



Rear-Admiral (Ret'd) Hon. J.V. Bainimarama, CF(Mil), OSt.J, MSD, jssc, psc

Prime Minister of Fiji and Minister for iTaukei Affairs, Sugar Industry, and  
Foreign Affairs

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## SUGAR CONSULTATIONS 2018

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Sai Hall  
SIGATOKA

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0900 Hours

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My fellow Fijians,

Bula vinaka and a very good morning to you all.

I have come to see you all to talk face-to-face about the progress we've made in solving the challenges facing our cane industry and to lay out our game plan for taking this industry forward. Make no mistake, that game-plan is about keeping our cane industry at the heart of our growing economy.

It is about giving you -- our cane farmers -- the assurance and stability you need to do well by yourselves and your families.

I've spent time with cane farmers all across Fiji and I'd like to begin by recognising all of you for the work you put in every day to build this industry. You are among the hardest working people in Fiji, and my Government supports you and stands with you – now and always.

I'd like to speak with you about a number of issues affecting you, your families and the cane industry. I do so as your Prime Minister, and I do so because I am driven to make life better for my fellow Fijians; ordinary people like yourselves who deserve to know that when you work hard, that work will be rewarded and that you and your families will benefit.

That commitment extends beyond any one industry. It drives my Government's entire agenda to give all of our people an equal shot at doing well in our growing economy. It extends to the protections we've put in place to give every Fijian equal status and equal protection under the law, and the chance to give their children access to even greater opportunities.

I know many of you are descendants of the Girmit, who were subject to the harshest of working conditions. For generations, our Indo-Fijian brothers and sisters were mistreated in Fijian society. I know many of you suffered during the coups of 1987 and 2000. But we can all be proud that those dark days are over, and that through the Fijian Constitution, every Fijian is on equal footing.

Now that everyone is equal in the eyes of our supreme law, when you give people assistance, it also has to be given equally. On the basis of merit. On the basis of need.

To improve the lives of every Fijian, my Government is spending a great amount of money on roads, on water, on electricity and other services. I know some of you may still not have access to electricity or piped water. But many of you now enjoy these services for the first time. And my Government will continue its program of extending to as many people as possible across the country.

We have also provided a lot of money for education – free schooling, free textbooks and subsidised transportation to school. We've massively expanded access to scholarships and tertiary loans to enable many more of our young people – your children and grandchildren - to gain access to higher learning.

Those scholarships are being granted on the basis of merit, and merit alone. So that any child -- including the children of any farmer, anywhere in Fiji -- can earn good marks and go on to university and earn qualifications to get better jobs, start their own businesses and participate in our wider economy.

When it comes to the sugar cane industry, there was no question that it was in steady decline until my Government intervened to put it on a better footing. For example, the amount of cane needed to produce sugar has been drastically reduced by making the process more efficient. The TCTS just a few years ago was about 13 or 14. Last year it was just over nine.

Friends, before my Government took office, our sugar mills were literally falling apart. If you remember, the previous government had engaged some Indian companies to refurbish those mills but the result was nowhere near acceptable. So we had to direct additional resources to save those mills and make them more efficient.

We've set aside unprecedented funding towards capital programmes this financial year. In total, the budget toward the sugar industry was increased to 60 million dollars, nearly double last year's allocation. And with our support, cane production in 2018 is anticipated to reach close to two million tonnes.

Too often, we hear big promises from the Opposition, but we don't hear real solutions. They talk about giving 100 dollars per tonne, but they never talk about how to bring down the actual cost base for your cane. And that is the only way you'll really see bigger profits, now and over the long-term.

Only when we bring down the costs of production, can we put this industry on a real path to a more sustainable and more profitable future.

That is why my Government has given wide reaching assistance that is seriously lowering your cost base. We are boosting cane production and improving extension services, transportation and harvesting.

We've helped transfer new and better technologies to farmers. We've set aside nearly 16 Million Dollars for the Cane Replanting Programme, and that major funding increase has led to 5,671 hectares planted in 2017 compared to 3,900 last year. Still, our reports indicate that we have 30,000 hectares of land that remains idle or under-utilised, so I encourage all of you to take advantage of this grant to plant more cane.

My Government introduced the fertiliser subsidy in 2009, and in the last budget we've made that subsidy even more generous, lowering the price paid by our famers to only 20 dollars per bag, and we've seen a fertiliser sale increase of nearly 40 per cent since January last year. So keep taking advantage of this great subsidy.

I know many of you face ongoing issues with labour shortages. That is why we've made a big push towards mechanised farming. We assisted 21 co-operatives with 90,000 dollars each deposit payments on mechanical harvesters. Already, we've increased the total percentage of cane harvested by mechanical harvesters from eight per cent last year to 18 per cent.

