THE UNIVERSITY OF THE SOUTH PACIFIC
LIBRARY

Author Statement of Accessibility- Part 2- Permission for
Internet Access

Name of Candidate: Lita Leweniqula
Degree: Masters of Arts (Dev Studies)
Department/School: SGDIA
Institution/University: USP
Thesis Title: The Effectiveness of Govt Pro-Poor Strategies in Fiji
A Focus of the Welfare Program
Date of completion of requirements for award: Feb 2009

1. I authorise the University to make this thesis available on the Internet for access by USP authorised users. Yes/No

2. I authorise the University to make this thesis available on the Internet under the International digital theses project Yes/No

Signed: Leweniqula
Date: 31/08/10

Contact Address

ph 3391941

Permanen Address

Lot 5 Wainivula Rd

Nasinu
THE EFFECTIVENESS OF GOVERNMENT PRO-POOR STRATEGIES IN FIJI

A focus of the Welfare Program

by

Litia Leweniqila

A Supervised Research Project submitted
in partial fulfilment of the requirements for the degree of
Master of Arts in Development Studies

Copyright © July by Litia Leweniqila

School of Government, Development and International Affairs
University of the South Pacific

July, 2010
A DECLARATION

I hereby declare that this supervised research project contains work undertaken by me under the supervision of Dr Miliakere Kaitani and to the best of my knowledge except where otherwise acknowledged in the text this thesis represents my original research. No part of this work has been submitted for a degree to any other university or institute.

Signature:  
Name: Litia Leweniqila

Statement by Supervisor

I hereby confirm that the work contained in this thesis was based on original research undertaken by Ms Litia Leweniqila

Dr Miliakere Kaitani
ABSTRACT

This study is important because firstly it measures how effective the government’s poverty alleviation program has been for the beneficiaries and reveals information that is not known. Secondly, the participatory approach used in the study has yielded a holistic body of knowledge within which gaps can be identified. These gaps can be used as a starting point for policy and decision makers to develop strategies for further improvements. By targeting the country specific problems strategists will more easily be able to identify the vulnerable groups in Fiji and gain a clearer appreciation of the national characteristics of poverty. Thirdly, the study has sought to provide feedback to the Department of Social Welfare on how the funds were best utilized and what the impact has been on the different households.

The usefulness of analysing the poverty alleviation program is that it contributes by providing different solutions to management, organisation and business problems as well as to the exploitation of income generating opportunities. However, the dynamics of the program are such that that study was dealing with two different levels of analysis. The first level concerns recognizing that being or becoming self-employed is related to self-employment as a career choice among other available options. The second level of analysis looks at the performance in terms of survival and growth of their respective businesses. Basically, it is a question of dynamism and how competition leads to economic development and growth that can be seen as an interaction between variation and selection. Variation in income generating opportunities and individuals exploiting them leads to selection, where new opportunities come to compete with existing ones.

The Poverty Alleviation Program is a new development in Fiji and is now commonly acknowledged to be an important supplier of social provisions to our people. The program has succeeded, in reaching the poorest of the poor and has devised new ground-breaking strategies which, with time, should lead to fulfilment of its vision, which includes the provision for allocation of funds to the poor. Part of the program is the encouragement of income generating, which is considered one of the most important and effective
mechanisms for poverty alleviation because it leads to improvement of living standards. Above all, it has targeted one of the most vulnerable groups in society, those with little or almost no assets, by providing opportunities for self employment.

This study has demonstrated that the program has significantly improved the welfare recipients’ self-worth, independence, self-confidence and status within their individual households. The analysis of data and lessons learned reveal that income generation has a positive impact on the standard of living of the poor people and on their lifestyle.
ACKNOWLEDGEMENTS

Many times I felt like giving up, but was driven on to complete this study because I believe that the questions it addresses need to be answered before the Fiji Government can introduce a welfare system capable of meeting the needs of all poor people in a way that recognises their dignity and enhances their independence.

First of all I would like to thank God for giving me the strength in completing the writing of this thesis. To my supervisor Dr Mili Kaitani I wish to express my sincere gratitude for her challenging approach, which forced me to reassess ideas that for some time I had taken for granted – for her assistance, advice and guidance I am grateful.

Furthermore, I want to thank the people who made the field-studies possible and pleasant, the respondents who were willing to share their experiences and gave essential input to the study. To my research assistants Joe Koroivaqalevu and Bobby Zinck, my deepest appreciation for your team spirit and perseverance. I must also thank my brother and dearest friend Eroni York who assisted me at the earlier stages of the study.

A big vinaka vakalevu to the following:
The Fijian Affairs Scholarship Board
Academic Staff for Development Studies, USP
Department of Social Welfare, Government of Fiji
Mr Vula Vakacegu Jnr, Suva
Mrs Milicent Kado, Suva
Mrs Mereia Davetawalu, Suva
Mrs Ela Rinakama, Labasa
Mr Mateo Naiveli, Labasa

I wish to acknowledge the assistance of my friend Losana Korovulavula, not only in sharing ideas, but for listening in the hours of despair that seem to be part and parcel of post-graduate study – I owe a special gratitude.

Finally, my special thanks and endless gratitude to my dear husband and gorgeous son, Josaia and Lleyton, for the support, patience, allowances of time and freedom to complete
the writing of this thesis. All this makes me feel happy and fortunate – thanks to both of you.

TABLE OF CONTENTS

DECLARATION ........................................................................................................... 2
ABSTRACT .................................................................................................................. 3
ACKNOWLEDGEMENTS ........................................................................................... 5
LIST OF TABLES ........................................................................................................ 9
ABBREVIATIONS ..................................................................................................... 10

Chapter One............................................................................................................. 11
1.1 Introduction and Definition ........................................................................... 11
1.2 What is Poverty? ............................................................................................. 11
1.3 Background of the Study .............................................................................. 12
1.4 Problem Statement ....................................................................................... 19
1.5 Aims and Objectives ..................................................................................... 20
1.6 Hypothesis .................................................................................................... 20
1.7 Significance of the Study ............................................................................. 21
1.8 Thesis Framework ....................................................................................... 22

Chapter Two: LITERATURE REVIEW ................................................................... 23
2.1 Introduction .................................................................................................. 23
2.2 Poverty and Strategies at Global Level ....................................................... 23
2.3 Specific Country Strategies: both internal and external............................ 25
  2.3.1 Australia .................................................................................................. 25
  2.3.1.1 Examples of Australian programmes for poverty reduction ............. 26
  2.3.2 Thailand ................................................................................................. 27
  2.3.3 New Zealand .......................................................................................... 28
  2.3.3.1 Examples of NZ programmes for poverty reduction ...................... 29
  2.3.4 Japan ...................................................................................................... 30
  2.3.5 China ..................................................................................................... 30
2.4 Levels of Poverty in the Pacific .................................................................... 31
  2.4.1 The Millennium Development Goals .................................................... 32
  2.4.2 Pacific Plan ............................................................................................. 34
  2.4.3 Poverty in the Pacific – The Current Situation .................................... 34
  2.4.4 Donor Strategies for Poverty Reduction in the Pacific ....................... 38
2.5 Fiji In General ............................................................................................... 40
  2.5.1 Progress in Poverty Reduction ............................................................... 40
  2.5.2 Fiji’s History ......................................................................................... 43
  2.5.3 Poverty in Fiji ....................................................................................... 44
2.6 Conclusion .................................................................................................... 47

Chapter Three: MEASURING THE IMPACT OF POVERTY ALLEVIATION
INITIATIVES ........................................................................................................... 49
3.1 Introduction .................................................................................................. 49
3.2 Methodological Approach ........................................................................... 49
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.2.1 Research Methodology Design</td>
<td>49</td>
</tr>
<tr>
<td>3.2.2 Research Methods</td>
<td>50</td>
</tr>
<tr>
<td>3.3 Sampling</td>
<td>52</td>
</tr>
<tr>
<td>3.3.1 Sample Population and Selection</td>
<td>52</td>
</tr>
<tr>
<td>3.4 Quantitative Research</td>
<td>53</td>
</tr>
<tr>
<td>3.4.1 Questionnaires</td>
<td>54</td>
</tr>
<tr>
<td>3.5 Qualitative Research</td>
<td>55</td>
</tr>
<tr>
<td>3.5.1 In-depth Interviews</td>
<td>55</td>
</tr>
<tr>
<td>3.5.2 Focus Group Discussions</td>
<td>57</td>
</tr>
<tr>
<td>3.5.3 Secondary Data</td>
<td>57</td>
</tr>
<tr>
<td>3.6 Research Limitation</td>
<td>57</td>
</tr>
<tr>
<td>3.7 Conclusion</td>
<td>58</td>
</tr>
</tbody>
</table>

Chapter Four: POVERTY ALLEVIATION PROGRAMMES IN SOCIAL WELFARE 60

4.1 Introduction                                                        | 60   |
4.2 Approach to Poverty Reduction in Fiji                               | 60   |
4.2.1 Failures in the Strategies Used                                  | 63   |
4.3 Department Of Social Welfare Programs                              | 63   |
4.3.1 External Factors                                                 | 65   |
4.3.2 Population Trend                                                 | 66   |
4.3.4 Economy                                                          | 66   |
4.4 Family Assistance Scheme                                            | 67   |
4.5 Poverty Alleviation Programmes                                      | 70   |
4.5.1 Criteria for beneficiary                                         | 72   |
4.5.2 Processing Application                                           | 73   |
4.6 Schemes Under the Poverty Alleviation Program                       | 73   |
4.6.1 Housing                                                          | 73   |
4.6.2 Fire Victims                                                      | 74   |
4.6.3 Income Generating Scheme                                         | 75   |
4.7 Conclusion                                                          | 80   |

Chapter Five: INCOME GENERATING PROGRAM OF POVERTY ALLEVIATION PROGRAMME 81

5.1 Introduction                                                        | 81   |
5.2 Background of the Distribution of Fund                              | 81   |
5.3 Perceptions And Choices                                             | 83   |
5.3.1 Demographical data                                               | 83   |
5.3.2 Types of Employment                                              | 84   |
5.3.2.1 Achievements Measurements of Households                       | 85   |
5.3.2.2 Perceived Causes of Poverty in Fiji                           | 86   |
5.4 Income Generation Business                                          | 87   |
5.4.1 Achieved Target                                                  | 92   |
5.4.2 Significant Contribution and Feelings before Starting on Activity| 93   |
5.4.3 Problems, Constraints Encountered in the Process                 | 95   |
5.4.4 Advantages in creating this type of Business                     | 96   |
5.4.5 Views and Future Prospects of the Beneficiaries Business          | 97   |
5.5 Observations                                                        | 97   |
5.5.1 Survival rate                                                    | 97   |
# LIST OF TABLES


4.1 Total percentage of recipients from (1991 – 1998)


5.1 Divisional Distribution


5.3 Gender breakdown

5.4 Respondents types of employment

5.5 Earnings summary of each household

5.6 Household achievements

5.7 Respondents understanding of poverty

5.8 Respondents classification of the poor

5.9 Respondents consequences of poverty

5.10 Respondents beliefs on the causes of poverty in Fiji

5.11 Respondents self assessments

5.12 Motivation

5.13 Business Advisors

5.14 Means of Support

5.15 Respondents business turnover

5.16 Respondents achievements

5.17 Beneficial results

5.18 Significant contribution

5.19 Respondents feelings towards the activity

5.20 Responses & feedbacks on respondents activities

5.21 Problems encountered

5.22 Ways of encountering

5.23 Advantages of income generating activities

5.24 Future Prospects & personal views of respondents
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACP</td>
<td>African, Caribbean, and Pacific States</td>
</tr>
<tr>
<td>ADB</td>
<td>Asian Development Bank</td>
</tr>
<tr>
<td>EC</td>
<td>European Community</td>
</tr>
<tr>
<td>EDF</td>
<td>European Development Fund</td>
</tr>
<tr>
<td>FAS</td>
<td>Family Assistance Scheme</td>
</tr>
<tr>
<td>FPR</td>
<td>Fiji Poverty Report</td>
</tr>
<tr>
<td>HART</td>
<td>Housing And Relief Trust</td>
</tr>
<tr>
<td>HDI</td>
<td>Human Development Index</td>
</tr>
<tr>
<td>HIES</td>
<td>Household Income and Expenditure Survey</td>
</tr>
<tr>
<td>HPI</td>
<td>Human Poverty Index</td>
</tr>
<tr>
<td>JICA</td>
<td>Japanese International Cooperation Agency</td>
</tr>
<tr>
<td>LDC</td>
<td>Less Developed Countries</td>
</tr>
<tr>
<td>MDG</td>
<td>Millennium Development Goals</td>
</tr>
<tr>
<td>NGO</td>
<td>Non Governmental Organization</td>
</tr>
<tr>
<td>NZ Aid</td>
<td>New Zealand Agency for International Development</td>
</tr>
<tr>
<td>NZ-ODA</td>
<td>New Zealand – Official Development Assistance</td>
</tr>
<tr>
<td>PAP</td>
<td>Poverty Alleviation Program</td>
</tr>
<tr>
<td>PDMC</td>
<td>Pacific Developing Member Countries</td>
</tr>
<tr>
<td>SDP</td>
<td>Strategic Development Plan</td>
</tr>
<tr>
<td>VAT</td>
<td>Value Added Tax</td>
</tr>
</tbody>
</table>
Chapter One: INTRODUCTION AND DEFINITION

1.1 INTRODUCTION

This chapter begins by looking at how poverty is being perceived and defined globally and also in the local Fiji context. It includes a background study of the research, a problem statement, hypothesis, aims and objectives and the significance of the research. The chapter concludes with brief description of the remaining five chapters.

Many countries throughout the world are turning their attention to alleviating poverty. It has become increasingly important in global development discussions. Addressing poverty is instrumental in achieving high economic growth and higher social capital. The increasing poverty and related issues have not been addressed adequately by Fiji’s national leaders for a long time.

1.2 WHAT IS POVERTY?

The prevalence of poverty has throughout history been widespread so much so that it has become an area of concern in terms of theoretical expositions and practical exercises. The concept of poverty varies. According to Narsey (2008) poverty may be defined in many different ways, as social scientists have developed broad definitions of poverty from “inequality of conditions” to “inequality of opportunities”, in an overall context set by discussions of what constitutes “development” and what does not. In addition to the deprivation of income (usually known as income poverty), poverty is widely understood to
include marginalization, lack of dignity, lack of choices and opportunities, social inequality, powerlessness, and in general, lack of the possibilities to live a tolerable and respectable human life. The Human Poverty Index (HPI) is used to bring together different features of deprivation in the quality of life to arrive at an aggregate judgment on the extent of the poverty in a community.

Poverty alleviation is a significant component of social and economic development. It limits people’s capability, their lives and their aspirations. While poverty in the Pacific is not portrayed by starvation and disease as it is in some other regions of the world, there are high levels of vulnerability and risk involved (UNDP: 1998).

To really bring home to people what poverty means, we can say that poverty is:

- not having a decent home to live in
- not having full-time employment or not receiving a just wage in full-time employment
- not being able to provide food
- not being able to send the children to school
- not being respected, feeling humiliation, worthlessness, loneliness and exclusion
- being voiceless, powerless, depressed, desperate, helpless, hopeless and dependent.

1.3 BACKGROUND OF THE STUDY

There is mounting evidence that poverty is now a serious issue in both rural and urban areas of Fiji today. Rural poverty appears to have increased significantly because of the decline in rural-urban incomes gap; however, the highest levels of urban poverty were recorded by households living in settlement and squatter areas. Analysis of the data from the 2002 household survey suggests that there has been a noticeable increase in the average
extent of poverty at the national level, but there are clearly serious pockets of poverty in the urban areas and it has appeared more widespread in the rural area where cash incomes are lower (HIES/2006). This HIES report suggests that poverty in the Fiji context means having to make choices on a daily or weekly basis between the competing demands for household expenditure and the limited availability of income to meet the expenditure.

According to Kumar and Prasad (2002) there has been gross failure on the part of the government in devising appropriate poverty alleviation policies. The government’s social welfare measures in the last decade have been inadequate (UNDP, 1997). In Fiji, an estimated third of the population live in some degrees of poverty, disallowing this strata of our communities’ access to basic necessities like healthy nutritional meals, proper dwellings, good education and job opportunities.

The 1997 Fiji Poverty Report (UNDP and Government of Fiji, 1997) showed that 25 per cent of households live below the poverty line in Fiji. The poorest households normally include those with low levels of education and skills and having difficulty finding employment. Two-thirds of poor households live in rural areas, a distribution that mirrors the national population. Indo-Fijians account for 54 per cent of poor households, Fijians 42 per cent and 4 per cent other races. The present indications are that poverty has increased significantly over the past five years, more so since the coup of May 2000. With reduced incomes, households are experiencing difficulties with education, medical and mortgage bills. A great number of families is now receiving assistance from government and non-governmental organizations (UNDP and Government of Fiji, 1997). However, the concern about the rising rate of poverty in Fiji today is attributed also to the non-renewal of land
leases, redundancy, the rise in the cost of living, unemployment and the slowdown in Fiji’s economic growth.

The current data analysis on poverty shows that by using different values for the Basic Needs Poverty Line, estimates of the incidence of poverty in 2002-03 stand at 35 per cent for all Fiji, for the rural poor, at 40 per cent and the urban poor, 29 per cent. In terms of ethnicity, the estimate puts Fijians at 34 per cent, Indo-Fijian at 37 per cent and Others at 24 per cent. Narsey indicated that the ethnic share of the Poverty Gap was 49 per cent for Fijians and 47 per cent for Indo-Fijians. While there are ethnic differences in poverty incidence, the most important disparity is the rural and urban gap: 69 per cent of the poor were living in the rural areas and only 31 per cent in urban areas (Narsey 2008).

According to Narsey (2008) while the estimates of the incidence of poverty and poverty gap indicates few major differences between the two major ethnic groups, the broad-brush analysis of the conditions of the poorest 30 per cent of the population indicate that at every level, indigenous Fijians appears to be materially far more deprived than Indo-Fijians in house types, transport assets, education and medical expenditures, electricity, washing machines, computers, and access to water and sewerage.

Government is working to eradicate poverty in Fiji through the provision of both immediate relief and long-term sustainable measures. The situation of poverty and inequality in Fiji is becoming quite serious and it is clear that the poor are the most vulnerable. According to the (HIES/2006 analysis report), an estimated approximately 28.2 per cent of the national population have less income than the basic needs poverty level. In order to improve the living standards of the poor, the government has set up a poverty fund.
Government is also working more closely with NGOs and other relevant agencies to examine ways in which it can assist the poor.

Three government programs provide safety nets and income transfers – the Family Assistance Scheme, the Poverty Alleviation Fund and the Public Rental Housing Program. Currently, one of the government’s main programs for poverty alleviation is the Family Assistance Scheme (or the destitute allowance as it was termed back in 1975 when it was used to assist old Indian cane farmers who could no longer financially support themselves). Government uses this scheme as a safety net for those in serious need. This safety net system provides a cushion for poorer individuals and households but no long-term solutions. The program is currently being administered by the Department of Social Welfare and is the only safety net that provides financial assistance to poor and disadvantaged families. This is a supplementary form of cash allowance of between $60 and $100 on a monthly basis to families or households that do not have the means of support and the ability to cope. It also includes those families whose source of income has been lost due to permanent and or physical disability, death of the breadwinner and imprisonment of the breadwinner, desertion by spouse, old age and chronic illness. A criticism of the allowance is that it can help only the poorest of the poor and yet it is nowhere near enough to meet their basic needs to live. The Family Assistance Scheme is a thin, short life-line thrown to people when they are already drowning’. This scheme is implemented not only as a means of reducing poverty but as a way of relieving poverty for the needy or those who fall below the poverty line.

