Na ghar ke na ghat ke\(^1\);
ALTA and expiring land leases:
Fijian farmers' perceptions of their future

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\(^1\) Literally, neither belonging to the house nor to the wharf, meaning being without a sense of belonging to a place. Being in between places; neither here nor there!
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1. Introduction

This paper reports on a Ford Foundation and USP Research Committee funded research on tenant farmers’ views and perceptions about their future. A brief historical background of land leasing arrangements in Fiji and recent developments with respect to expiring land leases follows this introduction. The third section of this paper will provide details of the methodology and background information on the sample used. This is followed by a discussion of the findings of this study and a conclusion. To date, as in most other aspects of land ownership and leasehold arrangements no study has been conducted to examine the views of tenant farmers about expiring land leases and their perceptions about alternatives.

The ownership and utilisation of natural resources can be complex matters in most situations giving rise to interalia questions about distribution of the wealth generated, impact on the environment, impact on neighbouring communities and sustainability. Where the resource in question is communally owned by an indigenous group with a value system that is quite different from values that commodify land and other natural resources, negotiations for its utilisation become even more difficult and complex. This is further compounded by the perception of owners of such resources that they have not received a fair return from those given access. Add to this an ethnic dimension whereupon the owners of the resources are culturally and physically different from those who seek to utilise the resources, the complexity is further exacerbated. When land use is entrusted to a bureaucratic institution such as Fiji’s Native Land Trust Board (NLTB) then, besides the interests of landowners and tenants, other institutional and individual bureaucrats’ interests also affect tenure arrangements.

Land and other natural resources, including near shore marine resources in Fiji, are customarily owned largely by indigenous groups (see Table 1). Fijian citizens of other ethnicity can only legitimately make use of these resources if the ethnic Fijian owners permit them to. The concept of the vanua inclusive of the land with its flora and fauna, rivers and adjacent seas, the people (the ancestors, those living and those yet to be born) and their customs, norms, beliefs, social organisation (the ways of the land or vakavanua), sacred sites and sentiments continue to evoke strong emotional attachments. At the ideological level, entrenched vested interests use the notion of the vanua as a powerful instrument in securing conformity and forging solidarity.

Land ownership and its inalienability have been entrenched in all of Fiji’s constitutions. The codification and registration of property rights in land have resulted in rigidities in land tenure arrangements not found in the customary tenure systems (France 1969; Crocombe 1971; Ward 1993, 1997). The latter responded to demographic changes and to change in socio-political alignments, especially as a consequence of warfare and conquest.

<table>
<thead>
<tr>
<th>Categories of ownership</th>
<th>Area (in acres)</th>
<th>% of land area</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Fijian customary owned land</td>
<td>3,714,990</td>
<td>82.60</td>
</tr>
<tr>
<td>2. Rotuman customary owned land</td>
<td>11,000</td>
<td>0.24</td>
</tr>
<tr>
<td>3. Freehold land (other than state freehold)</td>
<td>368,390</td>
<td>8.15</td>
</tr>
<tr>
<td>(a) Europeans &amp; part Europeans</td>
<td>246,242</td>
<td>5.5</td>
</tr>
<tr>
<td>(b) Indians</td>
<td>75,830</td>
<td>1.7</td>
</tr>
<tr>
<td>(c) Chinese</td>
<td>5,081</td>
<td>0.1</td>
</tr>
<tr>
<td>(d) Rabi Islanders</td>
<td>16,950</td>
<td>0.4</td>
</tr>
<tr>
<td>(e) Kioa Islanders</td>
<td>4,600</td>
<td>0.1</td>
</tr>
<tr>
<td>(f) Fijians</td>
<td>7,532</td>
<td>0.2</td>
</tr>
<tr>
<td>(g) Other races</td>
<td>2,688</td>
<td>0.06</td>
</tr>
<tr>
<td>4. State freehold lands</td>
<td>161,690</td>
<td>3.57</td>
</tr>
<tr>
<td>5. Schedule A Lands</td>
<td>149,500</td>
<td>3.31</td>
</tr>
<tr>
<td>6. Provisional Schedule A Lands</td>
<td>40,910</td>
<td>0.90</td>
</tr>
<tr>
<td>7. Schedule B Lands</td>
<td>75,320</td>
<td>1.67</td>
</tr>
</tbody>
</table>

Table 1 illustrates the stark ethnic differences in land ownership in the country.