My Government also introduced a new, 6.3 million dollar Weedicide Subsidy program this financial year aimed at helping our cane farmers maximize the yield of their harvest through assistance in paying for the herbicides that are necessary to protect your crops.



Now, our farmers are paying only 45 per cent of the total price, providing a valuable tool at a reduced cost, putting Government in a place to help in new and innovative ways. The popularity of this new program is already evident; after the introduction of this subsidy, weedicide sales have increased by over 100 per cent year-over-year.

Our Sugarcane Rehabilitation and Small Grant Scheme is currently working to fill in the gaps with all other miscellaneous costs involved in cane farming, many of which are unseen to the public, but are no less necessary to a successful season. Through this new scheme, my Government has set aside 1 million dollars for supplies like fencing materials, pumps, and water tanks, all of which will allow our smaller sugar farms to keep pace in a rapidly-changing industry.

We also want new farmers to enter the industry. That's why we introduced the New Farmers Scheme this year, which assists farmers who lack the capital for the big investment of starting a farm.

My Government has also continued to pay the Sugar Levy to the Sugar Cane Growers Council, taking the burden off of farmers by covering all of the Council's administrative costs. And – as we promised – we covered the entire cost for all cane that was transferred from the Penang Mill area to the Rarawai Mill. So, no farmer was unable to supply their cane -- despite some very bold, and very false claims from the Opposition.

We've made the Ministry more responsive to farmers' complaints and concerns through the establishment of toll-free lines, and the FSC can be reached at 08006661972.

Stressing the importance of staying at the forefront of innovation, my Government is also dedicated to research, and development of new technologies, and we are constantly looking for new ways for farmers to improve yield and cane production. Through the Ministry's guidance, the Sugar Research and FSC are working closely to provide our farmers with better services, and identify ways to make farming more efficient, cut costs, and evolve to meet the demands of a modern economy.

The experts have told us that storms like Cyclone Winston are going to become more frequent year after year, and the recent arrival of Cyclone Gita in the Lau Group was another brutal reminder of the threat we all face. The prolonged and severe droughts, flash flooding, sea water seepage and water logging are also seriously hurting our farms. But know that I have taken your voices to the global stage, to the front lines of the global struggle against climate change, so vulnerable nations, like Fiji, can adapt our economies to climate impacts.

My Government has also established a new Ministry of Waterways to manage all the issues related to water management including attending to concerns affecting sugarcane farmers. A total of 2 million dollars has been allocated for the first time to assist cane farmers with their infield drains and water logged farms.

Friends, I'm the Chair of the TLTB, and, as many of you know, I have directed the TLTB and also the Lands Department to ensure that for all leases that are expiring, the lessee must be told five years in advance whether the lease is to be extended or not renewed. No longer will you be in danger of finding out just before the lease expires that you have to leave. This gives you certainty and enables you to make proper plans to find somewhere else to live. It is about giving leaseholders security and peace of mind - to enable them to properly manage their affairs and their lives.

We've also made it far easier for farmers to be compensated from damage caused by stray cattle, as the FSC has appointed valuers to assist farmers in preparing damages and loss reports that can be presented to Court to claim compensation.

As you all know, we are now in an election year. But you also know, my commitment to each of you doesn't depend on what's on the political calendar. I've always been right here -- at the grassroots level -- with you, our cane farmers, hearing you out, updating you on what's happening and about where this industry is headed. My commitment is unwavering, and it doesn't depend on anything; it is my own personal commitment to you, your families and our beloved Fiji.

Unfortunately, we can all expect that in the lead-up to the election, my opponents will come with their same doomsday predictions for this industry and their same false promises.

They don't have belief in your potential or in this industry, they don't have real plans and they don't have real interest in your well-being. For them, it's all politics; it's all about how you can help them, and never the other way around.

Remember, securing a future for this industry isn't about smiles and sitting around the grog bowl spinning fantasies. It is about leadership. It is about having a strategic vision and plan for this industry. It is about being honest, telling the situation as it is and being clear about what is necessary moving forward. I've always been honest, and I always will be. I've always been here for you, and I always will be. And I've always had a plan for this industry, and we are steadily realising my Government's vision.

My Government is working harder than ever to turn this industry around. Every decision we make considers the benefits today, and the positive effects over the long term. We have the right team of leadership in place, with the right mix of expertise to bring this industry success.

We are working at home to lower your costs and boost your production, and abroad to find new and better markets for Fijian sugar.

All of our work is about making life better for you and your families. So that you know you can work hard and see the benefits, and you know you and your families are guaranteed a brighter future. That it is my duty as your Prime Minister.

Thank you for the opportunity to address you this morning and I look forward to meeting as many of you as possible.

Vinaka vakalevu. Thank you.

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