“Since 1991, the Government strategy to reduce poverty has been to provide jobs to ensure that the poor have the means to take advantage of job opportunities and to provide a safety
net for those who continue to experience severe deprivation” (UNDP, 1997:10). Despite government’s welfare policy to provide assistance to destitute families through the Family Assistance Scheme the government has maintained its position that “a developing country such as Fiji cannot afford a comprehensive welfare state, where Government takes over full responsibility for the welfare of the poorest in the country” (Government of Fiji, 1993:62).

According to the Strategic Plan 2003-2005 (Government of Fiji, 2002), a priority of this plan is to stimulate opportunities for the poor of all communities to participate and equally benefit from economic growth and development. The government is committed to raising public investments to lift living standards and improve basic human needs. Government’s approach to poverty alleviation is to provide income-earning opportunities for the poor, capacity building for the poor in order to take up income-earning opportunities and a social safety net for those who cannot help themselves.

The Fiji Government strongly believes that the approach to poverty alleviation, consistent with the United Nations Millennium Development Goal number one, is to eradicate extreme poverty and hunger. Fiji is signatory to international conventions such as the Millennium Development Goals, which promote the eradication of extreme poverty as an overarching global goal to be achieved by 2015. Unlike Australia and New Zealand, Fiji does not have a universal income support system, primarily because it cannot afford a welfare state and does not want to create a “handout mentality” or welfare dependency and secondly, because it does not want to diminish the responsibility that lie within the traditional support systems. It is for this reason that the Government has continued to emphasize the importance of traditional forms of communal support as well as assistance through small business and income generating schemes.
The 2002 UNDP Human Development Report showed a downward trend in social and human development in Fiji, where there is increasing poverty and unemployment and a rapid increase in urban migration as witnessed by the squatter settlements climbing from 96,000 residents to 120,000. Barr and Naidu (2002) divide the poor into three categories: the destitute, the working poor who earn wages below the poverty line, and the children and unemployed young people who are dependent on their parents for their daily wellbeing. The study also points out that most of these poor reside in the rural areas and urban squatter settlements where there is no regular source of income. Therefore, it is very important and urgent for government institutions like the Ministry of Women, Social Welfare and Poverty Alleviation in collaboration with other government ministries and policy-makers of the country to analyse the root causes of poverty and seek alternative ways to address the economic and political structures that keep people poor and powerless.

Poverty in Fiji is a major issue and while it exists in all ethnic groups, most Fijians think that they are not poor because they are members of the traditional land owning units. The term poverty for indigenous Fijians is generally associated with no food, no house and no money, whereas for Indo-Fijians and other races, poverty is associated with all those things and with limited or no access to land. It is also seen in terms of poor transport services for rural and outer island communities, lack of access to essential services especially water and health service, poor education, landlessness, poor housing and material wealth. Poverty in urban areas is commonly found in squatter settlements, Housing And Relief Trust (HART) and Public Rental Board housing, on the streets and in rural villages amongst the aging, the disabled and single mothers.
Poverty, as the root cause of social evils, is a multidimensional issue affecting all aspects of life. Poverty and ill health are intrinsically linked, and mutually reinforcing. This brings disastrous consequences for individuals and their families by shrinking household savings, reducing productivity and diminishing quality of life. It creates or perpetuates poverty. The poor, consequently, are exposed to greater personal and environmental risks. They are poorly nourished and have limited access to health care; therefore they are more at risk of illness and disability. On the other hand, better health prevents poverty and generates wealth by building human and social capital and increasing productivity. Better health enables individuals to work successfully and productively in the workplace. The income generating program promotes economic development and poverty reduction by supporting financing schemes for the underprivileged and poorest segments of the community in order to empower them and enable them to value and protect their health and productivity.

Although poverty varies widely in incidence, depth and severity across the Pacific, it is rising as a serious issue and is increasing at regional level. Poverty and hardship have increased due to decades of weak economic performance associated with rapid changes of population growth and the consequent lack of new formal sector employment opportunities, urban drift and a weakening of traditional mechanisms. Poverty has many faces and will continue to rise. People will not be able to “walk out of poverty” rather, they will continue to live a cycle of poverty and increased dependency on government assistance. Poverty is a debilitating social problem and it nurtures injustice in the country. It suppresses the poor to the point where they are drained of motivation. If our politicians and influential people deny or play down the existence of poverty and inequality there is little reason to believe
that anything will seriously be done to alleviate poverty in this country. In Fiji, low wage is one of the root causes of poverty (Barr and Naidu, 2002). According to Barr and Naidu (2002), poverty in Fiji follows corruption and mismanagement and is also related to political instability, with drastic consequences leading to escalating levels of poverty.

In the South Pacific developing countries, our own traditional culture has been one of the major drawbacks in moving towards a better life and walking people out of poverty. It is therefore important for policy makers to distinguish between on the one hand, poor people who are not income earners, though not severely physically and mentally challenged, do have the potential to walk out of poverty (for example, those of working age, in good health), and on the other hand, those who cannot do so in the short term and therefore need longer term help, that is the disabled, children, the unwell and the elderly, because of limited capacity for such things like generating income.

1.4 **PROBLEM STATEMENT**

Over the past twenty years, there has been growing recognition of poverty in Fiji. It has remained a major challenge for the government. It is complex and continues to increase. Relative poverty has emerged with growing inequality between households. Failure in redistributive mechanisms and absence of social security systems have resulted in larger numbers of individuals and families being unable to meet the basic necessities of life. This is an inevitable problem that needs to be talked about so that policies are developed to meet the need and to deal with the problems that are faced by families in Fiji.
1.5 **AIMS AND OBJECTIVES**

The main objective of the research is to examine the effectiveness of government pro-poor strategies, focusing on the income generating scheme for the poor.

The specific objectives are:

- To record and evaluate people’s own perceptions about the nature and extent of poverty, its causes and consequences.
- To examine the likely impact of poverty alleviation programmes and evaluate the role of the government in the changing policy environment.
- To examine the impact of other government policy frameworks for the removal or reduction of poverty in Fiji.
- To identify and propose alternative strategies, policies, programs and means in addressing poverty problems in Fiji.
- To raise public awareness, influence policy change; improve the monitoring and measurement system of poverty.
- To make a contribution towards enhancing the quality and effectiveness of policies concerned with poverty alleviation.

1.6 **HYPOTHESIS**

The primary hypothesis for this study is that an effective income-generating scheme can lead to employment opportunities and income growth in Fiji based on the following:

- that there will be a willingness to take the risks associated with a business venture
- that the creation of new job opportunities by this means can have an important
impact on the economy;

that there can be a role for government in the promotion of income generation schemes that aim to improve livelihoods

that it is better to support the acquisition of skills to become more a job creator than a job seeker

that the beneficiaries will be developing roles of greater importance and changing the way they are regarded by society.

1.7 SIGNIFICANCE OF THE STUDY

The study aims to measure the effectiveness of the government’s policy on poverty alleviation in Fiji. Knowledge gained from this study in terms of the gaps identified can be used to develop some strategies for policy-makers and decision makers for improvements. It is also important for policy-makers to identify the vulnerable groups in Fiji and also identify the national characteristics of poverty. The study is intended to provide feedback for better policy making processes in future so that poverty issues can be addressed

On the social front, Fiji has for many years maintained a welfare approach to development, with a strong central role for the government. The government has provided support to the poor in the form of cash, carried out by the Department of Social Welfare aimed to protect the poorest segments in society. The research focus is on how effective our policy has been in alleviating poverty. Poverty alleviation is not just the job of the Department of Social Welfare alone; it should be viewed as the responsibility of all government ministries.

With the effective coordination mechanisms between different ministries as to how they formulate their policies and plans, this will definitely lead to other government policies
having a direct impact on the poor.

### 1.8 THESIS FRAMEWORK

This thesis is organized into six chapters, beginning with this introductory chapter that has highlighted the purpose and objectives of the study, providing definitions as well as the background information of the whole research.

Chapter Two provides a review of poverty at a global level. The chapter also discusses strategies used and those we have in place, together with different policies and theories that create a conceptual framework upon which to build the argument for this thesis.

Chapter Three provides the research methodologies used (both quantitative and qualitative) to carry out the research, including detailed description of interviews and case studies selected for the research.

Chapter Four discusses briefly the three poverty alleviation programs in the department, government policies, and poverty strategies used and the social welfare in brief.

Chapter Five examines the major findings arising out of this study. In-depth interviews and case studies findings are also examined within the context of the development theories discussed in chapters two.

Chapter Six summarizes the initial objectives with respect to this study. It provides a conclusion for the thesis and reviews the relevance of the findings in view of its implications of the study and recommendations.
Chapter Two: LITERATURE REVIEW

2.1 INTRODUCTION

The first section of this chapter discusses some reviews and strategies of poverty alleviation programs at global level. The part to follow describes the levels of poverty in the Pacific and the strategies in place and it also examines Fiji in general in terms of history, poverty, household income survey (HIES) and government effort in empowering the people by establishing and running economic schemes aimed at alleviating poverty.

2.2 POVERTY AND STRATEGIES AT GLOBAL LEVEL

In this section the study will focus on different strategies of poverty alleviation used in Australia, Thailand, New Zealand, Japan and China. It will also compare poverty levels with some Pacific island states.

The poor are not a homogeneous group, they are not the same and they vary. Just as the nature of poverty is diverse, so too are its causes and victims. It means different things to different people, across time and place. Their coping and survival strategies are different. The poor may not have acquired essential assets like worldly goods or properties, for example good houses to live in or they may have no means of transportation, lack of income or where deprivation might be experienced by a family having no-one in employment or where family members suffer from sickness or disability because they live in a remote or resource-poor area; or because they are vulnerable because of old age, health, living environment, or occupation. At a broader level, poverty may stem from situations where inequality of assets persists because of vested interests and entrenched
power structures. People have their own personal and strong reasons for doing things to their own advantage. This is possible if this power structure is well established. Finally, essential assets may not be available to the poor because of the lack of political will, inadequate governance, and inappropriate public policies and programs (Bonfiglioli, 2003).

According to Fiji Strategic Development Plan 2003–2005, the government has a responsibility to put in place policies that is achievable especially for the poorest citizens (Government of Fiji, 2002). The key policy objectives for poverty alleviation in Fiji are to:

- increase broad based, sustainable and equitable economic growth.
- promote income generation opportunities for the poor.
- strengthen capacity building or training for the poor to enable them to take advantage of opportunities.
- provide minimum acceptable and affordable basic needs and services to the poor.
- formalise and strengthen government and civil society partnership in alleviating poverty.
- encourage traditional support mechanisms for the disadvantaged.
- provide social safety nets or welfare support for the destitute and ensure timely compilation and analysis of statistics on poverty.

Poverty alleviation is a significant component of social and economic development and therefore many studies have been carried out on this subject globally. Poverty can be defined in many dimensions where different institutions and schools of thought perceived things in the way to suit their beliefs. While some focus on the income (wages and salaries), others focus on the measurement of the standard income expenditure, human development and social inclusion (Chen et al., 2004).
2.3 SPECIFIC COUNTRY STRATEGIES: both internal and external

2.3.1 Australia

In Australia, there are over two million Australians living in various degrees of poverty. Poor people consist of many different groups - women, men, old or young, married or single. They show common characteristics: they are powerless, voiceless and unorganized. Poverty is the result of the way a society distributes its wealth, its power, its resources and its opportunities (Hollingworth, 1981).

Australia’s social security system with its rigid categories of need and its strict eligibility requirements has failed to meet the new needs of supporting single fathers and people facing financial constraints. According to Hollingworth (1981) an estimated 2.6 million Australians are largely dependent upon the social security and have been objectively judged to be unable to support themselves in the market place. The reasons include old age, widowhood, unemployment, sickness or disabled. Becoming dependent upon social security benefits, these people are required to live on an income well below the poverty line. The Australian Assistance Plan and the Family and Community Services Program are examples of recent moves to community-based welfare programs, which are valuable if the aim is to increase the level of accessibility of services and to encourage community participation.

One of the Australian Government policy priorities for poverty programs was to target areas of greatest need, beginning with economic considerations and then extending to broader social concerns (Hollingworth, 2001). Next priority was to increase work opportunities because adequate and regular wages are the most effective prevention of
poverty. The government’s top priority now in Australia is to ensure that families are assisted in organizing their lives and developing necessary living skills in a supporting community environment. Elimination of poverty in Australia is a big task that will demand both time and sustained efforts from all sectors of the community. There have been significant improvements in Australia’s social security and welfare provisions. The country believes the time has come to speed up efforts in eradicating poverty. Also, helping poor people is not just a matter of free handouts, but one of social justice.

2.3.1.1 Examples of Australian programmes for poverty reduction

Australia the main donor to the Pacific region and its aid flows are directed particularly towards social services and infrastructure (Good, 2003). An emphasis on these sectors contributes to poverty reduction in the region by reducing the vulnerability to poverty and therefore it affects the opportunities of Pacific islanders. According to Good, Australia’s poverty pillar of “accountability” and emphasis on promotion of good governance were highlighted in the 1990s when the nature of aid flows to Papua New Guinea was changed from untied budget support to programmed aid, with disbursements assigned to project activities, as a result the Australia Aid is bypassing central government. This change was done due to Australia’s growing dissatisfaction with the lack of transparency and accountability in the budgetary process provided by the receiving country (Good, 2003).

The Australian Department for International Development sets out its approach to poverty reduction entitled “Reducing Poverty the central integrating factor of Australia’s Aid Program” (Good, 2003). Moreover, AUSAid places great emphasis on principles of good governance, and strongly links it to sectoral priorities of the aid programme. Good governance is seen as central to poverty reduction as without open, transparent,
accountable, equitable and responsible governance, direct approaches to poverty reduction will not be sustainable. AUSAid contends that economic growth is the most powerful force for sustained poverty reduction. However, although economic growth correlates directly with reductions in absolute poverty, growth itself neither increases nor decreases the level of inequality (Good, 2003). Growth that will best reduce poverty is not just growth, but inclusive growth. This has also been called pro-poor or “quality” growth (Good, 2003).

Similarly Australia concentrates most of its aid on the promotion of institutional strengthening, health and education in Fiji. In Samoa, aid is mainly intended for economic reform, education, health, and natural resources management. In Tonga, Australia and France are jointly funding an electrification program. Moreover, Australia gives direct budget aid to Tonga for public sector investment, education, health, marine resources and the private sector. AUSAid assistance to Cook Islands focuses on education and training and on improving access to clean water and reliable electricity on the outer islands (Good, 2003).

2.3.2 Thailand

Thailand, in addressing the negative economic development trends, the country was trying to strengthen its efforts towards reduction of hunger and poverty within Asia and the Pacific Region. The aftermath of the economic crisis of 1997 provided a major hurdle for policy makers to achieve its goals for poverty alleviation and food security so a United Nations platform for joint action was formed and coordinated by the United Nations Development Program in developing a national framework for poverty reduction in Thailand. According to Polman (2001), the jointly agreed UN agency poverty reduction goal and objective covers issues such as:
identification of successful strategies for enhancing reduction at national and local levels support of community initiatives to promote rural development promotion of policy dialogue among stakeholders for sustainable agriculture and rural development support to decentralization of decision making for effective participation in poverty alleviation and related national development policies.

The Thai government requested the Food and Agriculture Organization to provide support and promote successful small farmers’ cooperatives. This capacity building activity is in line with the government’s policy for promoting one village product to effectively reduce farmers’ debts. Another method used by FAO for income generation for disabled farmers was to provide three months training for physically and mentally disabled farmers on mushroom production and enterprise development. Another successful method was the Success Case Replication small enterprise development training that included cold soil brick making, production of non-chemical vegetables, mushroom cultivation, coconut confectionery, steaming of Chinese dumplings, integrated farming activities and farmer group administration. Seventy-three per cent of the trainees (farmers) from the 7 provinces of Thailand became successful entrepreneurs with a first year total profit of US$21,659 against project training costs of only US$1,349 (Polman, 2001). These results were based on the pilot activities for poverty reduction that were carried out to examine local needs in two local communities. Thailand’s project also helped to evaluate the effectiveness of its national poverty alleviation strategy and its policy approaches to poverty.

2.3.3 New Zealand

As one of the six guiding principles of New Zealand Official Development Assistance (NZ-ODA) now New Zealand Agency for International Development (NZ-Aid) the reduction of poverty has long been a core focus of New Zealand’s development assistance, and one to which the program has paid increasing attention over recent years. With the creation of NZ-
Aid, the Government has set several new directions for the aid program, beginning with emphasising even more poverty elimination as the central focus. The program was oriented towards the achievement of international goals for aid, as represented in the 2000 UN Millennium Goals and other internationally agreed targets. To reflect these new orientations, a revised NZ-Aid Policy Statement entitled “Towards a Safe and Just World Free of Poverty” was released in July 2002. It replaced the 1996 NZ-ODA Policy Framework entitled “Investing in a Common Future” (Good, 2003).

2.3.3.1 Examples of NZ programmes for poverty reduction

The report stated that focusing on practical and achievable aspects in addressing poverty has been a key belief of the NZ approach to development assistance. Some bilateral programs have addressed poverty reduction directly through activities such as micro-finance schemes, small project funds and support for both indigenous NGOs working at the village level and community women’s groups. Poverty reduction has become a core objective in all project designs (Good, 2003).

Over half of New Zealand’s total aid program goes to the Pacific – and most of this goes to nine countries – Papua New Guinea, Solomon Islands, Vanuatu, Fiji, Samoa, Tonga, Cook Islands, Niue and Tokelau. The largest programs are those in Solomon Islands, Papua New Guinea and Vanuatu – this is where the majority of Pacific people live and they are the poorest. New Zealand also provides budget assistance to Niue and Tokelau, and extensive support to the Cook Islands – three tiny states that New Zealand has legal obligations to support and whose people are New Zealand citizens (Good, 2003).
2.3.4 Japan

The poverty reduction strategy of the Japanese International Co-operation Agency (JICA) places great emphasis upon infrastructure projects and technical training programs. Another aspect of Japan’s poverty reduction strategy involves increased participation of the poor. In order to expand the country’s anti-poverty measures, JICA established the "Community Empowerment Program (Grass-roots Technical Co-operation Project)" to serve as a framework for co-operation in poverty reduction that benefits local residents. Under this new initiative, JICA and Non-Governmental Organizations (NGO) co-operate at a regional level to implement projects in such areas as maternal and child health care and family planning, support for the socially disadvantaged, community development, fostering of local industries, and human resources development. (Good, 2003).

2.3.5 China

The Chinese government made a very strong commitment to poverty reduction. It has explored a way of poverty-relief in line with Chinese conditions in the practice of leading the broad masses to eradicate poverty. That is, the government leads the drive for poverty relief, based on self-reliance with social participation. According to Zhang (1996) China achieved tremendous progress in the reduction of both income and human poverty between 1978 and 1985. After 1993 when the anti-poverty program was formally completed, the Chinese government’s renewed commitment to poverty reduction started to show some results. Zhang (1996) went on to say that by the beginning of 1997, the proportion of the population living below the national poverty line fell to 58 million.

The government combines political commitment with financial commitment to poverty reduction in order to meet the goal of the 8-7 program. The central government decided to
increase the annual contribution for poverty alleviation. Utilizing funds effectively for poverty reduction is very important, so the central government has restricted the expenditure for local government consumption, suggesting that in poor local authorities, there should be no expensive government office buildings, cellular telephones or cars unnecessarily used at this level before the poverty problems are solved (Zhang, 1993).

From the above model at a local government level, China is making a great contribution to the cause of poverty reduction, and their experience is worth learning from because their poverty policy is effective. Basically their aim is to relieve and eliminate poverty and to achieve common prosperity of the entire people, with the government clearly forwarding its goal that it will build a well-off society in an all-round way in the first 20 years of the 21st century. In achieving this goal the government will carry forward the process of eliminating poverty with more determination and more powerful measures (Zhang, 1996).

2.4 LEVELS OF POVERTY IN THE PACIFIC

Poverty reduction strategies need to be accompanied by policies and actions that enhance the quality and productivity of the environment and natural resources. Program strategies are central to Australia’s aid program and it is therefore crucial they focus on operationalising poverty reduction. The existing guidelines for program strategy preparation are improved so that poverty is a more central element of country strategies. The guidelines will also provide advice on undertaking a poverty analysis. This poverty analysis will draw upon work done by partners or other donors (AusAID, 2001).