Fiji’s population in the last census was 775,000, with indigenous (Melanesian) Fijians comprising 51%, Indo-Fijians nearly 43% and the remainder made up of Europeans, Chinese, mixed-race persons and other Pacific Islanders. Ethnic Fijians own around 83% of the land and with the return of state-owned lands (schedule A and B) this figure is likely to rise to nearly 90%. Europeans and part Europeans, who constitute around 2% of the population, own over 5% of the land. Indo-Fijians, accounting for 43% of Fiji’s citizens, own less than 3%. Within each ethnic category labelled as ‘race’ by the post-colonial state, there is inequality in land ownership of ‘Latin-American proportions’ (see Brookfield et al. 1978). All other ethnic categories in Fiji, and particularly Indo-Fijians who make up more than 80% of the sugar cane growers, are dependent on ethnic-Fijian landowners for access to land and other natural resources (see Table 2). There are also a large number of landless ethnic Fijians who, because of their membership in land short or landless mataqalis (landowning groups), do not own land or, as migrants to other provinces and to centres of economic opportunities, do not possess land in their place of settlement.

<table>
<thead>
<tr>
<th>Use</th>
<th>Fijians Ha</th>
<th>Indo-Fijians Ha</th>
<th>Others Ha</th>
<th>Total Ha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>68,327</td>
<td>107,126</td>
<td>25,291</td>
<td>200,744</td>
</tr>
<tr>
<td>Residential</td>
<td>344</td>
<td>1,021</td>
<td>302</td>
<td>1,667</td>
</tr>
<tr>
<td>Commercial</td>
<td>10</td>
<td>124</td>
<td>353</td>
<td>487</td>
</tr>
<tr>
<td>Reserve</td>
<td>54,953</td>
<td>103</td>
<td>18,689</td>
<td>73,745</td>
</tr>
<tr>
<td>Other</td>
<td>1,292</td>
<td>305</td>
<td>514,779</td>
<td>516,376</td>
</tr>
<tr>
<td>Total</td>
<td>124,926</td>
<td>108,679</td>
<td>559,414</td>
<td>793,019</td>
</tr>
</tbody>
</table>


In spite of the constitutional entrenchment of land ownership, land has been a political issue in Fiji (Kamikamica 1997). In-group-out-group sentiments and dynamics have been widely used by political leaders to fan ethnic ‘fears’ over ownership and usufruct of land for political ends. With the expiry of agricultural leases under the Agricultural Landlord and Tenants Act (ALTA) between 1997-2005, a great majority of landowners and the Native Land Trust Board (NLTB) have indicated that they would not renew the leases. They have explained that the duration of, and rentals on, the leaseholds were not to their satisfaction and that they wished to utilise the land themselves. Some landowners have expressed their discontent at what they perceive as poor land use practices by tenants, such as the burning of standing cane before harvesting is undertaken. The decision not to renew has meant that a large proportion of agricultural leaseholders, who are predominantly Indo-Fijians, will have to find alternative livelihoods. Their options appear to be:

i) to seek land for leasing where this is available;

ii) to work as agricultural labourers;

iii) to seek non-agricultural livelihood as

   a) self-employed persons or

   b) as wage earners

iv) to migrate abroad, an option for those who have immediate kin overseas and the means to do so.

This research on farmers’ attitudes, perceptions and views was to explore their thinking about possible options for the future. The putsch of 19 May, 2000 and the military coup of 29 May, 2000, together with the carnage and looting, disrupted the questionnaire survey and

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2 Landowning groups or mataqalis maintain that they have been deprived of using their own land because of earlier renewals for 60–90 years of sugar cane leaseholds.

3 During the last hundred and thirty years the descendants of Indian indentured labourers (Girmityas) have been diversifying their livelihood into commerce and the professions.
interviews that were being carried out. Some of those directly affected moved to safer
localities, residing with relatives and friends, and others have been living in refugee camps in
Valelawa in Labasa and at the Girmit Centre in Lautoka. No less than 2,000 people or around
500 families were displaced in rural areas and by the end of this decade, around 6,000 leases
will expire, with many thousand farmers leaving the farms that they have cultivated for several
generations (Kurer 2001).

2. A brief historical background to the land question

The history of land tenure arrangements can be usefully divided into five periods. The period
up to 1860 when indigenous land systems prevailed; the period from 1860 to 1874 when land
sales and land claims led to outright conflicts between white settlers and ethnic Fijians; the
period from 1875 to 1940 when state directed arrangements prevailed; the period from 1940
to 1966 when the Native Land Trust Board become the sole organisation for managing
customary land; and the period from 1966 to 1997 with agricultural leases falling under
Agricultural Landlord and Tenant Ordinance (ALTO) and Agricultural Land and Tenants Act
(ALTA).

Until the late 1850s there was no real pressure on ethnic Fijian-owned land by outsiders.
Earlier incursions of Samoans, Tongans and Europeans had been accommodated within the
framework of the vakavanua (traditional/customary) arrangements. From the early 1860s,
however, the situation changed dramatically. European settler numbers increased from
around 30 or 40 at the beginning of the decade to 4,000 by 1870 (Gratton 1963, p. 127).
Settler interest initially lay in producing South Sea Island cotton for which there was a great
demand in Europe. Cotton prices had increased significantly as a consequence of the
blockade of cotton-producing southern states of USA during the civil war.

