

Fiji's sugarcane farmers will benefit from diversifying

by Amar Singh

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Sugarcane farm field workers, Fiji (Credit: Asian Development Bank/Flickr CC BY-NC-ND 2.0)

Fiji's sugar industry has been the mainstay of the Fijian economy since 1882, but the industry is in a lot of trouble. In the 1990s Fiji produced over four million tonnes of sugarcane. Today, production has declined to below two million tonnes.

Nevertheless, sugarcane farming still provides a livelihood to approximately 15% of Fiji's population. With the expiry of preferential sugar price arrangements in 2017, enjoyed through various agreements and treaties since 1975, Fiji's sugar industry is no longer competitive. What should its sugarcane farmers do?

Exiting from sugarcane farming in the short term may not be feasible. Farmers have contractual agreements with the Fiji Sugar Corporation (FSC) to produce sugarcane and have invested heavily. Farmers are also worried about losing their land if they exit from sugar. But, rather than abandoning sugarcane, farmers can diversify towards other crops.

I undertook a survey of sugarcane farmers to determine the benefits of crop diversification, and to compare the level of profitability for single-crop sugarcane farmers and sugarcane farmers who have diversified. My [research](#), recently published in the *Asia and the Pacific Policy Studies*, was carried out in Fiji's Lomawai Sector, about 30 kilometres from two urban centres (Sigatoka and Nadi) and 60 kilometres from Lautoka Sugar Mill. With assistance from two experienced gang *sirdars* (the leader of a group of farmers), face-to-face interviews were carried out with 300 sugarcane farmers.

The first thing I learnt was that most farmers had already diversified: just 28% were growing sugar cane only. Farmers had to diversify. Only 11% said that they would be able to survive if they used all of their land for sugarcane, and many were leaving land idle. On average, the farmers I interviewed dedicated 3.2 hectares to sugarcane, 0.45 to non-sugarcane crops, and left 1.8 hectares idle.

Farmers were diversifying into three types of non-sugarcane farming: livestock and bee farming was the most popular (the sale of which made up 51% of non-

sugarcane farm sales), followed by root crops and vegetables (40%), and fruits and nuts (8%).

Overwhelmingly, the reason for diversification was declining sugar cane income. My analysis of profitability suggests that non-sugarcane crops are much more profitable than sugarcane, with profits margins of 67% and 24%, respectively. The gross value of non-sugarcane crops grown by sugarcane farmers is only 13% of combined sugarcane and non-sugarcane income, but 30% of profits or net income. The average crop-diversified farmer makes a profit of FJ\$3,529 versus only FJ\$2,442 for single-crop sugarcane farmers.

If crop diversification is the answer, why isn't it happening faster? Why is approximately 30% of arable land left idle in the Lomawai Sector? Only 41% of farmers said that they had increased their crop diversification compared to 15–20 years earlier. Basically, farmers are insecure: 81% said they would diversify more if they could find secure markets.

There is a clear opportunity for Fiji's Agriculture Ministry to encourage farmers to utilise idle land for crop diversification and boost their income significantly in the process.

First, the Ministry, through research and development, needs to identify disease resistance crops that could be grown on a large scale for the export market. It would also need to negotiate agreements, particularly with Fiji's neighbours, Australia, New Zealand, and the Pacific island countries, and ensure Fijian exports meet the phytosanitary standards of the importing countries.

Second, the Ministry needs to identify crops that could be grown on a large scale with the objective of reducing imports. A reduction in imports could be achieved by providing tax incentives to industry, particularly the hotel industry, to engage with farmers who are willing to produce and supply selected fruits and vegetables on a consistent basis to the tourism industry.

Third, farmers need to be provided with adequate training in how to produce high-quality goods that meet export and hotel standards. Ensuring provision of export and hotel quality goods would require regular farm audits from agricultural extension workers to ensure timely action is taken to address challenges faced by farmers. In addition, through the organisation of regular workshops, farmers need to be made aware of how the pricing mechanism works, and the need to adopt concepts of commercialism in farming (for example, the importance of keeping proper farm records to determine annual profits).

In summary, whether it is to produce for the export market or to replace food

imports, Fiji's farmers need training, and arrangements need to be established to link farmers to markets. Sugarcane is Fiji's farming past. Crop diversification is the future.

This piece is based on the author's article in the [Asia and the Pacific Policy Studies](#) journal, "[Benefits of crop diversification in Fiji's sugarcane farming](#)". All articles in the journal are free to read and download. Research for the article is based on the author's PhD at the University of Fiji. The author welcomes feedback, and can be contacted via the online article.

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