The lesson is clear, growth can reduce poverty by generating employment and incomes, and labour intensive growth can reduce it even faster. Thus, policies that encourage labour
intensive growth are powerful pro-poor measures. Such policies include, in particular, the removal of market-distorting interventions, such as overvalued exchange rates, import and/or export restrictions, credit subsidies, and reliance on state-owned enterprises. Other policies that fall in this category are development of a conducive environment for the private sector, and programs (such as microfinance and "workfare") aimed at increasing employment and income generating opportunities for women and other groups that may be outside the formal labour force. Infrastructure development can also make a considerable contribution to growth through job creation and improvement of access to economic activities and basic social services. Similarly, opportunities for self-employment by the poor must be promoted (AUSAid, 2001).

Market-driven growth processes typically benefit richer areas, where infrastructure and human capital are already reasonably well advanced. For poorer areas, public investment is generally necessary especially in rural areas. which Similarly, specific interventions are needed to provide the rural poor or urban unemployed with access to key services and opportunities for self-employment.

### 2.4.1 The Millennium Development Goals

Millennium Development Goals are benchmarks of progress in a global attempt at alleviating poverty. The eight goals and their associated targets clearly address a complex set of effects the fundamental cause of which is poverty. For the record, here are the eight MDGs:

- Eradicate extreme poverty and hunger.
- Achieve universal primary education.
Promote gender equality and empower women.
Reduce child mortality.
Improve maternal health.
Combat HIV/AIDS, malaria and other diseases.
Ensure environmental sustainability.
Develop a global partnership for development (UN MDG, 2007).

Poverty is manifested as an interrelated set of problems such as hunger, disease, child mortality, gender bias, and environmental degradation. All of the factors that the MDG seeks to address are causally related. For instance, hunger is a consequence of poverty because the food supply is inadequate, the poor suffer from hunger and malnutrition. Low or even negative savings coupled with credit constraints do not allow investment in education. Lack of education leads to poor understanding of hygiene and health care, a high birth rate and child mortality, and poor maternal health. Eliminating poverty therefore is a necessary condition for the eradication of the whole set of inter-related effects. Poverty is the most common characteristic that defines the populations of developing countries. It can be broadly classified as income poverty and non-income poverty. Non-income poverty in terms of education, health-care, access to markets and so on directly produces the income poverty that traps the average citizens of developing countries. Thus, income poverty and non-income poverty are inextricably related. The problem appears almost intractable because the two kinds of poverty are mutually reinforcing. Any solution that does not address both kinds of poverty is unlikely to be successful in poverty alleviation. The question of how to lift big populations out of this poverty trap is a formidable challenge that governments, multilateral organizations and policy makers face. Another way of classifying poverty is to distinguish between urban and rural poverty. Often, lacking economic opportunities, rural populations are forced to migrate to urban areas. An excess
rural migrant population that cannot be gainfully employed in the urban areas leads to urban poverty. Therefore, alleviating rural poverty is a precondition to solving a large part of the urban poverty. The focus of the first millennium development goal is to eradicate extreme poverty.

2.4.2 The Pacific Plan

The Pacific Plan has not emerged from a vacuum. The Pacific Islands Countries do face challenges and many of these, while not new, have assumed greater importance during the past decade. The challenge in the Pacific is to ease capacity constraints and to increase economic opportunities, but the Plan visualizes working towards a compact that addresses capacity constraints. This would mean redefining ideas of the PacificWay.

One of its strategic objectives under sustainable development is reduced poverty. This is a new initiative and will be monitored. The Plan will undertake poverty alleviation assessments of each country. The Plan’s indicators for monitoring progress is by a 20 per cent decrease in the poverty gap ratio (incidence x depth of poverty) between 2006 and 2015 and another 20 per cent decrease in the poverty headcount ratio (% of population below the national poverty line) between 2006 and 2015, disaggregated into urban and rural (The Pacific Plan, 2005).

2.4.3 Poverty in the Pacific – The Current Situation

The Analysis Poverty Report of 2003 by Lydia Good revealed that although the poor in the Pacific have developed many mechanisms for dealing with shocks and risks caused by
cyclones and other natural disasters, minimal assets, low income and lack of power, they
cannot always cope with crises. Poor people are especially vulnerable to fluctuations in
income and are often unable to recover losses. Such a fall into poverty can result, if not in
absolute poverty, in what may be called a poverty of opportunity. Good adds that although
not absolute, in the Pacific region many countries suffer from vulnerability poverty induced
by the vulnerability to circumstances that impact on their lives and their ability to meet
basic needs. These dynamic situations can result in an increased vulnerability to
circumstances that impact on their livelihoods and their ability to meet basic needs - a
decline of household consumption and income which affects a household’s level of food
security and access to education and health for instance (Good, 2003).

**Kiribati**

Kiribati has the lowest population density of all the Micronesian countries and has
excellent literacy rates. According to Good (2003) most indicators have shown a significant
improvement over the long term: for example life expectancy has risen from 52 to 62 years
in the period from 1970 to 2002. There is a marked difference between the standard of
living in South Tarawa (where most development has taken place) and the outer islands
where many people are still living a subsistence based lifestyle (Good, 2003).

**Solomon Islands**

Solomon Islands is a country in turmoil. Such instability has a significantly negative effect
on the social services of the country and has markedly increased the vulnerability of the
population to increased levels of poverty. The political crisis in Solomon Islands has had a
severe impact on health and education, amongst other social services. Shortage of medical
trained staff and medicines has been felt in most rural and urban clinics. As many medical
and teaching staff cannot be paid regularly, half of the clinics and schools throughout the country remain closed. Such deprivation of resources can be classed as a poverty of opportunity, that is, citizens lack the opportunity to gain sufficient access to vital social services (Good, 2003).

**Tonga**

Tonga is a middle income country, where according to the government, poverty does not exist. Absolute poverty is rare in Polynesian societies, due to the communal principles on which they still function, which make sharing among the community members an obligation. Also most land ownership in Tonga is individual, not communal own or have access to land and fishing, thus allowing them to at least meet their basic subsistence needs. Remittances from relatives working overseas provide another substantial contribution to families’ budgets. Finally, the Government relies on donor assistance to increase their own resources for financing the social sectors. Although according to the analysis report of poverty in the Pacific, absolute poverty does not exist in Tonga, the country needs to boost economic growth and integration and further improvements in the quality of life are necessary through more sustainable economic growth, in order to meet future demand for jobs, goods and services of a growing population (Good, 2003).

**Tuvalu**

Tuvalu is made up of a series of very small low-lying coral atoll and reef islands in the Pacific, isolated, vulnerable to adverse climate events and economic shocks, and lacking adequate resources for sustainable growth to alleviate poverty. Its economic base is extremely narrow and incorporates hardly any, or no, value-adding exports. The income from fishing licence fees, remittances, available surpluses from its trust fund, and rent of its
“dot.tv” internet domain are highly variable. Its small population of 10,500, a lack of economies of scale because of its remoteness, and high costs of doing business limits development (Asian Development Bank, 2009).

Tuvalu has received $7.82 million in loans and $5.91 million in technical assistance since joining the Asian Development Bank (ADB) in 1993. In recent years, ADB’s operational strategy has focused on improving governance and economic management, as well as providing skills development to enhance employment opportunities. Improvement of services on the outer islands, where poor and vulnerable groups are concentrated, has also been undertaken, partly through sustainable financing mechanisms through the establishment of the Falekaupule Trust Fund (Asian Development Bank, 2009).

**Vanuatu**

Vanuatu has considerable potential for sustaining poverty reduction efforts if the structural adjustment being put in place with the financial support of ADB begins to deliver economic returns soon. Vanuatu’s progress towards achieving the Millennium Development Goals has been slow or stagnant (ADB, 2003). In the 2002 UNDP Human Development Report, it was ranked 131st out of 173 countries in the Human Development Index (HDI). Adult literacy is estimated at only 33.5 per cent, with a life expectancy at birth of 66 years. Urban drift and unemployment pose serious challenges against a backdrop of stagnating living standards. Cultural safety nets have been based on a strong customary tradition of social relationships. However these mechanisms are now under pressure. Many families are having difficulties fulfilling customary expectations, others are opting out of the traditional
system altogether. Current social, economic and political indicators indicate that women are disadvantaged (Good, 2003).

Poverty in Vanuatu is associated with inadequate housing, illegal constructions, no services, no water, expensive power, poor sanitation and sewerage facilities. Other considerations include cost of transport; poor services, mental health problems, no money to get medicine and low levels of employment. On culture, the issues are high on pregnancies, cultural obligations versus economy, money to upkeep families and their children (Good, 2003).

2.4.4 Donor Strategies for Poverty Reduction in the Pacific

The European Community’s poverty reduction strategies integrate the many dimensions of poverty and are based on the analysis of constraints and opportunities in Least Developed Countries. Its multi-sectoral approach to development assistance highlights its understanding of the nature of poverty. Its development assistance focuses on removing vulnerability to poverty via improvements in social services, governance, infrastructure and renewable energy. One of the community’s goal is to link poorer countries with stronger larger economies. In regard to the latter efforts are directed at supporting island African Caribbean Pacific (ACP) States in their efforts to overcome natural disasters and geographic difficulties hampering their development, for the European Community’s (EC) 9th European Development Funds (EDF) Programmes for Poverty Reduction. Its approach to poverty reduction includes the idea of vulnerability and applies a multi-sectoral approach referring to food supplies, education and health, natural resources, drinking water, infrastructure and energy (Good, 2003).
The Asian Development Bank (ADB) perceives poverty in the Pacific in terms of a deprivation of essential assets and opportunities. Its response is to address poverty through three mutually supportive initiatives: pro-poor sustainable economic growth, social development and good governance. The Asian Development Bank foresees economic growth as the central principle for poverty reduction. ADB has put forward the belief that healthy, sustainable economic growth is essential for significant gains in poverty reduction, and for addressing the diverse problems of underdevelopment, and more generally for improvements in the quality of life. ADB argues that Pacific countries need to address the challenges of growth and sustainability in a systematic manner. Therefore, building and upgrading physical and social infrastructure throughout the region is a primary condition for sustained growth with large investments required in social services, like education and health, water supply, sanitation and shelter, especially in poorer countries (Asian Development Bank, 2001).

ADB’s poverty reduction strategy emphasises the need for environmental compatibility of growth in the region’s resource based economies, and, like Australian aid, the importance of good governance. It promotes participation of all stakeholders in development decision making and the provision of equitable access to assets and opportunities. Such participation is essential to maximise the benefits of growth and make development broad-based. A central dimension is to strengthen capacity at sub-national levels, including provinces, urban areas and local communities where the stakeholders in development live and where development, especially poverty reduction, actually takes place (Asian Development Bank, 2001).

On 27th June 2002 the ADB signed Poverty Partnerships with the Federated States of
Micronesia and the Marshall Islands. Under the agreements, the ADB and the governments will jointly prepare national poverty reduction strategies by drawing on existing and forthcoming national development strategies, supplemented by community-based poverty consultation workshops. The strategies will guide future ADB assistance to the two countries. Together with New Zealand, the ADB has played a key role in strengthening economic and financial management in the Cook Islands. Nauru receives benefits under the ADB’s regional assistance projects (Asian Development Bank, 2001).

Pacific countries in their environmentally vulnerable position, deserve the same overseas development assistance as low-income countries in Sub-Saharan Africa as there is a high incidence of poverty in the broader sense of the word. Indeed, one cannot claim that poverty in Solomon Islands is the same as poverty in Uganda or India. However, poverty exists in the Pacific, and as such, donors, and the European Union and its member states in particular, seek to honour the commitments made in the MDGs to reduce poverty in all four corners of the globe (Good, 2003). With the above review, it helps us to understand the different effects of these policies and how successful they have been in other countries.

2.5 FIJI IN GENERAL

2.5.1 Progress in Poverty Reduction

Fiji, when compared with many other Pacific developing member countries (PDMCs), has made progress in achieving the MDGs. According to the country strategy and programme update 2005-2007 stated that in the 2003 Human Development Report, the United Nations Development Programme ranked the Fiji Islands 81st of 175 countries in the human development index compared with 72nd in 2002, 41st among 94 countries in the human

The Human Development Report (2003) further stated that the unstable political and socioeconomic situation has led to a significant increase in hardship and poverty. New pockets of poverty are emerging in urban squatter settlements and rural areas. The preliminary findings of the 2002 participatory assessment of hardship suggest that the proportion of the population whose incomes are below the poverty line has increased from the 25% recorded in 1990/91. The poor expressed concern over governance issues, declining standards in the delivery of basic services, lack of economic opportunity, especially for those being displaced in the sugar industry and the urban unemployed. The main priorities of the poor, as identified during the 2002 participatory assessment of hardship, were access to jobs and income opportunities. To address poverty better, a poverty partnership was finalized and signed between the Government and ADB in 2003 (Country Strategy & Programme Update 2005-2007).

According to the 2002 Human Development Report, there were indications that poverty had increased significantly over the previous years, particularly after the coup of May 2000. With reduced incomes, households were experiencing difficulties paying for education, medical and mortgage bills. Increased numbers of families were receiving assistance from government and non-government organisations. In 1999 they were 8,122 persons receiving such support and according to the Ministry of National Planning numbers had already increased to 22,391 in 2000 (Good, 2003).
The latest 2002-2003 HIES (Fiji Islands Bureau of Statistics, 2006) results are more reliable statistically despite an early setback because of Government cost-cutting measures arising out of the political events of 2000. This national household income and expenditure survey (HIES) is a critical component because income, expenditure and other data provided at the household level are useful in the analysis of the national incidence of poverty. An important step in analyzing income distribution is the ranking of all households according to some criterion that reflects in a general way the standard of living of the household.

A simpler and universally accepted method is the UNDP approach, which calculates Adult Equivalents for each household by treating children (14 and under) as half an adult. The households are then ranked by income per adult equivalent. This is the method used for the analysis of the 2002-03 HIES data on incomes and expenditures. According to the HIES (2006) report that the analysis of the major sources of income was made from two perspectives. The first examined the total monetary values of the various sources of income and their distribution while the second looked at households labelled by their major source of income. The largest item is permanent wages, which comprises 43% of all recorded household income, with casual wages being 11%, therefore wages comprised 54% of all household income. Others comprised 21% while commercial business income is 7% of the household income.

The HIES (2006) report revealed that for Fijians, home expenditure comprised a large 12%, whilst 3% was the figure for Indo-Fijians. Proportions from agricultural business were about the same for the two ethnic groups. Commercial business is dominated by Indo-Fijians with 65% of the income and Fijians now have a reasonable 29% of the reported income from this source. Fifty-one per cent of permanent wages go to to Fijian households
and 40% to Indo-Fijian, roughly in proportion to their population shares. However, it is the other way around for casual wages with 55% accruing to Indo-Fijians and only 40% to Fijians. The report emphasized that this has a bearing on the prevalence of poverty amongst Indo-Fijians as casual wages are associated with low wages.

The HIES (2006) report further stated that at all income levels, home consumption has the highest proportion, followed by the casual wages, agricultural business, commercial business and lowest those depending on permanent wages. Most Fijians in permanent employment are in the civil service or statutory organisations which have both provided better working conditions and pay than those in the private sector. One important factor in lessening the impact of poverty on low income households is their ability to supplement normal cash incomes with home consumption of goods produced by householders themselves. The report highlighted that in terms of commercial business an interesting measure is that Fijian households derive a higher proportion of their income from this income source than Indo-Fijian or other households. This is probably a sign of the large numbers of Fijians engaging in small business activities in urban areas.

2.5.2 Fiji’s History

Fiji is strategically and centrally placed among the island nations of the Pacific. A former British colony, it received independence in 1970. Fiji is made up of 332 islands, 100 of which are inhabited. It has two principal islands, Viti Levu (home to the international airport at Nadi and the capital, Suva) and to the north, Vanua Levu. Fiji is one of the larger and more developed Pacific Island countries with its economy based on a good supply of natural resources and relatively skilled human resources. Indigenous Fijian society was not a homogeneous society in terms of customs, language and certain norms and it differed
from one community to another. Core traditional values were seen to be order, stability, responsibility, caring, generosity and respect for the elderly and those with authority. Within families there was an ethic of caring and sharing so that nobody was in need. There was no record of poverty in early times, but a series of events occurred which included an influx of European settlers. Gradually a dramatic change occurred; a rich, complex, vigorous and highly organized traditional society was formed. The main sectors of the Fiji economy and sources of foreign exchange are sugar, tourism and garments. Fiji relies heavily on remittances estimated at over NZ$300 million per annum from overseas workers as a source of foreign currency. In 2008 it was Fiji’s second largest foreign source. Fiji enjoys a tropical climate year-round.

2.5.3 Poverty in Fiji

Who are the poorest in the country? Who are the largest groups of poor? How much affirmative action resources should government give to each group to enable close the
poverty gap?. According to Narsey, the incidence of poverty does not tell us how far below the standard are the people considered to be poor. It is possible that most poor may be just below the standard with little required to raise them above it, or most of the poor may be well below the standard, thus requiring much greater resources to alleviate their poverty (Narsey, 2008). He stated that there was an overall reduction of poverty in the two year period 2002-03 and 2004-05, given that the Fiji economy was growing slowly over these two years. According to Narsey, if we adjust the poverty lines used by the Consumer Prices Index, we get a poverty line of between $33 and $35 per adult per week or about $132 per week for a household of five persons (UNDP, 1977). He further stated that the national incidence of poverty in Fiji for 2002-2003 is then about 35 per cent and the groups where most in poverty are shown in the table 2.1.

<table>
<thead>
<tr>
<th>Racial Groups</th>
<th>Poverty Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Fiji</td>
<td>35%</td>
</tr>
<tr>
<td>Rural</td>
<td>40%</td>
</tr>
<tr>
<td>Urban</td>
<td>29%</td>
</tr>
<tr>
<td>Fijian</td>
<td>34%</td>
</tr>
<tr>
<td>Indo-Fijian</td>
<td>37%</td>
</tr>
<tr>
<td>Others</td>
<td>24%</td>
</tr>
</tbody>
</table>

Source: Narsey, 2008

He added that it is not surprising that rural Fiji-Indians were the most in poverty given the decline of the sugar industry, the collapse of the garments industry and the expiry of land-leases. According to Narsey, in terms of the numbers and proportion of the different groups who were poor in 2004-05, the Indo-Fijian share (49 per cent) is slightly higher than the
Fijian share (48 per cent). As before, a larger share of the poor were in the rural areas with 57 per cent, and 43 per cent in urban areas. So if the affirmative action resources are given to bridge the poverty gap only on the basis of need, Fijians would still get 54 per cent of the resources and Fiji-Indians would get 43 per cent. He claims that Fiji does not need poverty alleviation affirmative action based on race so it is a national tragedy that politicians act as if it is only their own ethnic groups that deserves poverty alleviation and not others. He adds that while there are important ethnic differences in the incidence of poverty, far more important are the rural who are deprived from urban groups. He adds that the data indicates that there is little need for ethnic criterial for the national distribution of resources for poverty alleviation. A policy based on need alone will allocate resources fairly between ethnic groups, rural and urban and by divisions (Narsey, 2008).

According to the 2004-05 Employment and Unemployment Survey, the official rate of unemployment in Fiji is around 5 per cent – 3 per cent for Fijians and 6 per cent for Fiji-Indians. However, this does not take account of the thousands of workers mostly self-employed, family workers or community workers, who work much less than eight hours per day and or who work much less than 240 days in the year. When all this massive underemployment is taken into account, the shocking estimates for effective unemployment are Fijians 32 per cent, Fiji-Indians 22 per cent and all 27 per cent (Fiji Times: June 10, 2007).