Enormous land claims were made by individual settlers and companies formed to speculate in
land. Some chiefs sold land (sometimes land that did not belong to them) with a clear
understanding of the nature of alienation (France 1969, p. 52). Such sales were made
possible by the greed of local chiefs for European goods, especially guns, useful in their bid
for military and political ascendancy. Ratu Seru Cakobau, known as Tui Viti or King of Fiji sold
200,000 acres in Suva to a Melbourne-based Polynesian company. This was in return for the
payment of the grossly inflated US$45,000 claimed by the American government for the
looting of its commercial agent's property. Cakobau also ratified land sales at 25 cents an
acre (Scarr 1967). Although the settlers only cultivated 16,524 acres, they laid claims to
854,000 acres of Fiji's 4,581,500 acres (Legge 1958, p. 170).

During the period 1875 to 1940, the foundation of Fiji's current complex land tenure systems
were established: Governor Sir Arthur Gordon allowed the alienation of 10 % of Fiji's land to
white settlers and confirmed the inalienability of nearly 83 % of customarily owned land. The
Native Land Commission demarcated the boundaries of customary owned land amongst
landowning groups. Land not claimed by any group and where a landowning group had
become extinct was appropriated by the colonial government. These were referred to as
schedule A and schedule B Crown Land. 4

A land claims commission confirmed 414,615 acres or 10% of Fiji's total land area as
alienated to Europeans. Much of this was prime quality and accessible land located on
coastal plains and river valleys on the two main islands and Taveuni. From 1905–1909, a
further 20,184 acres were alienated even though the 1880 Native Land Ordinance had made
indigenous—customarily owned land inalienable, except to the Crown. Such land could be
leased to settlers for 21 years on the approval of the Governor. 5

4 Crown Schedule A and Schedule B lands are being returned to native landowners via the NLTB.

5 This happened in Governor Sir Everard Im Thurn's tenure and did not continue because of Sir Arthur
Gordon's opposition as Lord Stonmore in the House of Lords.
To the diverse indigenous land tenure systems that were eventually standardised by G.V. Maxwell in 1913, were added state-owned crown land and freehold land. The latter became a commodity that could be bought and sold in the market (see Kamikamica 1997, pp. 266-269).

The land problem in Fiji is complex in nature primarily because unlike in many other countries beyond the South Pacific region, most of it is under communal ownership. Of the total land area, 7.5% is held by the government, 10% is held as freehold and the Fijian landowning units (native land) hold 82.5%. Since the small portion of state and freehold land was not sufficient for the demands for agricultural leaseholds, native land, which is inalienable, was opened up for agricultural expansion. This land was leased out to tenants under the provision of the 1880 Native Land Ordinance, then through the Native Land Trust Board and the Native Land Trust Act of 1940, and later under the Agricultural Land Ordinance of 1966 and the Agricultural Landlord and Tenant Act (ALTA) of 1976.

A major player in the utilisation of land for commercial agriculture since the early 1880s was the Colonial Sugar Refining Company (CSR) of Sydney, Australia. Colonial governors facilitated both the outright purchase of large tracts of freehold land, as well as the leasing (for 99 years and 999 years) of sizeable portions of native land to the company. It was largely because of the CSR demand for a plentiful and cheap supply of labour that Indian indentured labour was introduced in Fiji. Between 1879 and 1916, more than 60,000 Indian labourers were brought to establish and labour in CSR plantations. They followed and worked alongside Melanesian labourers whose recruitment began in the 1860s’ era of black birding — a barely disguised form of slavery (Graves 1984).

In its bid to maintain super profits in Fiji, CSR subdivided its large estates in the period 1920–1930 and leased out on average 10 acre allotments to Indian contract and tenant farmers (Narsey 1979). Indian labourers, upon the end of their ‘Girmit’ (contract), either left Fiji (20,000) or stayed on to work as farmers, labourers and as petty business people. Besides leasing land from the CSR, Europeans and the more established Indian settlers, they leased land from indigenous landowners (Gillion 1962).

In the period up to the 1940s, there were more than 4,000 tenant farmers and 4,500 subcontract growers supplying CSR. The leasing of native land was critical for the continued expansion and profitability of the sugar industry. However, native leaseholds became entangled in numerous malpractice suits which included Indian leaseholders either selling or subleasing at exorbitant rates and of landowners, as a group or individually, seeking premiums and other payments as a precondition to leasing land. Corruption became widespread. The vision and initiatives of Ratu Sir Lala Sukuna led to the passage of the Native Land Trust Board Act and the Native Land Trust Act (1940) which established the Native Land Trust Board (NLTB) for reserving native land for the use of landowners and the leasing of land for non-indigenous citizens. NLTB was entrusted to ensure good farming practices and satisfactory returns to mataqalis (Parliamentary Paper No. 4 of 1998).

