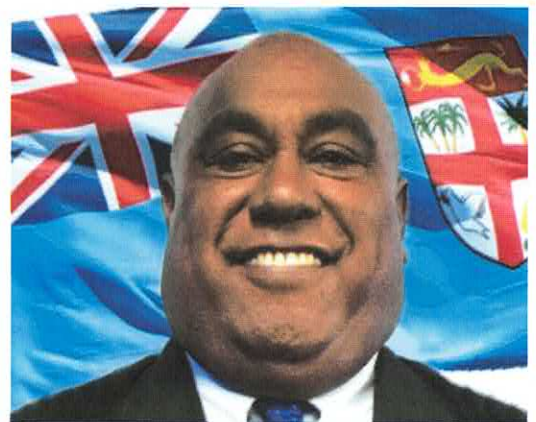
Hon. Sashi Kiran  
**Deputy Chairperson**



Hon. Premila Kumar  
**Member**



Hon. Tomasi Tunabuna  
**Member**



Hon. Semi Koroilavesau  
**Member**

## Committee Secretariat

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## **1.0 Introduction**

The Standing Committee on Economic Affairs was referred the Sugar Cane Growers Council 2019, 2020 and 2021 Annual Reports, pursuant to Standing Order 38(2) of the Standing Orders of the Parliament of the Republic of Fiji. The Committee was mandated to review the Annual Reports and table its findings back to Parliament.

### **1.1 Background**

The Sugar Cane Growers Council was established in accordance with the Sugar Industry Act of 1984 with specific functions to protect and further the interests of registered cane growers. The SCGC continues to protect and promote the livelihood of their growers through innovative measures focusing mainly on grower welfare, timely redress to grower grievances, negotiation and support towards increasing farm yield and subsidizing cost of production, education and advocacy.

### **1.2 Committee Remit and Composition**

The Committee is made up of five (5) Members of Parliament, three (3) of which are Government members and two Opposition members. According to Section 109(2)(a), the Standing Committee on Economic Affairs is responsible for looking into matters related to economic development, finance, banking, and taxation.

### **1.3 Procedure and Programme**

The Committee began its review of the Annual Reports in May 2024. The review process adopted by the Committee was agreed upon through consensus by the Members to review the report and a summary of this is as follows.

The Committee read through the Annual Reports and discussed matters noted by individual Members. From these discussions, a variety of issues were identified, which the Committee resolved and sought clarifications.

At the end of the review, the Committee made recommendations based on the discussions with stakeholders and on the Annual report's content.



## 2.0 Findings

The annual reports were extensively considered and deliberated upon by the Committee with various findings highlighted below:

- 2.1 The Committee noted that in the 2021 reporting period, growers recorded a notable eighteen percent (18%) decline in cane production compared to 2020 season. One of the major contributing factors was due to massive destruction of *Cyclone Yasa* in 2020.

### FIVE YEARS CROP PRODUCTION

Mill	2016	2017	2018	2019	2020
Lautoka	372,289	429,569	457,481	474,914	418,149
Rarawai	361,615	526,111	619,571	669,729	639,816
Labasa	653,350	675,741	620,335	661,929	671,316
Total	<b>1,387,255</b>	<b>1,631,421</b>	<b>1,697,386</b>	<b>1,806,572</b>	<b>1,729,281</b>

Figure 1: Five Year Crop Production, SCGC 2021 Annual Report - page 18

- 2.2 The reporting period in 2019 noted that there were 16,631 registered cane growers with only 11,902 active cane growers. This slightly increased in 2020, recording 16,843 total number of registered growers in the country with 1,875 number of canes harvesting gangs.
- 2.3 Whilst in 2021, there are 16,864 registered cane growers, however close to 11,622 growers actively grow cane individually running small to medium family cane farms, with the majority producing less than 200 tonnes per year. The Committee is concerned with the slight growth of cane growers over the periods.
- 2.4 The Committee is concerned that 80% of the registered farmers produce less than 200 tonnes of cane per year which is only 20% of the total sugar production.
- 2.5 The Committee noted 10 acres of land given during colonial era is not economical to sustain cane farmers given the high cost of production.
- 2.6 The Committee noted that one of the reasons leading to the decline in cane growers was due to the financial viability to sustain their livelihood. The aging farmers also contributes to the decline in the number of growers.