Poverty is an unusually complex multi-dimensional issue in Fiji. Not only is there the common rural – urban divide but there is also the issue of ethnicity, and the access to land, which is a consequential factor. Access to land is not just an issue of ethnic background; there are many indigenous Fijians who also suffer from limited access to land, especially
those who have migrated from the rural areas to the urban centres. Indeed, this group has been leading the rate of urban migration and now comprises one of the poorest and most disadvantaged groups in society. Other evidence of increasing hardship in Fiji is found in the growing number of reported unemployed, the big increase in the numbers receiving Family Assistance Scheme benefits, the declining productivity in the agricultural sector, especially in the sugar industry, and the continuing rate of urban migration, which is swelling the numbers living in low standard housing in poorly served urban squatter settlements.

The recent political instability and weaknesses in governance standards have been primary causes of the low rates of investment and growth in the economy as a whole. These factors have also been a major cause of economic weakness, with large amounts of funds alleged to have been misappropriated or otherwise wasted. The sugar industry, the basis of the rural economy, is in urgent need of restructuring. This has hindered the formulation of a sensible and rational approach to the future size and structure of the industry. Even without the recent problems of land-lease expirations, the whole industry collapses as it faces the reality of world market prices.

2.5 CONCLUSION

This chapter has looked at various strategies of different poverty alleviation programs used in other countries and how relevant and appropriate, that can be adopted and used when the need arises. Poverty levels in different Pacific countries were compared, mainly due to the attention received not only in Fiji but other countries in the South Pacific region. The aim of the study is to find out whether poverty has been alleviated in terms of changing lives
and making improvements in the lives of recipients. The Pacific island countries must first understand poverty and other changes that are taking place in their social structure, before they can formulate appropriate policy responses.

The challenge for the research is to find facts that would assist in identifying the availability of opportunities and livelihoods that offer paths out of poverty. The income generating programme intervention has come at such an opportune time to be considered as a vehicle for sustainable development for local communities as well as local people. Having an intervention of that nature is quite relevant in addressing the problems hence a useful tool in poverty alleviation in Fiji.

The next chapter will discuss the methodology used, the processes, application in the gathering and analysis of the data collected during field work.
Chapter Three : MEASURING THE IMPACT OF POVERTY ALLEVIATION INITIATIVES

3.1 INTRODUCTION

This chapter details the research methodology and data collection methods used to reveal the important part of monitoring the impact of the poverty eradication initiatives used by the Department of Social Welfare in measuring whether the allocated resources actually reach their intended targets. The important aspect was the case studies carried out in the research. The other elements comprised in-depth and focus interviews held in Suva and Labasa, together with essential materials needed to support the research.

The chapter describes the approaches used in the study and the justification for using them. It concludes with limitations experienced during the research process.

3.2 METHODOLOGICAL APPROACH

The methodologies designed for this study included a survey of 80 recipients of assistance from the Department of Social Welfare for small income-generating projects. The survey was designed to obtain necessary demographic information. The in-depth interviews were conducted with two groups of five people: the welfare officers and the recipients themselves. It was designed to obtain qualitative measurements of their perceptions of the scheme, its effects and the train of changes that was set in progress as their ventures evolved.

3.2.1 Research Methodology Design

A research design is a plan that “links the data to be collected to the initial questions of the
study” (Yin, 1984, p 18). Due to the nature of the research, it encompasses both quantitative and qualitative data. For quantitative data, structured questionnaires are used because this allows a limited range of responses, while for the collection of qualitative data, in-depth interviews and focus-group discussions was done on an individual basis and in small groups, trying to identify and gauge the process involved and how these issues were addressed. Qualitative research methods were used for in-depth and focus groups discussions. Data collected and the analysed research findings in the study were of great assistance to the formation of generalizations in order to draw certain valid conclusions across the entire range of poverty alleviation programs in Fiji.

Survey work mainly starts with the central question firmly established and involves observation and the recording of information in the field; more or less structured interviews based solely or partially on the survey questionnaire; and whatever other methods and approaches were used, with the central question clearly stated. The assessment of the formulation, implementation and evaluation of the Income Generating Scheme in Fiji is important because it has not been investigated in the past, therefore the survey work design is most relevant for this study.

3.2.2 Research Methods

The method used was a sectional group comparison study. This method was used because it allowed the use of data source to shed light into some new areas derived from in-depth interviews, focused group discussions and questionnaires. It also allowed the use of mixed methods, quantitative and qualitative data collection. The interview schedule was more of a questionnaire combining structured questions that helped in the interpretation and
understanding of the survey findings. The responses to the questionnaire were then categorized according to predefined codes. Open ended questions that gave a scope for probing elicited responses and answers from participants that were then transcribed and analysed for qualitative interpretation.

In such an exercise, the aim is to code and quantify the data so that generally it could provide the means of summarizing data. The self-response questionnaires were filled out by the respondents. The closed questions were easily quantified to indicate participants, views but the open-ended questions revealed participants, views on the benefits and limitations, which might have been missed if only closed questions were asked.

During the focus group discussions, series of questions were asked. Some were probing questions aimed at clarifying and obtaining detailed information on policies; these were qualitative (unstructured, open-ended and typically in-depth). The informants were being asked to open up about how they run their businesses, and this approach enabled the researcher to address the implications and other underlying issues that were not readily forthcoming. In this regard, in-depth interviewing is preferred to obtain individualistic views from recipients and officers of their roles and expectations. The different types of responses generated from using this interviewing method produced information needed, together with accounts of experiences.

Observation was also used to enhance data collection and was conceived as addressing complementary aims. The questionnaire study sought to provide descriptive and appropriate data while the interview study and observation were intended to enrich understanding of attitudes and the context within which the respondents live and how they run their businesses. These different methods allowed for the expression of contradictory
views and feelings.

The research used both primary and secondary data. For the collection of primary data structured questionnaires were used, semi-structured questionnaires during in-depth interviews. The secondary data were collected from official publications held in the University Library, reports and internet sources, Government of Fiji policy papers, Department of Social Welfare records and the publications of different scholars. The compilation of statistic from 2001 to 2004 focused on analysis of the various divisions in Fiji and the comparison of policies of the past years (1995–2000, 2001–2006) if there had been a policy shift. These data were used to compare policies of different years and examined if there were a shift in policy focus over the years. The questionnaire data were computed and analysed using SPSS, while in-depth interviews were transcribed.

3.3 SAMPLING

3.3.1 Sample Population and Selection

This study covers the Department of Social Welfare Income Generating recipients from the years 2001 to 2004. The study in this setting was conducted between Navua and Nausori corridor. There were 100 recipients identified but only 80 recipients responded. The sample was drawn from those recipients who were Income generating receivers from the Department of Social Welfare and had indicated their willingness to participate. Everyone who took part in the study was given guarantees regarding anonymity and confidentiality. The study included 80 adult persons whom the researcher found significant enough for the purpose of data analysis.

The study participants consisted of income generating recipients of seventy Fijian males
and two Fijian females. The large disparity in numbers was mainly due to the distribution done by the department of social welfare poverty alleviation team. The environment was very conducive for interview and the participants were comfortable in the sense that the researcher was not an intruder or a stranger and use of their mother tongue enhanced easy communication and they contributed positively to the study. The participants in both urban and rural settings were basically friendly and showed willingness in participating. Non-random selection was done because Suva has a high population with mixed cultures, thus it could be difficult and costly to do random sampling.

3.4 QUANTITATIVE RESEARCH

The largest part of the primary research comprised the collection of quantitative data. This was obtained through interviewing of 80 households from the Navua, Suva, Nausori corridor over a 3-week period. The data from the survey was collected through administration of structured questionnaires that was designed for quantitative purposes. The survey questions were divided into four main sections.

Secondly, questions included were to determine the respondents perceptions of the benefits of the program. Surveys of these Fijian households were conducted by a research assistant of the same ethnic background. It was a simple questionnaire and understandable to the respondents. There was no need for additional explanations to the questions. The quantitative data in the case study questionnaire were analysed by means of statistical analysis with the use of the SPSS. This was the easiest method of data analysis for the study because data were transformed into numbers, percentages, tables and diagrammatic presentations.
3.4.1 Questionnaires

The self-administered questionnaires utilized to collect data in the Navua–Nausori sector surveys comprises of closed questions covering the following data sets: socio-demographic, background questions on the recipients and households, education, occupation and income bracket, definitions and explanations, and poverty programs. All these questionnaires were distributed with the help of the research assistants. The quantitative questionnaires were used to gather information on family background, age groups, gender, level of education, business earnings according to weeks, fortnightly and monthly, perceptions, strategies used and their own understanding of the word poverty.

The questions that highlighted poverty programs required information on their reasons for setting up business and whom do they consult with when in need of advice or suggestions, in their own opinions what are the future prospects of their business and whether they are able to meet their targets; and also if it is making a significant contribution to their individual families. This information would help to determine the factors leading to the success of their individual businesses and consequent escape from poverty.

This indeed provided an understanding of individual experiences of people who are living in different types of lives, inviting them to express in their own concepts and translations. All information was treated as confidential and respondents remained unidentified.

These surveys in the various Fijian households were conducted by the research assistants in the presence of the researcher. This method proved workable because of shared ethnic background. The questionnaires were fairly simple and did not require additional explanations and reasons to the questions. The completed questionnaires were coded, entered into the SPSS computer program and analyzed.
3.5 QUALITATIVE RESEARCH

This qualitative research study was conducted using in-depth interviews and focus groups. This was a team-based approach to fieldwork because the researcher thinks this is important in ensuring that the approach is responsive and flexible because valuable and accurate information is needed. The researcher was able to collect as much due to having this approach, which enabled good and easy communication that leads to positive contribution to the study.

With the focus the location of the site in the setting was conducive to communication since most of the participants were villagers and are business people, which enhanced easy access for the researcher to reach since they were in an open place where they could be easily seen, approached and talked with. The participants in both urban and rural settings basically were friendly. The qualitative data were transcribed and then analysed using thematic approach.

3.5.1 In-depth Interviews

In-depth interviews with members of the income-generating recipients were also conducted to obtain more qualitative data. The selection of recipients used the same criteria as the household survey, but with the difference in terms of their having an interest in the research, so willing recipients voiced their opinions and ideas on how they go about doing their businesses. These interviews varied in duration from thirty minutes to fifty minutes because of the discussions involved between the researcher and the assistant. These recipients consented to being tape-recorded during interview.
Throughout the survey, personal observation allowed the researcher to gain more and to see the excitement from individual experiences within households, and to record essential information about the perceptions of both recipients and the stakeholders involved. This exercise helped the researcher and the assistants understand the practical picture of the surroundings and how these businesses thrive. Observing recipients and listening to their responses over and over again, noting the differences and interesting relevant information shared, this was recorded using a tape recorder and are presented separately in support of this. During this interview, very distinctive characteristics emerged from the recipients. For example, it entailed having a clear outlook of their experiences and challenges, and having a better understanding of them because this was done face to face, creating a rapport and being able to see reactions and behaviour when answering questions, perceiving expressions on their faces indicating sadness, happiness or just being unsure.

The researcher found this a good tool to use for qualitative data because it generated a great deal of rich information in support of the research analysis. A tape recorder supplemented observation as a tool to obtain the interviewees interpretation of their own personal experience that they regard as significant, for example, how they perceive the word poverty and how they are able to rise above that. The researcher feels it is more than a collection of open-ended questions and the answers thereto, which was helpful in the interpretation and understanding of the survey findings when data were analysed. Some of the responses that are recorded in the tape are similar to the responses from those participants that were interviewed in the questionnaire. When these responses from the interviews and questionnaires are combined, it adds weight to the research questions and validity, whether there is any existence of poverty and marginalization. Observation complemented the
interviews conducted while the questionnaires indicated their perceived position in society. The research sheds light into the research questions on the roles, perceptions, and expectations of the participants.

3.5.2 Focus Group Discussions

Focus group discussions were conducted by the researcher. All discussions were tape recorded, translated and transcribed into the English language for analysis. These discussions were carried out in the Fijian language. Discussions explored jobs created from income generating businesses that enable employment and provided sufficient opportunities for people who are trying to leave the welfare rolls, that is the family assistance scheme, but for those who have secured jobs in the business, the question remains whether income obtained is sufficient enough to maintain their homes and provide for basic subsistence of their families. Do their earnings increase to the point where they are able to lift their family out of poverty?

3.5.3 Secondary Data

Apart from the primary data collected, this research also used secondary data from other research studies. Other information was sought from the University Library, Fiji government reports and statistics and internet sources. Both primary and secondary data are used to show the link between them and if there are other similar results in other countries.

3.6 RESEARCH LIMITATIONS

During the research the following limitations were realized:

Time was the biggest constraint. This rather intensive research deserved a longer time than could actually be given to it. Nevertheless, the research study was able to capture the research objectives and research questions that were being addressed.
The budget for the research that was made available was not adequate to facilitate the smooth running of the study. Travelling around, looking and trying to locate the recipients was also very difficult. This was mainly due to the changes in residential addresses, as most of them seemed to be mobile. The poor road conditions and bad weather were not conducive during the time of the research, due to heavy rain.

However, these constraints did not affect or deter the final output of the research, but by solving them and having a positive outlook the research has perhaps been made better.

3.7 CONCLUSION

This chapter covers the research methodology carried out in the study. The methods differ, from administering questionnaires, to conducting in-depth interviews and focus group discussion with the respondents. These recipients in some respects are relatively the same because they were able express themselves well. Most of them are business men and women in their own rights, sharing an interest and related activity in being able to provide and put food on the table for their families. The questionnaires provide the quantitative data while in-depth interviews and focus group discussions were qualitative in nature. While the research revealed findings, this will be discussed more in Chapter 5.

The next chapter discusses the various poverty alleviation programs in the Department of Social Welfare that are currently in existence. These programs are discussed to give a better understanding of the government’s initiatives in trying its very best to alleviate poverty. It also recognizes the existing efforts that are integrated into income generating activities to help them engage in productive activities to generate and increase household income. In determining priorities for these activities, poverty impact is a clear element under
consideration. With the growing recognition and acceptance of the existence of poverty in Fiji and other Pacific Island Nations, however, there is a need for a more explicit approach.
Chapter Four: POVERTY ALLEVIATION PROGRAMMES IN SOCIAL WELFARE

4.1 INTRODUCTION

The government over the last decade has introduced new strategies to its attempt at reducing poverty in Fiji. The Government is not alone in promoting social development in Fiji. Much of the direct assistance to the poor and disadvantaged is provided by families, community groups and non-govermental organisations, both local organisations and branches of the international organisations.

This chapter is divided into four sections. The first section gives an overview of the poverty strategies in Fiji as a whole and elaborates on different strategies used in the fight against poverty. Section two brings to light the department and the work it does generally. Section three discusses the Family Assistance Scheme as a safety net provided by the government to assist the poor, which is the only safety net that provides financial assistance to poor and disadvantaged families. The final section provides coverage of all three poverty alleviation programs that are currently in place, namely the housing grant, family assistance scheme and the income-generating scheme.

4.2 APPROACH TO POVERTY REDUCTION IN FIJI

The reduction of poverty has been a focus of the government and number one goal of the Millennium Development Goals (MDG) is to eradicate poverty and hunger, aiming to halve, between 1990 and 2015, the proportion of people whose income is less than one
dollar a day and the proportion of people who suffer from hunger. The key issue and core strategy identified in the Strategic Development Plan 2003–2005 (Government of Fiji, 2002) had given priority to addressing poverty throughout various sections of society. Poverty has been identified as a key issue and constraint to social development.

These strategies were aimed to alleviate immediate situations of hardship and causes of poverty through a variety of means including social welfare payments to the most disadvantaged and poorest of the poor, or through micro-level interventions such as improving village/community water supplies, renovating and supplying health centres or primary schools. Short-to-medium term interventions were aimed at reducing the numbers living in poverty or those experiencing serious hardship. This would be achieved through creating greater economic opportunity, raising education standards and skill levels and providing all-round improvements to health services and infrastructure. As a net result, the long-term goal was to eradicate poverty altogether.

The government recognizes that poverty pervades all communities and that 35 per cent is the percentage of Fiji’s population considered to be below the Poverty Line (Narsey: 2008). If the poverty line used in the 1997 Fiji Poverty Report is taken as the Consumer Prices Index, we get a poverty line of between $33 and $35 per adult per week or about $132 per week for a household of five persons. The national incidence of poverty in Fiji for 2002-2003 is then about 34 percent. The impact of Fiji’s drought and subsequent floods is likely to increase the number in poverty and the negative effects of poverty on children of the poor and the disadvantaged position that gives rise to another generation of the poor. Poverty is associated with limited education and limited skills, leading to low wages, unemployment and lack of access to land or occupation.
For many years the government has been aware of the growing poverty and destitution in Fiji and has set in place some strategies to alleviate the situation. One of the earliest strategies was the Destitute Allowance – now called the Family Assistance Scheme. The scheme ensured that financial assistance is given to a limited number of individuals. This was administered by the Department of Social Welfare within a budget and was set annually by government. While the allowance is a small amount of cash, becoming a recipient is an advantage because it provides access to other government and NGO services. The Ministry of Health provides health services for everyone at little or no cost at hospitals and health clinics. The Department of Fijian Affairs and Regional Development has assisted rural communities to develop themselves through advice, support and coordination, funding local efforts and implementing government initiatives.

The Fiji National Provident Fund was also established by government to provide social security for many paid workers in Fiji. However, while it may help some in low paid employment, it does not cover people who work outside the formal sector, which includes such people as small farmers, fishermen and domestic workers, nor does it provide for the poorest. Public legal services are provided through the Department of Social Welfare and the Attorney General’s Office on the basis of a means test and in regard to civil cases such as divorce, maintenance and affiliation. This assistance is directed towards poor people who are not able to afford legal fees. Free legal advice is also available to poor people. The three ministries, Health, Education and the Department of Social Welfare, provide services for dispossessed elderly and disabled people. Recognising the important role played by NGOs in providing social services, the government through the Department of Social Welfare also provides capital and recurrent grants to NGOs for recipients of the Care and
Protection Allowance for poor and young abandoned children. These children are placed in residential homes, for example Dilkusha Home, for protection. They are supported and cared for in a stable environment.

4.2.1 Failures in the Strategies Used

Because Social Welfare staff lack the necessary knowledge and economic and entrepreneurial expertise in overseeing these income generating schemes funded through the Poverty Alleviation Project, it is suggested that this responsibility be handed over to qualified people within the Small Business Unit of the Ministry to handle and monitor such projects. In this way, there should be more hope of success and better use of funding. There was also some loopholes in the system that needed to be addressed. The process has to be people-centred, instead of trusting a centrally designed plan, that is of little relevance to the on-the-ground reality. This has been the major cause of failure in most of the poverty alleviation programs.

4.3 DEPARTMENT OF SOCIAL WELFARE PROGRAMS

Welfare in Fiji as discussed earlier began with income support for the elderly. It was the means of providing of cash assistance to destitute Indian labourers from the 1920s until 1969. The destitute allowance then was handled by District Administration. The benefit was gradually extended to other categories of poor people and now includes all elderly who qualify, widows and widowers, deserted spouses, single parents, prisoners dependents and people with disability and chronic illness who have no income and no means of support.

The Department of Social Welfare was created in 1968, though some of the functions it performs go back to the 1920s. It provides a scanty income support to more than fifteen
thousand destitute people. It has statutory responsibilities for administering parts of eight Acts of Parliament concerning the care and protection of children, family matters and probation. This includes children in residential homes. The department is out of the mainstream in terms of its core functions and leaning to one side by spending so much of its energy on poverty relief by administering all these poverty alleviation programmes. As a consequence, there is too little time left or spent for its equally important role of strengthening families and protecting children. The imbalance is partly the result of a strong response to the rapid growth of poverty in recent years but as well the department is under-resourced and insufficiently staffed to handle all its responsibilities adequately.