### 2.1 ALTA

Since the mid 1960s, agricultural land has been managed by the NLTB but under the terms and conditions of the Agricultural Landlord and Tenant Ordinance (ALTO) and its successor, the Agricultural Landlord and Tenant Act (ALTA). ALTA was introduced to rationalise the leasing of all crown, native and freehold land for agricultural purposes. Under ALTA, the primary role of the NLTB as the trustee of Fijian land was recognised, while also protecting landowners' and tenants' interests. ALTA covers all agricultural land in Fiji, except where the land holding is less than one hectare, or where tenancies are held by members of a registered co-operative society, where the society is the landlord (often indigenous Fijians), or where land is situated within a native reserve. Reserved native land is not available for non-indigenous Fijian use. Leasing of reserve land to indigenous Fijians, called ‘J’ class, may only be allowed under the provision of ALTA, and then only under exceptional circumstances as determined by the Minister of Fijian Affairs. Although leasing of land classified as reserved for indigenous Fijian use is subject to the provisions the Native Land Trust Act (NLTA), in practice much of the reserve land is leased outside the NLTA or ALTA. Under ALTA, all leases are to be granted for a minimum duration of 30 years with no automatic right for renewal. However, once the lease expires, the Act states that the tenant must be
compensated with a sum equivalent to the value of the improvements carried out. The rent charged under ALTA is based on the unimproved capital value (UCV). The rent would be equivalent to 6% of UCV.

The Native Land Trust Act was enacted in 1940 with the establishment of the Native Land Trust Board. The NLTB, a statutory body, has complete control over all native land and the Board is expected to manage the land for the benefit of the Fijian owners under a land ownership and user rights system instituted by the colonial government that supposedly reflects the land tenure system that existed in pre-colonial times (Lal et al. 2001). All native land transactions since then were administered by the NLTB under the Native Land Trust Act. Lal et al. (2001) list seven key differences between ALTA and NLTA (Table 3).

### Table 3: Differences in institutional arrangements under ALTA and NLTA

<table>
<thead>
<tr>
<th>Terms and Conditions</th>
<th>ALTA</th>
<th>NLTA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lease tenure</td>
<td>Minimum 30 years (de facto maximum)</td>
<td>Rolling 5-10 years</td>
</tr>
<tr>
<td>Basis of rent fixation</td>
<td>6% unimproved capital value (UCV)</td>
<td>NLTB’s valuation reflecting ‘market price’</td>
</tr>
<tr>
<td>Renewability</td>
<td>Non-renewable beyond 30 year maximum/ minimum</td>
<td>Renewable subject to NLTB’s consent. Recently renewable with additional goodwill payment to NLTB as well as to the landowners.</td>
</tr>
<tr>
<td>At expiry – compensation</td>
<td>Value of improvements payable by landowners if approved by them</td>
<td>Compensation as determined by the Board, or the Independent Arbitrator</td>
</tr>
<tr>
<td>Choice of land utilisation</td>
<td>Tenant</td>
<td>Stipulated in the Act</td>
</tr>
<tr>
<td>Subletting/Sharecropping</td>
<td>Illegal, although common</td>
<td>Possible, but with NLTB’s permission</td>
</tr>
<tr>
<td>Settlement of disputes</td>
<td>By the Fiji Sugar Industry Tribunal</td>
<td>By an Independent Arbitration</td>
</tr>
</tbody>
</table>


### 2.2 ALTA and expiring land leases

ALTA is seen as the most important legislation affecting agricultural land because it applies to all agricultural land held in parcels exceeding 1.0 ha (2.5 acres) except land in reserves. The act sets out terms and conditions that must be contained, or will be implied in the absence of formal documentation by the courts, in all leases. Of all the clauses in ALTA, two are most contentious: the clause that stipulates no automatic right of renewal and the clause that requires landlords to provide evidence that their needs are greater than the tenants’ when seeking the return of the leasehold lands during the period of lease. For farmers there is no security of tenure following the expiry of leases.⁶

⁶ A remarkable aspect of the predicament of farmers whose leases have expired is that many of them did not actively seek alternative lease arrangements or non-farm employment in anticipation of the end of the lease period.
The provision relating to rent assessment restricts the rental that can be levied by the landlord to 6% of the unimproved capital value (UCV) of the land, which must be reviewed quinquennially. The UCV is determined for every class of agricultural land by a government appointed committee of valuers (Prasad 1984). Since 1977, the UCV has been revised three times: 1987, 1992 and 1997 (Table 4).