- 2.7 The Council is mandated to improve the productivity and efficiency of registered growers. However, the Committee noted that there is a drastic decline in production of sugar cane over the years.
- 2.8 The Committee noted with concern that lack of clear key performance indicators relating to the objectives and function of the council against which the Council's performance can be adequately gauged.
- 2.9 The Committee noted that the Council has engaged the same auditor for the last 3 years.
- 2.10 During our visits we found deep levels of mistrust among the farmers as well as perceived miscommunication about iTLTB. While the Board assured the farmers of their commitments towards supporting sugar industry through lease renewals, it was apparent that farmers remained skeptical. Sugar Cane Grower Council should play a pivotal role in building trust in this relationship.
- 2.11 The Committee noted that the Council did not include SDGs in its Annual Reports.

### **3.0 Recommendations**

The Committee recommends the following:

- 3.1 That there needs to be greater integration of new technologies, new farming methods combined with the traditional knowledge of farmers. New incentives and training be led by SCGC to improve productivity that requires to reverse the declining sugarcane crop production.
- 3.2 That specific policy interventions be introduced urgently to boost farmer morale and confidence in the industry for growers to increase crop production.
- 3.3 All efforts are to be directed in ensuring that farmers produce more than 300 tonnes to remained in the industry. Those farmers who are providing less than 300 tonnes to be supported by the Ministry of Agriculture through their alternative livelihood programs.
- 3.4 That measures be implemented to further improve research and development are crucial to improve productivity, improve soil fertility and ensure climate resilience.
- 3.5 That the governance structures of the institutional stakeholders including SCGC be reviewed to reflect the current circumstances and status of the industry to ensure the effectiveness of all actors in the system.
- 3.6 The Council to work hand in hand with other sugar entities in ensuring that adequate information is disseminated to growers on the farming skills and methods can be used to ensure soil fertility to increase farming productivity.
- 3.7 The need to identify important policy and practical measures to reform the sugar industry in Fiji and boost farmers confidence and motivation as critical ingredients for increasing sugarcane crop cultivation, production, yield, and for farmers to continue in sugarcane farming business.
- 3.8 Sugar stakeholders should collaborate to develop new KPIs for new income streams that will enhance the economic viability of the sugar sector.
- 3.9 That the change of auditor to help maintain independence and objectivity of the opinion that will encourage critical review of the financial statements and internal controls.
- 3.10 That SCGC work in building trust within all sugar related stakeholders to allow serious integrated approach at all levels in ensuring continuous economic growth

at a large scale in the sugar industry. Sugar Cane Grower Council should play a pivotal role in building trust in this relationship.

- 3.11 The Council must report on Sustainable Development Goals in their future Annual Reports, especially on SDG 5 on Gender Equality.

## **4.0 Sustainable Development Goals**

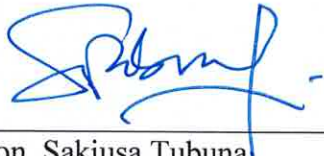
The Committee noted that Sugar Cane Growers Council Annual Reports for the period under review does not capture any elements of SDGs so as the SDG 5 on gender equality on the staff composition and promotions.



## **5.0 Conclusion**

The Committee is satisfied with the Annual Reports during the review period. However, we note that there are areas that can be improved through more enhanced coordination, commitment, and accountability of all stakeholders.

## 6.0 Committee Members' Signatures

 Hon. Sakiusa Tubuna <b>Chairperson</b>	
 Hon. Sashi Kiran <b>Deputy Chairperson</b>	 Hon. Premila Kumar <b>Member</b>
 Hon. Tomasi Tunabuna <b>Member</b>	 Hon. Semi Koroilavesau <b>Member</b>