The vision of the department, according to its 2006 Strategic plan, is ‘Building a caring Fiji by providing modern welfare services that promote social wellbeing’. The mission of the Social Welfare Department is to work in partnership with others to protect children and families at risk, and to strengthen communities to improve quality of life and alleviate poverty. The Department of Social Welfare is responsible for the provision of welfare services to the poor and the needy through income support, child and family welfare support services, and residential care and community development initiatives in the area of poverty alleviation. The Department’s three core business functions are children and family services, community economic development and social policy advice. It is responsible for the provision of welfare services to the poor and needy through its income support programs and economic community development initiatives. The prime objective of doing social casework is to provide assistance towards individuals and families in order to relieve tensions and hardship that disorient lives of many people and limit their capacity to cope with certain situations.
The Department therefore continues to deliver welfare services to the best of its ability, regardless of its limited allocated resource. In carrying out these responsibilities, the role and core functions, the department itself administers small sections of seven separate Acts – Juvenile Acts, Cap 56 and the Adoption of Infants Act, Cap 58, the Probation Act, Cap 22, Matrimonial Causes Act, Cap 51, Maintenance and Affiliation Act Cap 52, Community Work Act 1994 and the Disabled Persons Act 1994.

At present statutory work is less than one-third of the department’s task. Much of the work the department is carrying out, including the Family Assistance Scheme (FAS), has no legislative backing. As a result, over the past thirty years the department has drifted from one priority area to another and it has been located in different ministries with inadequate facilities over the last 20 years.

4.3.1 External Factors

There are a number of external factors that influence the Department’s operations. First is the national economy. Evidence of increasing hardship is found in the increasing number of households and individuals receiving Family Assistance, although this increase is largely a result of government allocating substantially more funds for the scheme. The 2003 Participatory Assessment of Poverty and Hardship identified limited employment and other income generating opportunities as one of the critical issues for all communities suffering hardship.
4.3.2 Population Trend

The population of Fiji stands at 837,271 (Government of Fiji, 2007). Urban populations, as in Fiji, largely depend on salaries and wages, while the urban poor mainly rely on the informal sector. According to Narsey (2008) with the national incidence of poverty estimated at 35 per cent, the bottom 30 per cent of the population may be reliably defined as poor, and are likely to be surviving off subsistence and have unpaid workers in their household. The bottom 30 per cent has high levels of savings and especially Indo-Fijians who have a high level of borrowing to finance their expenditures. He stated that a major explanation for the savings of the indigenous Fijian poor is that they give away on net some 10 per cent of their income. He concluded that the quality of life of the bottom 30 per cent of Fiji’s population is significantly deficient compared to the middle 40 per cent of the population (Narsey, 2008).

4.3.4 Economy

The Fiji economy has become relatively unstable with a sharp decline following the political instability after the coups in May 2000 and 2006. According to the Fiji Strategic Plan, there has been a 13 per cent decline in the economy. More than 7,000 people lost their jobs and the long-term damage is in the loss of confidence of investors in the economy. With the closure of many garment factories and the slow arrivals of tourists into the country, employment opportunities are very limited, with the labour market conditions worsening and not expected to pick up until the economy improves. Economic recovery will be slow over the next five years therefore more people are expected to seek income
support and welfare assistance in the short to medium term future (Government of Fiji, 2002).

4.4 FAMILY ASSISTANCE SCHEME

The first serious mention of destitution in Fiji centred around the Indian indentured labourers who were struggling to make an existence at the end of their indenture. The Destitute Relief scheme was introduced in 1920 to assist poor Indian indentured labourers who had no means of support. This was the beginning of the present Family Assistance Scheme. Initially the scheme was administered by the District Administration but since 1969 it has been administered by the Department of Social Welfare. The increasing number of people eligible for the allowance has sometimes exhausted the amount of money available. The number of people on family assistance allowance in 2002 was 19,250. (Family Assistance Review, 2004).

The Department of Social Welfare provides assistance to those in extreme need through the Poverty Alleviation Programs fund. There are three types of programs namely the Family Assistance Scheme, Income Generating Scheme and Housing Grants. The way in which the poverty alleviation fund is run has changed so that it is now gives loans, housing grants and money for other schemes to benefit only people who already receive Family Assistance. The department administers programs targeting the ‘poorest of the poor’, that is, the most vulnerable who cannot independently meet their basic day to day needs and require some level of state welfare for support. The department’s current strategies for poverty intervention include: direct cash transfers, housing for the poor, income-generating funds for the poor and for ex-prisoners, cash assistance to fire victims, grants to NGOs, counselling service, care and protection for children at risk and support for the disabled.
The recipients of Family Assistance have benefited through this scheme by getting funds for their new houses, start-up funds and assistance for new business ventures and training programmes. In addition, government has increased its annual grant to HART to improve housing for the poor. The government also provides some skills training for those in prison.

The Family Assistance Scheme is limited to providing for the poor of working age. It is a cash transfer with advice and incentives if the need arises. It is a gift without obligation in terms of repayment because the government is obligated to serve and care for the poor and needy. The scheme means that small regular sums of money are delivered to unfortunate individuals within an overall budgetary limit set by government. In general the scheme has been described as a method of providing small amounts of financial assistance to families in a destitute condition. This scheme is a form of assistance given temporarily to a family or a household whose livelihood depends on a source of income that is inadequate. Even for those recipients who wish to attain greater independence, no incentives or relevant skills are offered. The intention is to assist those in extreme poverty; it is not designed to reach all who are poor, only the destitute or the poorest of the poor, therefore it can be seen as addressing only the tip of iceberg of poverty in Fiji.

Sole parents including widows, deserted wives and prisoners’ dependents are beneficiaries. Numbers have been growing since the 1990s to-date and the size have changed dramatically. The numbers of those with disability and chronic illness, some of whom have dependent children, increased together with the elderly. According to the Allan Levett report (2000) the total number of recipients in 1991 was 7,380 and in 1998 the number was 11,682.
Table 4.1  Percentage of family assistance recipients - 1991-1998

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Sole parents</td>
<td>38%</td>
<td>40%</td>
<td>44%</td>
</tr>
<tr>
<td>Elderly</td>
<td>36%</td>
<td>29%</td>
<td>24%</td>
</tr>
<tr>
<td>Chronic illness</td>
<td>18%</td>
<td>20%</td>
<td>22%</td>
</tr>
<tr>
<td>Disability</td>
<td>9%</td>
<td>11%</td>
<td>10%</td>
</tr>
</tbody>
</table>

The ratio of a welfare officer per case per year for Family Assistance Scheme went from 434 per year in 1992 to 634 in 1997 and this does not include the additional work involved in the poverty alleviation scheme. This very high caseload not only places severe limits on the department’s ability to monitor family assistance adequately. It also reduces the department’s capacity to help beneficiaries become economically and socially independent. This affects the other work of the department.

Since 2006, the minimum allowance has also increased from $30 to $60 per month. The maximum is $100 per month. Most of the recipients are receiving the minimum and families with school children mostly receive the maximum allowance monthly. When these benefits are inadequate, families use other sources to supplement income. The scheme is intended only to supplement existing resources and the level of assistance given is not sufficient to enable the recipients to walk out of poverty. The amount received bears no relationship to the real needs of the recipients.

In addition to the Family Assistance Scheme, a number of NGOs (such as the Bayly Welfare Clinic, Salvation Army, Rotary Clubs and Muslim League) provide modest direct
assistance for everyday needs. This support is usually in cash or kind to different categories of the poor such as the elderly, the disabled, children, young people, ex-prisoners and other vulnerable people in the community.

The recipients of the family assistance also have access to other government services such as remission of school fees, free medical treatment and medication at government hospitals (including dentures) and grants for housing or income generating projects. As the scheme does not help people break away from the clutches of poverty, due to the insufficiency of the allowance paid and the nature of those in the categories assisted, the Family Assistance Scheme provides only temporary poverty relief and is important in the life of a poor household. However, if this scheme was not in place, the situation of many families would be far worse. One of the fears associated with any scheme to assist the poor and destitute is that it fosters dependency and definitely heightens the danger of creating the hand-out mentality or a culture of dependency.

4.5 POVERTY ALLEVIATION PROGRAMS

The Ministry of Women, Social Welfare and Poverty Alleviation is responsible for the implementation of poverty eradication strategies in Fiji. In 2000 the Poverty Alleviation task force was formed, comprising government and NGO representatives. Its task was to discuss, review and make recommendation on poverty alleviation strategies. This task force provided recommendations that were designed to take a developmental approach to the plight of the poor. A Poverty Alleviation Fund would provide money to be paid out to the identified poor as a grant to establish small businesses or to improve their housing. The cabinet sub-committee on poverty was formed in 2002 along with the inter-ministerial committee on poverty alleviation. In 2004 the Poverty Eradication Unit was established as
a sector in the Ministry of Women, Social Welfare and Poverty Alleviation. The unit ensures collaboration between all the government agencies that are executing and implementing government programs on poverty alleviation. This section outlines the implementation of the Poverty Alleviation Program and provides background information of the programme. Secondly, the section discusses the criteria, eligibility and processing of applications of the scheme.

Poverty relief that does not strengthen or empower families limits the country’s ability to tackle longer-term poverty alleviation. There is a danger that poverty can become a permanent crutch of handouts to recipients who otherwise would have the capacity to become independent. It is considered that the so called Poverty Alleviation Program offers poverty relief but contributes little to long-term reduction of poverty.

During the early 1990s, inequality and poverty increased in Fiji. The government as a result began to address poverty as a special issue and a Poverty Task Force was appointed. The government began a wide-ranging poverty alleviation program in an effort to stimulate income-generating projects among the very poor and to provide housing was the initial program. The only direct intervention by the government in alleviating poverty was in 1994 when a sum of $1.0 million was allocated to the Department of Social Welfare. This marked the introduction of the Poverty Alleviation Program (PAP) to the department. The program was initially designed to improve the coping capabilities of people receiving Family Assistance from the department, to assist with the building of homes for the homeless and provide seed money for income generating projects. The scheme operates on partnership between reputable voluntary organizations and the department providing funding and the organisation implementing the approved project. The government therefore
takes an enabling approach by creating the conditions for private companies, NGOs and individuals to have the maximum opportunity to create housing for poor people. (The Alleviation of Poverty: Supplement to the 1994 Budget Address - Ministry of Women Social Welfare & Poverty Alleviation).

The objective on how the fund should operate was that it will provide capital grants which can be used towards construction or purchase of capital assets, providing capital on a one-off basis for self-sustaining funds or to provide seed funds for self sustaining operations.

### 4.5.1 Criteria for beneficiary

Under the program there were special criteria in place for the public to qualify for the assistance. The following categories of people qualify for assistance under the Poverty Alleviation Program:

- Recipients of Family Assistance Allowance:
  - Elderly
  - Physically disabled
  - Chronically ill
  - Widows/Widowers
  - Deserted spouse
  - Single parents
  - Prisoner Dependents
  - Recipients of care and protection allowance
  - Recipients of Ex-Servicemen’s Fund
  - Ex-prisoners
  - Fire Victims
  - Street Kids
  - Youths (Group Projects)

This was originally aimed at the homeless and street youths as a way of getting them off the streets towards a meaningful activity. They were included to benefit from this scheme as a way of creating employment in the rural areas as well as the outer islands. The assistance for ex-servicemen was introduced in 2000. Members of this category are mostly
on a fixed pension and they too are eligible to apply for assistance through this scheme. For the ex-prisoners it was also introduced in 2000. During the period that someone is spending time in prison the family is qualified for assistance through the family assistance scheme. However, when the prisoner is released he or she can access the Poverty Alleviation Program in terms of assistance towards starting a small income generating project as well as housing.

4.5.2 Processing Application

The following policy guidelines govern the procedures involved in the effective delivery of the Poverty Alleviation Program to its target groups, from the time of application to the final stage of implementation. The first stage of application is the filling in of the forms. These are for those who qualify under the criteria noted in 4.5.1. The applicants are subject to interviews and must provide documentary evidence of income, expenditure, marital status, birth certificates and medical status where applicable.

Applications are submitted to the Department of Social Welfare by registered voluntary organisations on behalf of the applicant if the application is towards housing or income generating. The identification of the NGO is the sole responsibility of the applicant but currently the department has changed by using the Fiji Council of Social Services as its NGO to implement housing projects.

4.6 SCHEMES UNDER THE POVERTY ALLEVIATION PROGRAM

4.6.1 Housing

There is a link between poverty and poor housing. The poorest households lacked piped water, adequate sanitation, electricity and rubbish collection. Huge numbers of people are
living in informal housing, squatter communities, in-self built shacks and in single room dwellings. The numbers are growing and increasing daily (Fiji Poverty Report, 1997).

The Department of Social Welfare administers the housing funds that recipients of the Family Assistance Scheme can access. The funding of $5,000.00 to improve housing conditions is available so recipients of FAS and ex-prisoners are to date the major beneficiaries of these payments. Housing for the poor requires more than investigation, hence reports and recommendations are needed. The fund is channelled through a local NGO identified by the welfare officers or the recipients themselves. The NGO supervises and obtains house plans and building materials. The scheme has ensured new houses for poor families or extensions made to their existing houses.

All applications must be accompanied with the following documentary evidence:

- approved house plan
- quotations
- carpenter/labour agreement
- land consent document (landowners)
- support letter (turaga ni koro)
- birth certificate

Without the above, the application is incomplete, which results in the delay of the process.

### 4.6.2 Fire Victims

This assistance was introduced in 2000. In the event of a fire where the victim’s house or property has been destroyed, the fire victim gets a $2,000 grant, intended mainly to assist the victims with the basic necessities that people face straight after the fire. The following assessments are needed to be completed or compiled before one can qualify under the scheme:

- the completion of a report from the Fire Department on the possible causes of the fire
the police report on the fire, so as to ensure that there were no suspicious motives behind the fire, such as arson or deliberate burning

a report from the Social Welfare Officer in relation to the effects of the fire to the family and their rehabilitation.

Completion of these three assessments is required within three (3) months after the fire.

4.6.3 Income Generating Scheme

The Income Generating Program is the government scheme aiming at promoting better family economic status and alleviating poverty. The main objective of this project is to encourage families to develop their own businesses, which in the long run will make them “prosperous” (the way the latter is used in the government’s jargon means moving families out of poverty). The project was implemented and managed according to the initial plans of government to wean people out of poverty. The project supports income generating activities with capital and technical advice in the most sustainable way of bringing people out of poverty by providing them access to income generating activities. Activities undertaken were supposed to reduce the number of unemployed people in the communities.

The limits of a welfare-oriented response to this growing crisis are now well recognized. Alternatively, many development agencies are increasing their emphasis on assisting the people to secure income through their own efforts. Such approaches are often categorized as “income-generating activities” and cover initiatives as diverse as small business promotion, cooperative undertakings, job creation schemes, sewing circles, credit and savings groups and youth training programs.

The objectives of the scheme are to:
create self-employment or support those wishing to be self-employed but are presently unemployed and to reduce poverty, improve the standard of living, raise skills, innovations and to generate more income, encourage a sense of independence, confidence, provide opportunities and paths out of poverty.

The income generating projects are also creating jobs through new and self-employment opportunities and income generation to a number of youths, hence reducing poverty. It will keep youths busy, reduce idleness and joblessness. Applications are submitted to the Department of Social Welfare by registered voluntary organisations on behalf of applicants. The identification of the NGO is the sole responsibility of the applicant.

All applications must be accompanied with the following documentary evidence:

- feasibility report
- support letter
- health approval letter
- business Plan

Once all completed, the applications are submitted to the relevant divisional welfare officers for initial vetting and appropriate case work ensuring that projects are viable. The recommendation of case workers and the divisional welfare officers is a requirement before referral can be made to the Poverty Alleviation Committee for consideration. After the necessary processing of applications at divisional level, all applications are endorsed and submitted to headquarters for final vetting by the welfare officer (PAP) who is also secretary to the PAP committee.

The Poverty Alleviation Committee, which comprises government officials and representatives of non-government organizations, meet monthly. The Chief Executive Officer, as the chief accounting officer of the PAP grant is the chairperson to the committee. The committee is responsible for the allocation of grants. Upon approval of
fund by the PAP Committee, the NGO signs a written contract with the department for the implementation of the project. The written contract requires the NGO to undertake the following responsibilities:

- ensure proper accountability of the grant received
- ensure that PAP funds are not diverted to any other purpose without prior approval of the Committee/Director of Social Welfare
- ensure that the recipient actively participates in the project implementation
- ensure that full acquittal of project (receipts, invoices, statements, etc.) is made to the Director of Social Welfare on completion of project
- ensure the project is completed within 3-6 months. Extension will require prior approval of the Committee/Director of Social Welfare whenever possible, completion certificates and photographs to accompany project acquittals
- return unutilized funds to the Director of Social Welfare, upon the completion of projects.

The contract also addresses the issue of fraud and sets out procedures on how to deal with this problem. Once the funds are released to the respective NGO for project implementation, it is the responsibility of the department to monitor the project. On completion of the project, the welfare officer (case worker) provides expenditure details to the Department of Social Welfare Headquarters, accompanied with completion certificates and photographs (if possible). Income generating projects are closely monitored by welfare officers (case workers) and after a period of six months, recipients, if previously receiving Family Assistance, will have their allowance terminated. However, skills for income generating work were mostly lacking and the projects had little success in the early years of the scheme.

The government attempts to be systematic in addressing poverty alleviation through a holistic and multicultural approach by means of income generating projects in various sectors and ministries. The establishment of the Poverty Eradication Unit is one such attempt to coordinate the alleviation of poverty programs. Recent statistics from the HIES
and the ADB poverty assessment report seem to indicate that the level of hardship and poverty within families in Fiji has increased over the past years. According to the Rural Development Report 2002-2004, government has provided assistance, with the greater Suva urban area receiving the largest amount in family assistance followed by Ba and Macuata. Assistances accruing to the greater Suva urban area, Ba and Macuata provinces indicate the high elderly population in these provinces and areas. Additionally, the expiring ALTA leases, displacement of farmers and families in Ba and Macuata and the migration to the greater Suva urban area seeking better opportunities have put pressure on family livelihoods and increased the number looking for assistance. The Ba province received the largest volume of assistance for poverty alleviation projects, worth $169,728 or 25.6% of the total allocation of $593,955, followed by Rewa province with $101,000 (17.0%) and Macuata province with $88,000 (15.0%). Again this indicates a similar pattern to recipients of the family assistance allowance. Ba, Rewa and Macuata provinces have the largest elderly populations who are also recipients of the poverty alleviation assistance. In addition, the expiring of leases and displacement of farmers from their farms and source of livelihoods, particularly in Macuata and Ba, where the population is largely Indian have contributed to this trend.

A summary of poverty alleviation projects from the year 1994 to 2003 in the income generating categories is shown in table 4.2. They were the receivers of the PAP funding for income generating projects from the five divisions. It has now been fifteen years since the program started and it is still continuing.
Table 4.2 Distributions on Income Generating Projects by Division, 1994-2003

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Central East.</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>3</td>
<td>7</td>
<td>13</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Southern</td>
<td>18</td>
<td>8</td>
<td>6</td>
<td>2</td>
<td>48</td>
<td>11</td>
<td>5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>South West</td>
<td>2</td>
<td>4</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>4</td>
<td>8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>North West</td>
<td>6</td>
<td>5</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>4</td>
<td>1</td>
<td>6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>North</td>
<td>5</td>
<td>7</td>
<td>3</td>
<td>1</td>
<td>3</td>
<td>4</td>
<td>3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>13</td>
<td>37</td>
<td>14</td>
<td>2</td>
<td>2</td>
<td>8</td>
<td>3</td>
<td>53</td>
<td>27</td>
<td>35</td>
</tr>
</tbody>
</table>


The figures indicate the number of beneficiaries who have benefited from this scheme and how it has increased sharply over the years. This Income Generating Program has provided the opportunities for recipients to earn income and walk-out of poverty. This has increased the earning capacity and has contributed to the economic security of their individual households. It also brings about social development by inculcating new attitudes and improved living standards. As such the programme is an integrated approach that combines the development of each individual (beneficiaries) of their abilities and their contribution to their respective community as a whole. For the poor beneficiaries the success is measured along the lines of improved economic welfare. The more income they are able to generate, the easier their lives will be and the more resources they will have at their disposal.