Table 4: Unimproved capital values per hectare for sugar cane growing areas in Fiji: 1977–1997

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>First class</td>
<td>$500-$900</td>
<td>$2700-$4500</td>
<td>$6500</td>
<td>$8000</td>
</tr>
<tr>
<td>Second class</td>
<td>$200-$500</td>
<td>$1650-$2700</td>
<td>$4500</td>
<td>$5000</td>
</tr>
<tr>
<td>Third class</td>
<td>$85-$200</td>
<td>$1100-$1650</td>
<td>$2000</td>
<td>$2500</td>
</tr>
<tr>
<td>Marginal class</td>
<td>$50-$100</td>
<td>$300-$1250</td>
<td>$750</td>
<td>$900</td>
</tr>
</tbody>
</table>


One of the effects of ALTA has been that the landowners could legitimately claim that, since ALTA prevents the operation of free market, they are not receiving a genuine return on their asset. Instead, a significant part of the value of land becomes vested in the original tenant, either in the form of an annual profit rent or in the form of a premium when that tenant sells his interest. This has led to a large proportion of landowners refusing to renew native land leases. However, as shown in Table 4, the UCV has been increasing over time due to changes in market conditions. There has also been a longstanding practice of NLTB and landowners demanding periodic goodwill payments, especially when considering renewal of leases. Other payments extracted from tenant farmers include payments in cash and kind to NLTB officials and representatives of landlords to expedite the resolution of any difficulties that the former may encounter in their relationship with the latter.

In the sugar industry, approximately 73% of the Indo-Fijian sugar cane farmers have been cultivating land leased from the indigenous Fijian community and these leases began expiring in 1997 (Table 5). Between 1997 and 2001, 4,222 leases on native land expired: 95 in 1997, 204 in 1998, 1,541 in 1999, 1,940 in 2000 and 442 in 2001. NLTB returned 2,031 leaseholds to landowners and is processing a further 2,039, presumably to give back to the mataqalis.

Eight hundred and twenty-five tenants were allowed to take residential leases of around an acre on their former leaseholds (Fiji Times, 19 February 2002, p. 4) — see Table 5.

The government, NLTB, the landowners and the tenant community have found themselves in a dilemma on how best to deal with the consequences of expiring land leases. The NLTB has stated that a majority of the landowners want their land back and those few leases that are to be renewed, ought to be renewed under a different act than ALTA, which is seen to be tenant-friendly. Landowners have started to take over properties on native land whose leases have expired and their former tenants have sought shelter with relatives and friends. The recent political turmoil, coupled with mob violence, looting and burning as well as attacks on people, has led to an unprecedented emergence of displaced people. More than 50 farmers and their families, who were relatively secure tenants on government crown land at Muaniweni, moved to Lautoka as refugees.

Tenants whose leases have come to an end have been placed in very awkward situations. In some cases landowners from two or more mataqalis had given them different responses on the renewal of leases. In other instances, the landowners have said ‘yes’ to renewal, only for NLTB to say ‘no’. And in other instances, NLTB has approved renewal and the landowners have opposed it. These different signals and the delay they have caused have resulted in the forceful occupation by some landlords of tenants’ homes. The more astute tenant farmers have dismantled their wood and iron homes long before their lease expiry date. Home occupation by landowners and the dismantling of houses by tenants have left an air of resentment between the two groups. In terms of ensuring the rights of tenants to the grace period of a year after the expiry of leaseholds, there is no agency to enforce this provision.
The non-renewal of leases can lead to several problems. Since most of the leases are associated with sugar cane farming, the economy can be directly affected. The sugar industry in Fiji has contributed enormously to both economy and society. In 1994 alone, it accounted for more than 40% of the agricultural Gross Domestic Product (GDP), which in turn comprised 22% of total GDP. Approximately 25% of the economically active population, including 22,000 sugar cane farmers, derive their income directly from the sugar industry (Singh 1994). Since 40% of the country’s export earnings are obtained from this sector, the backward and forward linkages from this industry have major implications on the entire economy from a general equilibrium perspective. It has been observed that the multiplier effect of sugar earnings has been very significant (Benefield et al. 1984).

Fiji’s three governments since 1992 have been looking at a number of options to deal with the land crisis. These included:

1) Reverting the land to the landowners and leaving tenants to search for alternate livelihoods;
2) Reverting the land to the landowners while resettling the tenant farmers on state, freehold or native land (which is not required by the landowners);
3) Renewing land leases for another term under the Agricultural and Landlords Tenants Act (ALTA); and
4) Renewing the land lease for another term under the Native Land Trust Act (NLTA).

However, these governments have not made any significant progress on the matter.

There are basically five parties involved in this issue: the government, the NLTB, the landowners, the sugar industry and the tenants. These five parties have the following views and concerns:

**Landowners:**

1) To take back some land for their own use;
2) Need higher income from leased land;
3) Land leased for agricultural purpose is used solely for that purpose and not for residential and commercial development; and
4) They want to have greater active participation in the sugar industry.

**Tenants:**

1) Need longer term leases with reasonable rentals;
2) Require reasonable advance notice periods before the expiry of their tenancy;
3) Require protection by legislation against unreasonable rental increase and other charges; and
4) Require fair compensation for improvements upon expiry of a lease.

**Industry:**

1) Prefers to retain ALTA, albeit amended, to incorporate new initiatives and structures;
2) Minimum tenancy period to remain 30 years;
3) Given that a large number of leases (4,837) will expire between 1997 and 2005, some new leases be issued for varying periods in excess of the current terms in order to spread the expiry dates in the future;
4) ALTA should be amended to include a ten-year minimum notification period of termination for all leases;
5) Recommends the establishment of a Land Utilisation, Planning and Control Board comprising representatives from the Ministry of Lands, Agriculture, NLTB, Town and Country Planning and the sugar industry;
6) Residential leases should be issued for houses other than that occupied by the tenant;
7) Current system of fixed UCV to determine land rent is fair and should be maintained;
8) For those farmers whose leases are not renewed, an appropriate system of resettlement on state and freehold land be established;
9) All displaced tenants should be compensated for all improvement and developments made on land irrespective of whether prior consent was obtained or not from the landlord;
10) Industry welcomes the desire of landowners to participate more actively. The industry states its willingness to help all new incoming farmers to take up cane farming; and
11) Share farming, if considered, will be extremely difficult to ensure compliance and fair and equitable sharing of returns.

**Government’s proposals:**

1) That ALTA should remain as the governing law covering all agricultural leases;
2) That ALTA should, however, be amended to make it more equitable;
3) That such amendments be made to accommodate the following;
   a) That a minimum term of 30 years to be retained; however, an amendment is to be made such that on the 25th year, and on renewal, the lease is to be extended for a further 30 years;
   b) That land used for intensive commercial agriculture, such as piggery, poultry, egg production, bee keeping and hydroponics etc, be excluded from the ambit of ALTA;
   c) That the rental system be based on up to 10% UCV;
   d) That the charging of premiums on the granting of new leases and any renewal thereafter be allowed under ALTA, and the amount is to be determined by the Committee of Valuers;
   e) Full compensation for improvements at market value be paid in accordance with agreed Schedule of Improvements; and
   f) Any other amendments proposed by Cyril Farrows in his submission to the previous government.
4) That the NLTB should be solely and directly responsible for consulting the landowning units on the issue of new leases, or extension of existing leases.

(Source: Fiji Government’s Submission to NLTB on ALTA and Land, 1999).

The NLTB rejected this proposal outright threatening that any attempt to implement it would result in more evictions. The report stated:

*Any attempt by the government to implement this proposition will demonstrate the government’s insensitivity towards the realities of the landowners and tenants particularly within the sugar cane belt, the effects this will have on the sugar industry and Fiji’s economy. We say this because many more tenants will be subjected to eviction from the sugar cane belt as is the current practice.*

(Source: NLTB’s reply to Government Submission, 1999).

In rejecting it, the NLTB reiterated that NLTA is the legislation that should be adopted and rental rates would be determined by NLTB, which would be based on market conditions. The specific recommendations of NLTB are listed in Appendix 1.

### 3. Rationale for research

The political crisis facing the nation has made it difficult for government to concentrate on any particular alternatives. However, any top-down approach to the problem of lease expiration and non-renewal may not bring about a long-term solution. Some of the questions that need to be answered by the tenant farmers include:

1) What are their views on ALTA and NLTA?
2) Are they willing to continue to cultivate sugar cane?
3) What are their views on lease length should they continue to farm if the leases are renewed?
4) Are they willing to continue working in agriculture?
5) What are their perceptions about their children’s future?
Any long-term solution to this problem will require a survey of the farmers to get answers to the above questions. Therefore, the general objective of this study was to examine the views and perceptions of sugar cane tenant farmers in Fiji. The objectives were as follows:

1) To determine whether cane farmers were willing to continue cane farming;
2) To determine whether cane farmers were willing to work in the agriculture sector at the farm level;
3) To ascertain the views of farmers with respect to the type of employment they wish their children to have;
4) To examine whether farmers wish to renew their leases and, if so, under what legislation, and what would be the lease length they would agree on; and
5) To examine the alternatives that farmers wish to be considered should their leases not be renewed.

Table 5: Expiry of all ALTA leases, 1997–2024

<table>
<thead>
<tr>
<th>Year</th>
<th>Leases</th>
<th>Year</th>
<th>Leases</th>
<th>Year</th>
<th>Leases</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997</td>
<td>134</td>
<td>2008</td>
<td>299</td>
<td>2019</td>
<td>306</td>
</tr>
<tr>
<td>1998</td>
<td>237</td>
<td>2009</td>
<td>278</td>
<td>2020</td>
<td>152</td>
</tr>
<tr>
<td>1999</td>
<td>1594</td>
<td>2010</td>
<td>374</td>
<td>2021</td>
<td>168</td>
</tr>
<tr>
<td>2000</td>
<td>1955</td>
<td>2011</td>
<td>445</td>
<td>2022</td>
<td>135</td>
</tr>
<tr>
<td>2001</td>
<td>458</td>
<td>2012</td>
<td>419</td>
<td>2023</td>
<td>148</td>
</tr>
<tr>
<td>2002</td>
<td>622</td>
<td>2013</td>
<td>487</td>
<td>2024</td>
<td>88</td>
</tr>
<tr>
<td>2003</td>
<td>432</td>
<td>2014</td>
<td>380</td>
<td>2025</td>
<td>85</td>
</tr>
<tr>
<td>2004</td>
<td>600</td>
<td>2015</td>
<td>784</td>
<td>2026</td>
<td>65</td>
</tr>
<tr>
<td>2005</td>
<td>463</td>
<td>2016</td>
<td>361</td>
<td>2027</td>
<td>54</td>
</tr>
<tr>
<td>2006</td>
<td>521</td>
<td>2017</td>
<td>177</td>
<td>2028</td>
<td>13</td>
</tr>
<tr>
<td>2007</td>
<td>652</td>
<td>2018</td>
<td>254</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>7,668</td>
<td></td>
<td>4,258</td>
<td></td>
<td>1,214</td>
</tr>
<tr>
<td>Grand Total</td>
<td>13,140</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