The Poverty Alleviation Programme was established primarily for this purpose and to entice family assistance recipients to be involved with income generating projects to promote self-reliance. With regard to income generating projects and their high rate of failure, it was recommended that the assistance be stair-cased to allow applicants to
develop gradually and improve their business projects. The project could not continue on its original path as the Department of Social Welfare lacked the necessary expertise and technical support. The project is still in operation but largely geared towards housing.

4.7 CONCLUSION

This chapter has provided a holistic description of the Department of Social Welfare functions and roles in the implementation of poverty alleviation projects in the context of development, and given background information for better understanding of the framework within which the results of the current research are discussed in the following chapters. Government’s commitment to eradicating poverty is evidenced firstly by its programs, and secondly by its budgetary injections into the poverty relief fund. The preceding sections indicated that no one factor can be considered in isolation, considering the poverty situation in this country. The Government has now recognized that poverty exists and is undertaking initiatives at the national level to address this issue. It has targeted anti-poverty measures, such as the allocation of funds national budgets for activities specifically aimed at disadvantaged groups.

The department is responsible for ensuring that the government’s poverty alleviation policies, projects and programs are well coordinated and implemented in an integrated manner. The next chapter will present the analysis of the findings of the fieldwork conducted in July 2007.
Chapter Five: INCOME GENERATING PROGRAM OF POVERTY ALLEVIATION PROGRAMME

5.1 INTRODUCTION

The Chapter discusses the background to the distribution of funds for income generating amongst the recipients in the selected areas. It also discusses the distribution amongst the five divisions, the gender breakdown, as well the different ethnic groups. From this scheme, types of employment opportunities were created to cater for the needs of the recipients, their perceptions and choices.

5.2 BACKGROUND OF THE DISTRIBUTION OF FUNDS

The study covered the areas between the Navua and the Suva - Nausori corridor. This area was chosen because it is the most populated area, wherein most of the income generating recipients resides. In the years 2001 to 2007, the overall number of people in Fiji who received the assistance was 212. As shown in Table 5.1, southeastern division had the highest, 134 people, followed by the central division with 38 people. Only 19 people from the northern, 11 from the southwest and 10 from the northwest divisions received this assistance.

<table>
<thead>
<tr>
<th>Table 5.1</th>
<th>Divisional Distribution of PAP Recipients, 2001-2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Southeastern</td>
<td>103</td>
</tr>
<tr>
<td>Southwest</td>
<td>8</td>
</tr>
<tr>
<td>Northern</td>
<td>13</td>
</tr>
<tr>
<td>Central</td>
<td>24</td>
</tr>
<tr>
<td>Northwest</td>
<td>1</td>
</tr>
</tbody>
</table>

Source: Poverty Alleviation Survey, 2007
Table 5.2 Ethnic Distribution of PAP recipients 2001-2007

<table>
<thead>
<tr>
<th></th>
<th>2001-2003</th>
<th>2004</th>
<th>2006</th>
<th>2007</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fijian</td>
<td>126</td>
<td>13</td>
<td>31</td>
<td>12</td>
<td>182</td>
</tr>
<tr>
<td>Indian</td>
<td>5</td>
<td>0</td>
<td>3</td>
<td>0</td>
<td>8</td>
</tr>
<tr>
<td>Others</td>
<td>10</td>
<td>0</td>
<td>3</td>
<td>0</td>
<td>13</td>
</tr>
<tr>
<td>Youth</td>
<td>8</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>9</td>
</tr>
</tbody>
</table>

Source: Poverty Alleviation Survey, 2007

Table 5.2 shows the distribution of the PAP amongst the ethnic group between 2001 and 2007. The Fijians have the highest number of people (182) receiving the assistance, followed by Others races with 13 recipients, Indians had 8 recipients, and 9 youth groups also received such assistance in the seven years shown above. Table 5.3 shows the number of males and females who received this assistance from 2001 to 2007. Most of the recipients over the years are males.

Table 5.3 Gender breakdown of PAP recipients, 2001-2007

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>134</td>
<td>13</td>
<td>22</td>
<td>10</td>
</tr>
<tr>
<td>Female</td>
<td>15</td>
<td>0</td>
<td>16</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>149</td>
<td>13</td>
<td>38</td>
<td>12</td>
</tr>
</tbody>
</table>

Source: Poverty Alleviation Survey, 2007

Recipient of Nasinu

Twenty-five people from the Nasinu area included in tables 5.1 - 5.3 received assistance from the welfare department between the years 2001 and 2007. They were recipients of the family assistance scheme. The assistance was mainly for income generating purposes like setting up of small businesses such as fishing business, small canteens and grog business. There was only one youth group who received the assistance from the Nasinu area and they
belonged to an entertainment group.

Discussed below are the findings from the research conducted in the Navua, Suva, Nasinu and Nausori areas to examine the effectiveness of Poverty Alleviation Program.

5.3 PERCEPTIONS AND CHOICES

5.3.1 Demographical data

Although the gender of the recipient was not a selection criteria in identifying the sample, of the eighty recipients of PAP sampled for the study, 85% were males and 12.5% females. Most of the respondents (65%) were aged between 41 and 50 years old. Respondents that fell within the age range of 31 to 40 years accounted for 10% and 20% were between 51 to 60 years of age.

The majority of the respondents were married (98.8%) and the remaining 1.2 per cent were in de-facto relationships. A low proportion (2.5 %) of the recipients had no education at all, while 55 per cent of the recipients attaining secondary and tertiary education.

Fijians in the sample made up 88.8 per cent, 2.5 per cent were Indo-Fijian, 1.3 per cent Rotumans and others accounted for 7.5 per cent. Fifty per cent of the respondents lived in the greater Suva area, 31.3 per cent resided in Nasinu, 2.5 per cent in Nausori, while other recipients accounted for the remaining 16.3 per cent. About seventy-eight per cent are in urban areas while 22 per cent are rural dwellers. Respondents who lived in villages make up a percentage of 32.5 per cent, 6.3 per cent resides in squatter settlements, 5.0 per cent in rural and farm areas, 21.3 per cent lived in towns while the rests accounted for the
remaining 35 per cent.

The study showed that more than 38.8 per cent of the respondents have families consisting of six to ten people. Another 55 per cent of the respondents have families size ranging from four to six and part of the respondents that have families size of 1 to 3 accounted for 5 per cent and the remaining 1.2 per cent did not respond.

5.3.2 Types of Employment

The majority of the recipients (58.8 per cent) shown in table 5.4 stated self-employment as their main business. Others indicated that they were farmers (17.5 per cent), labourer/casual workers (15 per cent), service worker (2.5 per cent) and the unemployed were 3.8 per cent. The remaining 2.4 per cent of the respondents were those belonging to other ethnic groups and those who never responded.

<table>
<thead>
<tr>
<th>Types of Employment</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farmer</td>
<td>14</td>
<td>17.5</td>
</tr>
<tr>
<td>Labourer/casual worker</td>
<td>12</td>
<td>15.0</td>
</tr>
<tr>
<td>Service worker</td>
<td>2</td>
<td>2.5</td>
</tr>
<tr>
<td>Self-employed</td>
<td>47</td>
<td>58.8</td>
</tr>
<tr>
<td>Unemployed</td>
<td>3</td>
<td>3.8</td>
</tr>
<tr>
<td>Other</td>
<td>1</td>
<td>1.2</td>
</tr>
<tr>
<td>No response</td>
<td>1</td>
<td>1.2</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Poverty Alleviation Survey, 2007

In terms of the recipients weekly earnings, table 5.5 shows that the overwhelming majority (72.5% or almost three-quarters) of the recipients earned between $101 - $300 weekly, 16.3
per cent make between $51 - $100, 10 percent earn to $301 - $500 while the remaining 1.2 percent of the recipients earn more than $500 weekly. Table 5.5 presents an overview of weekly earnings and the percentages of the recipients.

### Table 5.5  Average earnings of each household per week (after)

<table>
<thead>
<tr>
<th>Earning (FJD$) 2005</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>$51-100</td>
<td>13</td>
<td>16.3%</td>
</tr>
<tr>
<td>101-300</td>
<td>58</td>
<td>72.5%</td>
</tr>
<tr>
<td>301-500</td>
<td>8</td>
<td>10</td>
</tr>
<tr>
<td>More than $500</td>
<td>1</td>
<td>1.2</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Poverty Alleviation Survey, 2007

#### 5.3.2.1 Achievements Measurements of Households

Table 5.6 shows the measure of achievements of the business of the recipients. A better living standard (87.5%) is identified as the most common measure of the household achievement. This could indicate that most recipients strive for better living standards and view it as a measure of having walked out of poverty.

### Table 5.6  Household Achievement over the time of receiving Assistance

<table>
<thead>
<tr>
<th>Achievement</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased income</td>
<td>4</td>
<td>5.0</td>
</tr>
<tr>
<td>Better living standards</td>
<td>70</td>
<td>87.5</td>
</tr>
<tr>
<td>Affording expensive items</td>
<td>1</td>
<td>1.3</td>
</tr>
<tr>
<td>None</td>
<td>1</td>
<td>1.1</td>
</tr>
<tr>
<td>Other (specify)</td>
<td>1</td>
<td>1.3</td>
</tr>
<tr>
<td>No response</td>
<td>3</td>
<td>3.8</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Poverty Alleviation Survey, 2007
The measure of the living conditions was based on the success of the recipients’ individual businesses. One hundred per cent of the recipients indicated poor living conditions before joining the scheme. This gives the idea that most of them were living in poverty before the scheme. About eighty-eight per cent of the recipients have moved from this bad condition into better living conditions after they joined the PAP income generating scheme. A small number of people had no changes in their living conditions, rating them the same as they were before joining the scheme, so therefore they were unsuccessful. Changes in the living conditions of respondents are shown in table 5.6.

Table 5.7  Respondents’ understanding of the word poverty

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have no money</td>
<td>6</td>
<td>7.5</td>
</tr>
<tr>
<td>Do not have a house</td>
<td>1</td>
<td>1.3</td>
</tr>
<tr>
<td>Unemployment</td>
<td>1</td>
<td>1.3</td>
</tr>
<tr>
<td>Begging</td>
<td>71</td>
<td>88.8</td>
</tr>
<tr>
<td>No responses</td>
<td>1</td>
<td>1.1</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Poverty Alleviation Survey, 2007

The survey examined what the respondents understand from the word poverty. About 89 per cent (71 people out of the 80) stated it is begging, a further 7.5 per cent believed that it is having no money and 2.6 per cent chose unemployment and having no house, with 1 per cent not responding. Since the core of this research centre’s on whether income generating can be considered as a useful remedy in terms of alleviating poverty, from the perspective of indicators, these distinctions are important since poverty measurement depends on what aspect of poverty is addressed. Whereas poverty refers to different forms of deprivation that can be expressed in a variety of terms such as income, basic needs and human capabilities,
Table 5.8  Respondents’ classification of the poor

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Those who beg on the streets</td>
<td>40</td>
<td>50.0</td>
</tr>
<tr>
<td>Have no home</td>
<td>6</td>
<td>7.5</td>
</tr>
<tr>
<td>Those who have no job and cannot financially support families</td>
<td>33</td>
<td>41.3</td>
</tr>
<tr>
<td>No responses</td>
<td>1</td>
<td>1.2</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Poverty Alleviation Survey, 2007

The table above shows being homeless or having no home is the respondents’ classification of the poor. Begging on the streets is commonly perceived (50%) as a sign of being poor. Those with no jobs who cannot support their families (41%) are also perceived as being poor. These are the two most common classifications identified in the study.

Table 5.9  Respondents’ understanding of consequences of poverty

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indulging in crime because of no money</td>
<td>74</td>
<td>92.5</td>
</tr>
<tr>
<td>Ill health, not to being able to afford good meal</td>
<td>2</td>
<td>2.5</td>
</tr>
<tr>
<td>Lack of education &amp; knowledge</td>
<td>2</td>
<td>2.5</td>
</tr>
<tr>
<td>No response</td>
<td>2</td>
<td>2.5</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Poverty Alleviation Survey, 2007

Table 5.9 shows that 92.5 per cent of the recipients strongly believe that indulging in crime is paying the cost of being poor. This has suggested that having no money can lead to committing crime and other unacceptable behaviour in society. The other three reasons - ill health, not being able to afford good meal and lacking in education and knowledge have contributed with a percentage of 2.5 per cent each. These are the consequences or the cost
of being poor and not being able to achieve anything. This has contributed a lot to their standing in life, in their families, communities and villages.

5.3.3 Perceived Causes of Poverty in Fiji

The data presented in table 5.10 suggest that participants believe that there are other contributing factors to the perceived causes of poverty in Fiji. Unemployment rates the highest with 70.0 per cent, followed by laziness, which accounts to 25.0 per cent. Only 2.6 per cent stated political instability, with high cost of living rating even lower, while 2.5 per cent had no response. On the basis of the findings it seems that respondents were able to understand what poverty and being poor is all about because they are able to relate to their own individual circumstances.

Hence the researcher was able to gather that poverty is inevitable and it drives people to do things that are beyond explanation and unexpected, it is not only uncomfortable but it is also a degrading experience because nobody really wants to be poor. But in the study, the recipients turned out to be suitable candidates, hardworking and also wanting to have money in order to enjoy good things in life.

Table 5.10 Respondents’ perceptions on the causes of poverty

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Political instability</td>
<td>1</td>
<td>1.3</td>
</tr>
<tr>
<td>Unemployment</td>
<td>56</td>
<td>70.0</td>
</tr>
<tr>
<td>High cost of living</td>
<td>1</td>
<td>1.3</td>
</tr>
<tr>
<td>Laziness</td>
<td>20</td>
<td>25.0</td>
</tr>
<tr>
<td>No response</td>
<td>2</td>
<td>2.5</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Poverty Alleviation Survey, 2007
Table 5.11  Respondents’ own self assessments of being poor.

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>A little (not really in the category)</td>
<td>2</td>
<td>2.5</td>
</tr>
<tr>
<td>No</td>
<td>75</td>
<td>93.8</td>
</tr>
<tr>
<td>No response</td>
<td>3</td>
<td>3.8</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Poverty Alleviation Survey, 2007

Table 5.11 shows a very interesting result in response to the question asking these recipients ever if they consider themselves as belonging to the category of being poor. An amazing 93.8 per cent indicated ‘that they are not poor’ as an answer. The researcher believes that the participants have a positive attitude and approach. This determines living situations in terms of whether these recipients live a life of lack or one of increasing prosperity. In other words, the recipients are not limiting themselves to a fixed income either, so therefore a positive attitude and belief is an asset. This idea that the recipients have from lack to abundance is a prerequisite in changing one’s financial situation and all other outer conditions in life.

5.4  Income Generation Business

Various reasons behind in the setting up the recipients’ business are displayed in table 5.12. The highest percentage of recipients (52.5 per cent) admitted that life is hard and this was one of the major reasons for businesses being set up. The recipients wanted change in their lives as individuals as well as for their families, so the perception was focused on success. These are other sources by opening up to new channels of supply and receptive to major transitions taking place in their business lives. About 40% wanted better living standards,
and 5.0 per cent needed to increase income while 1.3 per cent (one person) had other reasons of their own.

**Table 5.12  Respondents’ own motives in setting up businesses**

<table>
<thead>
<tr>
<th>Motive</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Need for an increased income</td>
<td>4</td>
<td>5.0</td>
</tr>
<tr>
<td>To improve living standards</td>
<td>33</td>
<td>41.3</td>
</tr>
<tr>
<td>Life is hard</td>
<td>42</td>
<td>52.5</td>
</tr>
<tr>
<td>Others</td>
<td>1</td>
<td>1.3</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Poverty Alleviation Survey, 2007

**Table 5.13  Respondents’ business advisors**

<table>
<thead>
<tr>
<th>Advisor</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Friends</td>
<td>5</td>
<td>6.3</td>
</tr>
<tr>
<td>Relatives (those who are in business)</td>
<td>12</td>
<td>15.0</td>
</tr>
<tr>
<td>Counsellor (business advisers)</td>
<td>3</td>
<td>3.8</td>
</tr>
<tr>
<td>Pastor/priest</td>
<td>2</td>
<td>2.5</td>
</tr>
<tr>
<td>None</td>
<td>54</td>
<td>67.5</td>
</tr>
<tr>
<td>Others</td>
<td>1</td>
<td>1.3</td>
</tr>
<tr>
<td>No response</td>
<td>3</td>
<td>3.8</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Poverty Alleviation Survey, 2007

Asked about where they sought business advice or suggestions, 67.5 per cent of the recipients indicated operating through their own initiative. This accords well with the picture of determined people who accept that life is hard and refused to label themselves as poor. About 15 per cent took advice from relatives, 6.3 per cent received it from friends and the other percentages was from other sources such as pastor or counselor (see table 5.13).
Table 5.14  Respondents’ own means of support

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-sufficiency</td>
<td>76</td>
</tr>
<tr>
<td>None</td>
<td>3</td>
</tr>
<tr>
<td>Other means</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
</tr>
</tbody>
</table>

Table 5.14 showed that 95 per cent of recipients indicated self-sufficiency in terms of other means (but not specified) of support received, 3.8 per cent had no support while 1.3 per cent had own personal reasons of support received.

Table 5.15  Respondents’ own business output and result

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td>32</td>
</tr>
<tr>
<td>Disappointed</td>
<td>2</td>
</tr>
<tr>
<td>Not measured</td>
<td>2</td>
</tr>
<tr>
<td>Excellent</td>
<td>16</td>
</tr>
<tr>
<td>Pleased</td>
<td>23</td>
</tr>
<tr>
<td>Satisfied</td>
<td>4</td>
</tr>
<tr>
<td>No response</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
</tr>
</tbody>
</table>

Source: Poverty Alleviation Survey, 2007

Beneficiaries of the assistance program were asked about their business output and result. Somewhat surprisingly, 40 per cent indicated that only a little revenue had been received while 20 per cent indicated that deriving a good deal of satisfaction from their earnings and 28.8 per cent were pleased with their turnovers. As shown in table 5.15, a small percentage reported merely being satisfied and an even smaller proportion declared themselves disappointed with the size of their turnover.
5.4.1 Achieved Target

Table 5.16 indicates the percentages of beneficiaries who felt that their targets were achieved. While 57.5 per cent were satisfied with having achieved their targets, followed by 32.5 per cent who believed that a little bit of what they had in mind was accomplished, 1.3 per cent had no response, together with 1.3 per cent who stated other responses. But of the remaining 7.6 per cent, half (3.8 per cent) indicated that their target was not achieved while the other half (3.8 per cent) specified that their business targets were very much achieved.

Table 5.16 Respondents achieved targets

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>A little bit</td>
<td>26</td>
</tr>
<tr>
<td>Not at all</td>
<td>3</td>
</tr>
<tr>
<td>Very much</td>
<td>3</td>
</tr>
<tr>
<td>Satisfactorily</td>
<td>46</td>
</tr>
<tr>
<td>Other (specify)</td>
<td>1</td>
</tr>
<tr>
<td>No response</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
</tr>
</tbody>
</table>

Source: Poverty Alleviation Survey, 2007

Although responses about feeling that targets have been met seem rather mixed, respondents were almost unanimous (95%) in their belief that their business activities had been of benefit to their families as well as to themselves. The remaining 5% (4 people) did not respond to the question (see table 5.17).
Table 5.17  Beneficial results for respondents

<table>
<thead>
<tr>
<th>IS the result beneficial</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>76</td>
<td>95.0</td>
</tr>
<tr>
<td>No response</td>
<td>4</td>
<td>5.0</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Poverty Alleviation Survey, 2007

5.4.2 Significant Contribution and Feelings before Starting on Activity

Table 5.18 shows 40 per cent of the recipients were able to contribute to family and traditional obligations, while 55 per cent of a total of 80 recipients admitted and account for bettering the standard of living. The remaining very small proportion of recipients had had other reasons like being able to afford luxurious items.