While some farmers have been resettled, many are still hoping for state help to earn a living. Some farmers are staying in ‘refugee camps’ while others have sought refuge with relatives. A ‘refugee camp’ was established in Vakalawa in Vanua Levu by one of the farmers’ unions to accommodate farmers who had no other place to go when their leases expired. The National Farmers’ Union, after providing rations for almost a year, told the farmers that its funds had run out and that they had to find other means of survival. This union has also sought to purchase freehold land to settle farmers in Ba on Viti Levu.

The government established an ALTA resettlement unit to look into the case of displaced tenant farmers. In the year 2000 budget, a sum of F$20m was set aside to finance the resettlement of the displaced farmers. The government had suggested two options. Those farmers who were displaced could either choose to take a lump sum payout of F$28,000 or opt to be resettled on land developed by the government. To date, through the ALTA resettlement unit, the government has identified three areas for resettlement of the farmers (Table 6).

Table 6: Resettlement sites identified

<table>
<thead>
<tr>
<th>Location</th>
<th>Area (ha)</th>
<th>Land type</th>
<th>No of lots</th>
<th>Total cost of development</th>
</tr>
</thead>
<tbody>
<tr>
<td>Navua</td>
<td>88.1</td>
<td>Freehold</td>
<td>34 (2 ha lots)</td>
<td>$1,066,355</td>
</tr>
<tr>
<td>Navudi</td>
<td>152.6</td>
<td>Freehold</td>
<td>18 (5.8-11.6 ha lots)</td>
<td>$900,000</td>
</tr>
<tr>
<td>Navovo</td>
<td>432.2</td>
<td>Native</td>
<td>80 (5.5 ha lots)</td>
<td>Not available</td>
</tr>
</tbody>
</table>

As is evident from Table 6, two of the sites are freehold while the third is native land. Furthermore, the acreage identified is not sufficient for resettlement of all the farmers. Resettled farmers interviewed in Navua expressed general satisfaction at their changed
circumstances and were appreciative of government support. All of them said that initially they faced numerous difficulties, such as lack of finance and equipment, inadequate housing, water-logged land and managing their daily rations, as well as the absence of a supportive neighbourhood community. After the first six months their circumstances changed as their crops, namely taro, pumpkin, beans and other green vegetables, were ready for harvest and were sold in roadside stalls on the Suva-Nadi highway. One of the farmers said that he wished that he had been resettled ‘in this way ages ago’. Four others present agreed with his sentiments.

However as the government’s resettlement program falls far short of catering for the large number of farmers whose leases have expired, nearly 3,000 former farming families have been displaced. This dislocation has serious consequences for farmers and their families. Already there have been several cases of depression and a number of deaths, including suicides and attempted suicides, attributed to the non-renewal of leases and the lack of support (see *Fiji Times*, 10 October 2001). Those dependant on sugar cane farming include the landless seasonal cane cutters and farm hands that have always lived in poverty. Their predicament, as farm leases come to an end, is especially difficult but is not the subject of this study.

### 4. Research methodology

The research involved qualitative and quantitative data gathering and analysis. Archival research and analysis of the legislative provisions of ALTA and NLTA also formed part of this study. A primary survey was carried out to ascertain the views and perceptions on the questions posed in the earlier section. It was expected that a 10% sample size (748 farmers) would be maintained to derive meaningful policy implications from this survey. However, this was not possible due to the political crisis, as data collection had to be cut short.

A stratified sampling framework was utilised to capture the various key characteristics of the population, which included farm size, date of lease expiry and harvesting gangs. Data from the questionnaire were analysed using Excel spreadsheet. Data from only 354 farmers was used in this study, as the survey work in Vanua Levu was incomplete due to the political situation. Farmers interviewed in Vanua Levu came from Nagata, Vunimoli, Korotari, Central Labasa, Tabia and Tabecola. Farmers from the Daku and Wainikoro sectors were omitted due to the sudden eruption of the May 2000 political crisis. The survey on Viti Levu was complete since the primary survey was done well before the political crisis. Farmers interviewed during the survey were from the three sugar mill areas in Lautoka, Ba and Rakiraki. The survey involved a pre-structured questionnaire (Appendix 2) as well as in-depth interviews. The questions in the questionnaire emanated directly from the specific objective of finding out what farmers’ perceptions were about their future.