Table 5.18  Significant contributions enabled by the respondents business

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contribute to family &amp; traditional obligation</td>
<td>32</td>
<td>40.0</td>
</tr>
<tr>
<td>Better standard of living</td>
<td>44</td>
<td>55.0</td>
</tr>
<tr>
<td>Able to afford luxurious items</td>
<td>1</td>
<td>1.3</td>
</tr>
<tr>
<td>Other</td>
<td>1</td>
<td>1.3</td>
</tr>
<tr>
<td>No response</td>
<td>2</td>
<td>2.5</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Poverty Alleviation Survey, 2007

Table 5.19  Respondents’ feelings towards the initial stages of business

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Feel fine</td>
<td>74</td>
<td>92.5</td>
</tr>
<tr>
<td>Feel sad</td>
<td>1</td>
<td>1.3</td>
</tr>
<tr>
<td>Feel hopeless</td>
<td>2</td>
<td>2.5</td>
</tr>
<tr>
<td>Feel excited</td>
<td>1</td>
<td>1.3</td>
</tr>
<tr>
<td>No response</td>
<td>2</td>
<td>2.5</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Poverty Alleviation Survey, 2007
Prior to reaching this stage of being successful, 92.5 per cent shown on table 5.19 embarked on their enterprise with positive feelings. A negligible proportion admitted to having felt sad or hopeless in the early stages, or else did not respond to the question.

Table 5.20  Respondents’ response and feedback towards activities in alleviating their poverty conditions.

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>A little improvement</td>
<td>18</td>
<td>22.5</td>
</tr>
<tr>
<td>Very much improvement</td>
<td>59</td>
<td>73.8</td>
</tr>
<tr>
<td>No response</td>
<td>3</td>
<td>3.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Source: Poverty Alleviation Survey, 2007

Table 5.20 showed that 73.8 per cent of the recipients totally agreed that income generating business did help very much in the alleviation of poverty. Of other two responses 22.5 per cent (18 recipients) felt that there was a little improvement while the other three recipients (3.8 per cent) did not respond to the question asked. In other words only fifty-nine recipients were ‘successful’ in the running of their small business in the sense of receiving more income on hand and experiencing a more comfortable family life.

5.4.3 Problems and Constraints Encountered in the Process

Table 5.21 indicates problems respondents faced while going through the first phase of setting up these activities, and this was confirmed by the results received. Though there were other problems faced by the recipients, like managing of time, feelings of laziness and slackness in the beginning, the highest per cent, 45 per cent (36 recipients) confirmed that they faced many disruptions and problems from their own family members including children dropping out of school, not enough food for the table, and domestic violence. On
the other hand, 28 recipients (35.0 per cent of the total number) never encountered or experienced any problems in the process so it was not a problem in their initial stages of the activities. Nine recipients had their own reasons but three of the recipients did not respond to the questionnaire.

Table 5.21  Problems & constraints encountered in the process by respondents

<table>
<thead>
<tr>
<th>Problems</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time management</td>
<td>1</td>
<td>1.3</td>
</tr>
<tr>
<td>Laxity &amp; laziness</td>
<td>2</td>
<td>2.5</td>
</tr>
<tr>
<td>Family life disruptions</td>
<td>36</td>
<td>45.0</td>
</tr>
<tr>
<td>Social life</td>
<td>1</td>
<td>1.3</td>
</tr>
<tr>
<td>None</td>
<td>28</td>
<td>35.0</td>
</tr>
<tr>
<td>Other (own personal)</td>
<td>9</td>
<td>11.3</td>
</tr>
<tr>
<td>No response</td>
<td>3</td>
<td>3.8</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Poverty Alleviation Survey, 2007

Despite having encountered problems, 18.8 per cent of the recipients were able to find solutions and ways of handling their problems (see table 5.22). The highest is 43.8 per cent (35 recipients) had ways of working through these problems. There was no response from the remaining thirty recipients, but those who respond to the question had own answers and ways in dealing with these problems. The recipients believed that working through these problems and addressing these issues consistently is the best remedy and also together with finding ways and solutions to ending them.
Table 5.22: Ways in which respondents address the problems encountered

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Own ways of working through it</td>
<td>35</td>
<td>43.8</td>
</tr>
<tr>
<td>Finding solutions &amp; other ways</td>
<td>15</td>
<td>18.8</td>
</tr>
<tr>
<td>No response</td>
<td>30</td>
<td>37.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Source: Poverty Alleviation Survey, 2007

5.4.4 Advantages in creating this type of business

As shown in table 5.23, the majority of the respondents believed that there are advantages in creating this type of income generating business. It has improved their living status. These changes are for the better for them as individuals and for the family as a whole. Out of the 80 recipients interviewed, the findings showed that 90 per cent confirmed that it had an impact on the way of living, mostly the progress experienced and how it has elevated their living circumstances, provided more income, having a comfortable family life and also decreasing their level of poverty.

Table 5.23 Respondents views in the creation of income generating businesses

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Better standard of living</td>
<td>72</td>
<td>90.0</td>
</tr>
<tr>
<td>More income</td>
<td>2</td>
<td>2.5</td>
</tr>
<tr>
<td>Decreased poverty</td>
<td>1</td>
<td>1.2</td>
</tr>
<tr>
<td>Comfortable family life</td>
<td>3</td>
<td>3.8</td>
</tr>
<tr>
<td>No response</td>
<td>2</td>
<td>2.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Source: Poverty Alleviation Survey, 2007

5.4.5 Views and Future Prospects of the Beneficiariess Business

Table 5.24 results showed that 71.3 per cent of the recipients in their own personal views highlighted that the future prospects of their business have a lucrative and a profitable look.
So as a result, 25 per cent of the recipients believed that their business will expand in the years to come. There was no response from 3 participants. The rest of the participants were also able to gain more insight into problems that they have encountered along the way and at the same time the experience has been educational to them.

Table 5.24  Respondents personal views in the future prospects of their business

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Success</td>
<td>57</td>
<td>71.3</td>
</tr>
<tr>
<td>Expand</td>
<td>20</td>
<td>25.0</td>
</tr>
<tr>
<td>No response</td>
<td>3</td>
<td>3.8</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Poverty Alleviation Survey, 2007

5.5  Observations

The study observed that the successful result of the program was mainly due to the effort and commitment of recipients as individuals, families and their communities as a whole. As a result of this study there is considerable knowledge about the general dimensions, trends and distribution of poverty in terms of poverty lines. The research analyses in terms of the respondents business values, commitments, challenges, weakness and strengths.

5.5.1 Business sucess

With respect to the success of the businesses established by PAP recipients (businesses that continue to survive over the years), the study showed that this continue to increase over the years. However, it was not possible to provide data on the drop-out rate of the scheme. Beneficiaries were questioned as to whether drop-outs in their business group had been recorded since the scheme started some of them indicated that they have no record. It can therefore be assumed that not many dropped out since the scheme started, and as a result there has been a progressive increase in the number of beneficiaries from 2001 up to date.
5.5.2 Usefulness

The usefulness of the scheme (percentage of beneficiaries that find the scheme helpful and the adequate funding to satisfy their needs) was identified by asking the respondents several questions on this topic. Ninety-five per cent of the recipients indicated that they find the income generating scheme helpful. The beneficiaries cited reasons such as ability to hire labor, elevation of their standard of living, savings and having extras enabling them meeting daily needs, life satisfaction, improvement of their farms, expansion of farms and homes, and an increase in their business profit as well as improvement in their ability and know-how.

The recipients indicated that the funds (between $3,000 – 5000) were adequate to satisfy their needs. Their general opinion on the fairness of the funding distribution was confirmed in the focus group discussions. However, participants in the focus group discussions have also indicated positive output that has created a beautiful progress in their daily lives. Besides it was also interesting to know the many beneficiaries who are aware of the Poverty Alleviation Program (PAP). When the recipients were asked if there are many other recipients who would like to benefit from the scheme, 90 per cent of the recipients indicated that there are many more who would like to be assisted. The recipients were asked why other recipients are not benefiting, and responses received that they are not aware of the scheme.

5.6 Stakeholder Perspectives and Policies

5.6.1 General

This section outlines the suggestions and responses obtained from other stakeholders and including Social Welfare officers who implement the project. It is focused on assessing
their perceptions and opinions on how PAP can be administered in a more effective and efficient way, at the same time trying to capture the kind of policies that would be more adaptable and equitable in creating a more enabling environment. This section analyses roles that communities and the government play in the assessment of programs in targeting the poor. There were policy issues that surfaced from the in-depth interviews that were held.

5.6.2 Perspectives on welfare programmes

Since the research focuses on pro-poor policies, stakeholders were asked whether policies formulated are tailored to meet the demands and needs of the poor, particularly with the local communities and people. Secondly they were asked who do they think should be targeted in these pro-poor projects and welfare services provided, what criteria or conditions should the government impose in determining who gets access to the service?

Stakeholders suggested that the poor or the genuinely deserving individuals are those who are unemployable due to restrictive medical conditions and have no form of financial support. Secondly, social welfare officers believed that welfare programs can only be administered efficiently and effectively if both human and capital resources are available for poverty alleviation and an efficient administrative system is required. Thirdly, a stringent screening process is needed to ensure that only the deserving cases are processed. The three perception discussed above can be effectively measured when the different government departments all work together to identify and have mechanisms put in place for strict monitoring. One example of which is a six-monthly review. On the other hand these poor people can only be identified by stakeholders or community leaders (Advisory Councillors for Indo-Fijians and Turaga ni Koro for Fijians). The stakeholders believe that
the community and the local government play a very significant role in the assessment of government programs intended to target the poor.

Currently our targeting mechanisms tend to lack networking with other stakeholders, and programs coordinated by different targeted communities and organisations for the poor seem to complement each other. There needs to be an integrated approach that is cost effective and at the same time sustainable so that we are able to maximize the utilization of resources. These tools are to be made available to the communities and local government, who are in a better position to make an assessment of the poor. Communities can be relied on for first-hand information from the grass root level. They are also being looked upon as ears and eyes of the government in information gathering. As for the local government, their task is to take down their programs to community level by involving the people in their assessment programs.

5.6.3 Supporting income-generating activities

The Social Welfare Department believes that these poor people should be involved at every stage of the project, and to work with existing groups, in other words use participatory methods to identify issues affecting them so that a planned program can tackle all the main issues including getting support to income generating activities as a component. On the other hand it is also helpful to establish a committee or group to manage an income generating project and also at the same time to screen and select clients to receive financial support (free money). With this notion in mind, the management group will need to find a thorough assessment criteria to enable them to identify who has the ability to carry out a successful income generating activity.
It is also believed that different income generating activities are suitable for different people depending on their individual circumstances. Training required for project staff may need to involve providing business advice, administering a loan scheme, reporting to donors and lastly may need training and supervision.

5.6.4 Perspectives on policies

The study assessed the perceptions of stakeholders and the communities on the implementation strategies of the PAP and their views on PAP as a pro-poor policy. The general perception was that there is a need for inclusiveness starting from the planning stage to the implementation stage. This means that the grass-root people should be consulted and dialogue is needed at every phase. This should be done at the village, settlements and community level. Usually most consultations are done at the division levels where the consultation team from government expects the public to give their submissions and opinions during the public consultation. The general practice is that only a few (2-5 interest groups) attend these consultations. It is therefore generally assumed that it is the general view of the public, represented by the few, in that particular district or division. On the contrary, many strongly believe that consultation should occur at the community or village level. There is usually no prior consultation at the grass-roots level, leading to the failure of many policies and strategies. Policies are usually crafted and formulated in the boardroom by consultants and senior management teams before they are imposed on the masses. There is generally a high expectation that the policy will work. It was observed that some policies put in place are financial suicide especially when strategies are not so relevant to the program.
Therefore to allow an impact of government policy to be captured more systematically, it is desirable to put in place a user friendly appraisal and monitoring tool that captures the feedback and comments of those who were targeted by the policies. Some monitoring tools can include having a six monthly reporting mechanism on the success and draw backs from the income generating project, another is that the fund should be given out in phases.

5.7 In-depth and Focus Groups

This research finds that beneficiaries of the scheme play an important role in the economy, both in their ability to create jobs for themselves and by creating jobs for others. Furthermore, self-employment represents one of the most important job opportunities for our local people. Self-employment represents an important job alternative for many people and perhaps especially for the poor in developing economies.

The research took a closer look at how the system and personal motivation affected the participants (demand side). From a supply-side perspective the role of occupational and family policy, the research verified the specific obstacles faced by the beneficiaries when engaged in the process, for example lack of training.

The research covers areas from Navua, Suva, Nausori corridor. The initial target list contained 100 names but managed to interview 80 people who are all beneficiaries of the poverty alleviation program.

The findings were:

Income generating beneficiaries are found to have an important impact on the economy, both in their ability to create jobs for themselves and to create jobs for others. The first PAP
recipient was a kidney patient from Mau village in the Province of Namosi who was given $3,000.00. He took this money to the fisheries department, who at the same time were giving out financial assistance. So $3,000.00 was given as a deposit for an engine and a fishing boat that together cost $9,000.00. He started his fishing business and according to him he goes out only three nights a week to fish. He is earning an average of $500 a week from the fishing business. He has been able to extend his house. He originally had a corrugated iron roofing shack, but this has changed because he has built a big three-bedroom wooden house and is able to buy luxurious items, such as television, fridge, gas stove, for his family. He stated that people are lazy and this makes people poor. It must however be noted that the financial assistant provided is free money as the recipients are not expected to repay anything.

The second recipient, from Waiqanake, requested for $5,000 but received only $3,000. He buys premix fuel and kerosene and takes it over to the Yasawa Islands where he originates from to start his business. He commutes and has his brother helping him in running this business. He buys 44 gallon worth of diesel, kerosene and premix in a week, which is sent across to the island and all is finished within a week. Being a small business owner, he has managed to build himself a big three-bedroom wooden house, at the same time acquiring a twin cab (Nissan Navarra brand) and diversifying to farming both dalo and cassava. He does cattle farming too. Academically, he reached only class one and during his early teens spent time in prison.

The third case was a Fijian lady who was given $3,000.00 through PAP and started her canteen, she now owns a small shop in Muaivuso. The shop services the need of the community. The shop has been running for six years. Unfortunately it was once robbed but
this did not stop the business from its daily operation. This happened when her husband left to work in Vatukoula. According to the recipient, the business beneficial to the family. Returns from the business has improved their living conditions. Ever since the incident occurred, she has never stopped the business still continues to operate.

In Qauia a couple of ex-prisoners (this is a criteria for selection) started off with their business from the funding given. One of them started with a billiard table and a canteen. The money earned has helped them financially in their everyday lives, together helping with the education of his children. His other friends turned fishermen and are doing well with their business. According to them, their earning power has lifted their living standards and now they are eating food that they have never eaten, also meeting their daily needs. This group of people are very thankful to the government for assisting them in times of financial need.

The above case turns out to be the most successful one out of the whole lot. This Fijian man was able to get $3,000 from PAP funds through the ex-prisoners scheme. He started off his small business buying three grass cutters, employed a group of boys to carry out jobs for him from house to house. He expanded his business by buying tools that cut tree branches, pruning of flower beds and edges and cutting of trees. Now his business has grown so much that he has started a cleaning business. They do cleaning of the inside and outside of houses, cleaning compounds and collecting rubbish. He has managed to secure cleaning contracts with organizations and institutions. In a month he nets $6,000.00, which enables him to employ eleven people who work as his permanent workers. This contract allowed him to cut trees in schools for four hours and earns five hundred dollars. He was interviewed and asked reasons why he wanted to do this type of business. He stated that he
was always looked down upon and wanted to prove to people that he can do things that other people do and can be successful. With his successful business he has bought himself a double storey house where the family occupies the top flat and uses the bottom flat as office space. He has bigger plans for the family in terms of expanding his business to other things and education for his children.

One of the beneficiaries bought a bakery and decided to run this business with his cousin. The business was running well until they started to abuse the business by misuse of funds. So he ran at a loss and to date is still trying to revive it.

One of the ex-prisoners sells hot dogs and nets about $800 or more in three nights, that is from Thursday to Saturday, selling hot dogs in Suva. He employs five workers and one of them is a schoolteacher. The schoolteacher does this to earn extra money for himself since he has a big family to support. These five workers are paid $70 for the three nights. Upon interview, the business owner stated that he does this to create employment for job seekers. His plan is to expand his business and venture into new things. He was able to buy a single storey house with Housing Authority and has managed to extend his house. He has six children whom he is able to support and provide for.

For another couple, the recipient’s husband was working for Telecom Fiji when unfortunately he became very sick. He suffered from a stroke, allowing him under his medical conditions to apply and receive the welfare allowance. This case was approved and funding from PAP was given to him. His wife is a stay home mum with four children all attending school. With the funds, they were able to open a canteen that gives them an income of $150 to $300 per week. Barbeque was an activity of four nights in a week that is from Wednesday to Saturday. The sum of $200 to $300 is collected from this. With the
amount of money that they are collecting as a family, the couple have opened bank accounts for their four children. This helps in paying school fees and meeting school demands. The family is self-sufficient.

One group of ex-prisoners was given the sum of $10,000 for a group project. A farm of 104 acres of land was bought out of this money. The Police Force was to monitor the project but instead they kept interfering as though everything was to their agenda. According to the group leader, instead of the Force helping them to get the project rolling, it was vice-versa; they were trying to control the project. Therefore the land ended up lying idle. Now the group is trying to revive their project and develop the land so that the farm gets running.

The most interesting case was that of one beneficiary whose initial application was for a grog business. So $3,000 was given, but upon receiving the money, he diverted the fund by investing in his two sons. His intention was to support his two sons, who were accepted to join the British Army but were faced with financial problems. With the money received he was able to send both his sons across, investing in them by sending them away to join the army. According to the recipient, if the initial plan of the grog business had been carried out, it would have gone bankrupt a long time ago. So by doing what he did, he is now reaping what he sown. The money that his sons are sending him has enabled him to live a more comfortable life. He is receiving money every month which is more than expected and has bought a double storey house. This is a unique case as although the recipient did not use the money to target an income generating business, he used it on a goal that is a lifetime benefit to the family and especially to his sons who now send remittance regularly.

These beneficiaries are fortunate: they have started their own businesses, are self-employed
and are small business owners. The government’s commitment is one of the very important factors in the income generating project that was implemented. This commitment is manifested through its willingness to put in place a conducive policy environment for income generating projects to operate for purposes of alleviating poverty.

5.8 CONCLUSION

This chapter serves to present an overview of the scheme that has made a difference to the beneficiaries of the poverty alleviation program. Prior to this, most were unemployed but now they are generating money, allowing them to contribute to their family’s daily needs, children’s education, payment of bills, buying medication and savings for the future. These highly motivated individuals are highly committed to income generating activities because it has lifted them out of poverty and their commitment was manifested through their hard work and working for long hours so that they can earn livelihoods and survive well in an environment that is increasingly becoming a market driven economy.

Often the support to income-generating activities is part of a wider programme aimed at tackling a range of problems identified within our local communities and villages. Income generating activities was designed to reduce long-term poverty, aimed to help overcome the poverty crisis. However, it is important to be realistic about how far income-generating activities contribute to PAP beneficiaries’ livelihoods in villages, settlements and local communities in Fiji. For poor families, the success is measured along the lines of improved economic welfare. The more income they are able to generate, their living standard will be improved and the more resources they will have in their lives. This chapter sums up the performance of the survey as reflected in the experience of the sample households.
Chapter Six: CONCLUSION AND RECOMMENDATIONS

6.1 Introduction
This final chapter addresses the six objectives outlined at the start, in order to determine if they have been met before arriving at some conclusion and recommendations regarding the research. The research has brought out good responses regarding the performance of each individual recipient in the study area. The government support for the income generating program is a step in the right direction, hence this is a move towards real empowerment of our local people. The chapter ends with some recommendations that will help the program be even more successful and consequently will lead to positive changes in the unfortunates economic situation and in particular on future needs for further research possibilities.

6.2 People’s Perception about the Nature and Extent of Poverty, Its Causes and Consequences
Most of the recipients in the study were asked to define what they understand by the word poverty, the causes and consequences of being poor. This was very important because these recipients are the most affected ones, so to define and to determine on improving daily lives, the recipients were in a better position to respond to the questions. The study showed that the concept of poverty is very different from what is generally perceived. Sometimes attitude weighs very much on individual approach in dealing with the transformation of life situation. Many recipients discussed views and opinions openly on the nature and extent of poverty in terms of the causes and the repercussions it has on individual and family lives. The recipients talked mostly about the root causes of poverty where there is a lack of
income and assets to satisfy basic needs. The recipients have confirmed that lack of voice and power, and the inability to cope are contributing factors to each detrimental life. To the recipients the word poor meant a lot of things, for example, begging, having no home and living on the streets or having no job and cannot financially support families. There were lots of reasons in defining the word poor. Some aspects of poverty seem to be well understood by the general public in terms of the lack of opportunity, the difficulties in everyday lives or financial hardships, hence bringing about the impossibilities of breaking the cycle of poverty and its relationship with unemployment and family breakdown. But other definitions of poverty differed depending on socio-economic status, background and personal experiences. Recipients living on low incomes pointed to lack of networks, uncertainty, illness and hopelessness as manifestations of poverty.

6.3 Impact of Poverty Alleviation Program and Evaluating the Role of Government in the Changing Policy Environment

The Department of Social Welfare continues to support income generating activities with capital and technical advice through the assistance of government. Activities undertaken by the recipients not only help them but reduce the number of unemployed people in their respective communities, through engaging in economic activities via job creation and skills capacity building, as shown in the research. The evidence showed in the research that an income generating program can be used as a tool not only to increase household income in terms of monetary value, but also to lift poor families circumstances out of poverty (as shown in the findings in chapter 5). It was evident in the study that this program has had an impact on the recipients’ lives as individuals and the families as a whole, where most of the recipients turned out to be successful business people because of their capabilities in
being able to generate their own income. It showed that hard work has finally paid off and overall the recipients have done well.

The recipients’ total perception also changed, especially with the ex-prisoners, the ones successful and creating employment for other people in their own communities. Unemployment was also regarded as one of the causes of poverty, but with the program as such (income generating activities) in place, it is then realized that this is a way of reducing unemployment, so therefore activities such as this are now a strategy in responding to poverty. Participants in the community group discussions perceived that responsibility for addressing poverty rests with all people. The government plays a major role in taking responsibility to alleviate poverty because this is an inevitable problem.

Lastly, the effective sustainability, ownership and management of the programme came from having an additional multiplier effect. These funds acted as seed money for recipients placed on a springboard for jumping to much higher levels. Now the recipients believe that building on what has been achieved is like a new horizon searching for new markets; seek new employment opportunities. For example just as the talents were utilized as seed money in the bible, so these recipients today have invested for more incomes and employment. Empowering of vulnerable groups like the poorest of the poor and network amongst them are strengthened.

### 6.3.1 Government commitment

The government commitment is one of the vital components in any project or activities that are implemented. The government’s response to poverty, unemployment and the concerns of the wider community has been to address them with programs put in place and support
for current poverty policy directions. The government plays an important role in trying to alleviate poverty and promote the development of new economies, ensuring that all people have access to opportunities.

For example, the government has approved the PAP and allowed the Department of Social Welfare to participate in lending of funds as well as creating a favourable environment and plenty of opportunities for the people to participate in income generating activities. The recipients are now formulating activities and initiatives that will increase opportunities for improved wellbeing and hence transform them into better livelihood. The recipients are taking advantage of the favourable and positive policy situation that also brings about personal development.


The government has mainstreamed fairness across public sector policies to enable the poor to access opportunities, assets, incomes and social services. Policies to reduce continuous poverty are now focusing on ensuring more reasonable distribution of growth to improve the human condition in local villages and communities in Fiji. According to reports on poverty in Fiji, since 1991, the government’s strategy to reduce poverty has been to provide jobs, to ensure that the poor have the means to take advantage of job opportunities, and to provide a safety net for those who continue to experience severe deprivation. For the period 1996 to the year 2000, government’s principal goal was to promote economic and social well-being for all of Fiji’s people. Nevertheless the national poverty reduction strategy is designed with participation of the target population, the rural poor, in order to bring long-term solutions to many-sided long-term problems. Structural policies need to
focus on promotion of labour intensive sectors with employment potential such as on small-scale and family entrepreneurship. Financial services for the poor need to be backed with adequate regulatory and governance frameworks.

According to the Asian Development Strategy (2007) poverty reduction, whether related to income or social and living conditions, requires conditions in which the poor can participate in, contribute to, and benefit from economic growth. This pro-poor growth generates employment and income among the poor, it enhances the productive potential of the poor by creating economic and social infrastructure facilities and services. Also it strengthens the governance and business environment to encourage strong private sector participation and promotes a growth process that is environmentally friendly.

6.4.1 Progress in Poverty Reduction

According to the Strategic Plan (Policies and Strategies for Sustainable Development: 1999) government recognizes that poverty pervades all communities so its policy objective in terms of poverty reduction is breaking the cycle of poverty through employment and the creation of income through income generating opportunities, creating conditions to ensure that children of the poor do not enter into a life of poverty once they reach working age. This is in terms of free education and it is now encouraging the use of civil society in poverty alleviation programmes. For this reason the government takes full responsibility for the welfare of the poorest in the community and has emphasized the continued importance of traditional forms of communal support as well as the assistance from voluntary organizations (Opportunities for Growth, 1993:62). To address poverty better, the
government not only needs to address or bridge the poverty gap on the basis of need, but to address this problems equally as now there is a Look North Policy and sure enough the other divisions need something similar to this too. From the findings of the study, it is now realized that the participation of the people is crucial in income generating because it plays an important role not only to their own selves but to the community as a whole.

6.5 Alternative Strategies Policies/Programs in Addressing Poverty Problems in Fiji

The government has formulated social policies in addressing the whole range of factors that contribute to poverty. One of its policies was to generate opportunities for employment in terms of distribution of poverty alleviation funds through the Department of Social Welfare for income generating projects. Similarly, with the Ministry of Youth, programs were developed to implement training programs to train youth so that they are skilled and able to find employment. However, to ensure participation of the people they must be made aware of such programs and be well informed. Some measures that need to be put in place is to introduce entrepreneurship into the school curriculum to be able to develop skills and to generate their own income. So formulation of policies and strategies of national concern should be made with a wider consultation of the grass-roots people, to give a more local flavor, as mentioned in chapter 5, and this should be done at the village and settlement level. Another critically important component of poverty alleviation is the strengthening of informal and non-formal education and training. By teaching job-specific skills, it acts to both close the job gap and offer opportunities for innovation that the formal structures fail to provide.
Of course, increasing employment opportunities will not immediately end poverty until everyone is able to meet their own basic needs, which must remain a priority. Recognizing that resources are not available for addressing all the problems of all groups immediately, improvements must also be made to eliminate gaps or overlaps and improve operational procedures, and increase beneficiary involvement in design and implementation of programs. The eradication of poverty entails the active and direct involvement of all sections of society regarding decision making, preparation of project proposals, administration and monitoring of projects, and the dissemination of information. There is increased recognition that investing in our local people can be beneficial to poverty alleviation efforts. The government accords greater priority to rural areas and outer islands. To improve economic opportunities, enhance sustainable livelihoods and income levels of rural communities, government departments are working on poverty reduction strategies, emphasizing the importance of poverty reduction.

6.6 Contributions towards Enhancing the Quality and Effectiveness of Policies in the Protection of the Poor

Most of the recipients indicated that the income generating scheme is useful because of their businesses, expansion and the improvement in their living conditions. The informal or self-employment is important in poverty alleviation especially among local people because it tends to dominate the informal self-employment activities, which tend to generate further employment to either paid or unpaid workers employed by owners of such activities. On average the study has shown that the income earnings of the recipients who have joined the
informal sector has improved. They have expressed this openly.

The government and non-governmental organizations have to encourage the informal sector activities especially when it shows good performance and expansion.

6.7 Recommendations

6.7.1 Raising Public Awareness, Influencing Policy Change, Improving the Monitoring and the Measurement System of Poverty

For future improvement, there is a need to increase focus group visits and discussions to create awareness in our local communities in order to establish income generating programs. There is also a need for trained personnel with that interest, that is community development, and the need to have talented persons to put all their time in this area of interest. At the same time by putting in place a user friendly appraisal and monitoring tool that captures the feedback and comments of those at whom the policy was targeted, these tools should be made available to the communities and local government, who are in a better position to make an assessment of the poor. With respect to the awareness and communication of the scheme, beneficiaries became aware of the scheme from the department itself because it was a way of weaning them off the family assistance allowance that they received every month from the range of $60 to $100. Some other major ways by which people become aware of the scheme is through group members who are already participating in the scheme, and also through friends and welfare officers.

The monitoring and reporting mechanisms that are put in place need to be strengthened. There should be quarterly reports that come from the groups dealing with income generating programs and this needs to be thoroughly followed up by the welfare officers or
whoever is in charge. It is very important because this will help discover problems earlier and to let the department know for immediate and prompt action. However, it is suggested that there is a need for further strengthening of the training and information provided to these income generating program groups, especially in skills enhancement. In order for government to be effective, the focus has to be supported by in-depth poverty assessments taking into account the different categories of people that live in the society. From the findings of the research, there is a notable lack of monitoring systems of the department in terms of the initial purpose of what the project was implemented for, but unfortunately it came out as something opposite and different. So there is a need for frequent and regular technical backstopping to be carried out by welfare staff to these income generating groups so that they continue to focus on the objectives of their activities.

Special attention should be on the vulnerable groups and future plans of the program; however, ventures should be encouraged to become formal businesses as they expand, so that they can also generate revenue to the government. Furthermore, more activities by the ministry should be made to change and implement the education system towards more practical and entrepreneurial education so that there is a balance between technical/vocational and liberal arts education, since many school and university graduates lack self-employment skills. This can be programmed in short, medium and long terms. The educated and those with entrepreneurial skills who would like to benefit from self-employment activities that also create employment for others, especially the poor, should also be supported by government and non-governmental agents. An important part of monitoring the impact of various poverty eradication initiatives is to measure whether the allocated resources actually reach their intended targets.
For policy purposes, it is important to distinguish between those poor people with the potential to move out (for example, those of working age, in good health) and those who cannot do so in the short-term and will need longer-term help (that is the disabled, children, the sick and the elderly) because of their limited capacity to generate income.

The contrast in the perceptions held by the department about community attitudes to poverty and the reality are important. The community concern about poverty and increasing inequality needs to find its expression and the government needs to hear it. When communicating about poverty the community needs to be clear about the distinction between people struggling and those living in poverty. The awareness should be unique in assisting members of the wider community to engage in dialogue with higher authority and not ask for donations.

The government should put in place by-laws that will reward those who excel in performing within their groups while at the same time put in place disciplinary measures to members who abuse this kind of support. The groups should conduct meetings at the end of each month to review their performance in terms of how their businesses are progressing. There is need for training and capacity building for these Income Generating Groups, the need to have each group prepare a progress report once every three months.

6.8 Chapter Conclusion

This chapter concludes with the evaluation of the main objectives of the study, the results and conclusions drawn from the research with the following recommendations given. It has also discussed the findings in terms of alleviating their own individual poverty situation.
The effectiveness of the government’s pro-poor strategies has scored some very good results, such as improved skills in business and strengthening their own managerial skills so that there is an improved income amongst the beneficiaries, adding new and improved quality products or services, improving, expanding and transforming their enterprises. The beneficiaries are now beginning new enterprises and considering the possibility of starting similar activities in other locations, as shown in the questionnaire.

Income generating program has somehow promoted the use of participatory approaches and decision making powers, hence raises the voices of the poor with promoting people’s involvements and ownership. It has also created further opportunities for poverty reduction and has helped in capacity building of each individual. The study, however, does need further research in order to respond to some unanswered questions on government policies; and to suggest how government’s contribution in the alleviation of poverty and the protection of the poor can be enhanced. Government should recognize that poverty is not a social welfare problem but a national social problem. As the definition of poverty has changed, strategy to reduce poverty should also expand from investment in physical capital and infrastructure to improvements in health, education and other areas. The other important development that needs to be addressed is to involve the poor in planning and implementing their own local development plans. These new paradigms will urge many development organizations to devise a more balanced and sustainable institutional strategy for poverty reduction.

Poverty must become the priority concern of all ministries. A pro-poor policy framework must be improved; analysis of how policy choices affect the vulnerable groups must be expanded; and there should be consultation between government and civil society on how
poverty issues may best addressed.

Poverty alleviation involves several linked areas so that success in one area depends on the success of policies addressing other factors. Rather than poverty alleviation being possible solely by concentrating on income or monetary transfers, there has to be a focus on social services, health and education, which if neglected, hinders the poor from having access to new opportunities. Similarly, there needs to be a positive development creating better governance, accountability and transparency. In these ways, poverty alleviation deserves a redefinition of government and policy-making.
REFERENCES


Asian Development Bank, (2001) Moving poverty reduction forward in Asia an thePacific,


A Strategic Plan for the New Century (1999)


www.adb.org/Documents/CSPs/FIJ/2004/csp0300.asp - 33k extracted on 0/06/2008


Government of Fiji (2001) Executive Summary in 50/50 by the Year 2020


Japanese International Co-operation Agency, Global Issues/Poverty Reduction “What we


Pacific Youth Summit for MDGs, Apia, Samoa Participating UN AGENCIES UNDP, UNESCO, UNICEF, WHO, UNAIDS in collaboration with the Government of Samoa, MINISTRY OF WOMEN, COMMUNITY & SOCIAL DEVELOPMENT YOUTH STATEMENT ON THE PACIFIC PLAN


UNDP, (2001) Choices for the Poor, One UN Plaza, New York NY, USA.


This research project aims to examine ways and means of identifying challenges and sustainable strategies to combat poverty in Fiji.

The welfare program was initially designed to improve the coping capabilities of people receiving Family Assistance from the Department to assist with the building of homes for the homeless and seed money for income generating.

It is hoped that the findings from this research will assist the Government and Policymakers in raising more awareness, influence the change of policies and improve the monitoring and evaluation of systems.

Your responses to the questionnaire will be treated with strict confidentiality.

Please do not write your name on the questionnaire and your participation and honesty is appreciated.

**Questionnaire Identification**

Questionnaire Number: _______________________

Date: _______________________

*Please circle your answers on the choices given.*

**PART 1  Respondent’s socio demographic characteristics**

1. How old are you?
   1. 20 – 30  2. 31 – 41  3. 41 – 50  4. 51 – 60

2. What is your ethnicity?

3. What is your religion?
4. Gender  
   1. Female  
   2. Male

5. Marital Status
   1. single  
   2. married  
   3. de-facto  
   4. separated  
   5. divorced

6. Where do you live?
   1. Suva  
   2. Nasinu  
   3. Nausori  
   4. Lautoka  
   5. Other

7. Which area?
   1. Urban  
   2. Rural

8. What type of community do you live in?
   1. village  
   2. squatter settlement  
   3. rural/farm  
   4. town  
   5. other (specify)

9. How many people reside in the same house with you?
   1. 1-3  
   2. 4-6  
   3. 6-10  
   4. none

PART 11. Education, Occupation & Income Bracket

10. How many years of education have/did you received? ------ years
    1. 1-3  
    2. 4-7  
    3. 8-12  
    4. none

11. What was your highest education level attained?
    1. primary  
    2. secondary  
    3. tertiary  
    4. none  
    5. other (specify)

12. What is your occupation?
    1. Farmer  
    2. Labourer/Casual worker  
    3. Service worker  
    4. Self-employed  
    5. Unemployed  
    6. Other (specify)

13. How much money does your household earn in a week?
    1. Less than $50  
    2. $51 – 100  
    3. $101 - $300  
    4. $301 – 500  
    5. More than $500
PART III.  Definition & Explanations

14. What do you understand by the word poverty?

1. have no money  
2. do not have a house  
3. unemployment  
4. begging  
5. other (specify)

15. Who are the poor?

1. those who beg on the streets  
2. have no home and live on the streets  
3. those who have no job and cannot financially support families  
4. no education  
5. lack of skills to work  
6. stealing for a living  
7. living in squatter settlement  
8. other (specify)

16. What are the consequences of being poor?

1. indulging in crime because of no money  
2. ill health due to not being able to afford good meal  
3. snubbed and discrimination  
4. low self-morale  
5. lack of education, knowledge & skills  
6. other (specify)

17. What are the causes of poverty in Fiji?

1. political instability  
2. unemployment  
3. lack of education  
4. high cost of living  
5. less income  
6. tradition & cultural obligations  
7. poor health  
8. alcohol abuse  
9. laziness  
10. other (specify)

18. Do you think that you are poor?

1. a little  
2. yes  
3. no  
4. other (specify)

PART IV  Poverty Programs

19. What are the reasons for setting up this business?

1. poverty  
2. need and increased income  
3. to better living standards  
4. life is hard  
5. other (specify)
20. Who do you consult when in need of advice or suggestion?

1. friends  4. pastor/priest
2. relatives  5. none
3. counselor  6. other (specify)

21. What are other means of support you receive?

1. self-sufficiency  4. none
2. illegal means  5. other (specify)
3. selling food parcels

22. Are you satisfied with the current turnover of your business?

1. a little  4. very much
2. disappointed  5. pleased
3. not at all  6. satisfied

23. Do you feel the target is achieved?

1. a little bit  4. satisfactorily
2. not at all  5. other (specify)
3. very much

24. What in your view are the future prospects of your business?

1. success  3. fail
2. expand  4. other (specify)

25. Is it beneficial?

1. yes  4. not sure
2. no  5. other (specify)
3. yes & no

26. How do you measure your achievements?

1. increased income  4. none
2. better living standards  5. other (specify)
3. affording expensive items

27. How much money do you make weekly?

1. less than $50  4. $301 – 500
2. $51 – 100  5. more than $500
3. $101 - $300

28. How did you spend it?

1. excessively  4. budgeting
2. randomly  5. other (specify)
3. little by little
29. Was this a significant contribution to your family? In what way?
1. elevation of family status
2. recognition
3. able to contribute to family & traditional obligations
4. better standard of living
5. able to afford luxurious items
6. not at all
7. other (specify)

30. How did you feel before you started working on the activity?
1. fine
2. sad
3. hopeless
4. excited
5. happy
6. other (specify)

31. How do you feel now?
1. happy
2. satisfied
3. thrilled
4. confident
5. very good
6. other (specify)

32. Do you think the time spent on the income-generating activity was worth it?
1. a little
2. not at all
3. very much
4. other (specify)

33. Do you think it was the right activity?
1. yes
2. no
3. other (specify)

34. Please state any other areas that are of great concern to you in terms of running your business?
1. health
2. family obligations
3. social life
4. children at school
5. bills
6. other (specify)

35. What are some of the problems/constraints that you encountered in the process?
1. time management
2. laxity & laziness
3. no family support
4. family life disruptions
5. social life
6. none
7. other (specify)

36. How do you encounter these problems?
1. ignoring it
2. passive about it
3. working through it
4. finding solutions & ways
5. other (specify)
37. What do you think are the best remedies in addressing the problems that you faced?

1. working through it  
2. finding ways & solutions  
3. facing it head on  
4. ignore it  
5. other (specify)

38. What are some of the advantages of creating this type of business?

1. better standard of living  
2. more income  
3. decreased poverty  
4. no changes  
5. comfortable family life  
6. other (specify)

39. Does it help in alleviating your poverty conditions?

Please circle Yes or No

1. a little  
2. not at all  
3. very much  
4. other (specify)

40. Please state any other comments that you think is important to this research?

1. able to gain more insight into problems  
2. enlightening research  
3. educational  
4. mind opening  
5. other (specify)

Thank you for your time and participation