### 5. Results and discussion

The 354 farmers surveyed ranged in age from 23 to 95 years with a mean age of 44.4 years (Table 7). Ninety-six per cent of the respondents were Indo-Fijians and 4% were ethnic Fijians. Virtually all respondents were males and even where the cane contract was held by a woman (usually a widow) her son or son-in-law spoke on her behalf. The farmers’ years of schooling averaged eight years, which is equivalent to completion of primary school level. Some of the farmers had no formal education at all. This is one reason why sugar cane farmers, as a category, have long experience in their vocation. On average, the farmers had 28.5 years of experience in growing sugar cane. Nearly all the respondents had assisted their fathers on the farm as children. The use of wives and children as unpaid labour on the farms is common practice.

All farmers in the sample lived on their farms and relied on income generated from sugar cane cultivation to support their families. On average, farmers obtained approximately F$5,902.2 or approximately US$2,400 per annum from their farms. As this level of farm income is not sufficient to meet all the expenditure requirements of the household, a
significant proportion of household expenditure is met from off-farm employment. Results from the survey indicate that farmers on average earn F$3,889.5 or approximately US$1,940 per annum from off-farm employment, which is the equivalent of 22% of farm income. Thirty per cent of the farmers interviewed indicated that their sons and daughters were employed outside the farm or were students in tertiary institutions. A good half of the farmers interviewed continued to have married sons and their families living in the same compound or in close proximity. They also contributed to the off-farm income. The additional sources of income helped in periods when the price of sugar was low or when there were natural disasters (hurricanes, droughts and floods) that caused damage to the sugar cane crop. Farmers also allocated some land for subsistence cultivation and/or livestock. On average about 78% of land was used for sugar cane cultivation.

Table 7: Farmer and farm household characteristics

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Mean</th>
<th>Max</th>
<th>Min</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age (years)</td>
<td>44.4</td>
<td>95</td>
<td>23</td>
</tr>
<tr>
<td>Education (years)</td>
<td>8.2</td>
<td>16</td>
<td>0</td>
</tr>
<tr>
<td>Farming exp.</td>
<td>28.5</td>
<td>85</td>
<td>2</td>
</tr>
<tr>
<td>Family size</td>
<td>6.3</td>
<td>17</td>
<td>1</td>
</tr>
<tr>
<td>Household income ($)</td>
<td>8,436.7</td>
<td>46,000</td>
<td>200</td>
</tr>
<tr>
<td>Farm income ($)</td>
<td>5,902.2</td>
<td>32,000</td>
<td>200</td>
</tr>
<tr>
<td>Off-farm income ($)</td>
<td>3,889.5</td>
<td>30,000</td>
<td>15</td>
</tr>
<tr>
<td>% Off-farm income</td>
<td>21.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total land area (acre)</td>
<td>11.1</td>
<td>73</td>
<td>2</td>
</tr>
<tr>
<td>Land used for sugar cane (acre)</td>
<td>8.49</td>
<td>36</td>
<td>0.5</td>
</tr>
<tr>
<td>% land used for sugar cane</td>
<td>78.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ethnicity: Fijian</td>
<td>13</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indo-Fijian</td>
<td>341</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Most of the respondents said that they had other skills. These additional skills are listed in Table 8. Additional know-how, apart from cane farming and cane cutting, can play a very important role in providing income to farmers whose leases are not renewed. However, only a small number had the sorts of skills to earn a living outside cane farming.

Table 8: Other skills of farmers

<table>
<thead>
<tr>
<th>Type of skills</th>
<th>No of farmers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Sardar (supervisor)</td>
<td>8</td>
</tr>
<tr>
<td>2. Clerical work</td>
<td>3</td>
</tr>
<tr>
<td>3. Driver</td>
<td>18</td>
</tr>
<tr>
<td>4. Tractor hire</td>
<td>6</td>
</tr>
<tr>
<td>5. Salesman</td>
<td>2</td>
</tr>
<tr>
<td>6. Cane cutter</td>
<td>354</td>
</tr>
<tr>
<td>7. Poultry duck/goat farming</td>
<td>298</td>
</tr>
<tr>
<td>8. Research station experience</td>
<td>10</td>
</tr>
<tr>
<td>9. Artisan fishing</td>
<td>60</td>
</tr>
<tr>
<td>10. Carpentry</td>
<td>26</td>
</tr>
<tr>
<td>11. Motor mechanic</td>
<td>17</td>
</tr>
<tr>
<td>12. General (multi-skilled)</td>
<td>21</td>
</tr>
</tbody>
</table>

The above table clearly shows that well below a third of the farmers interviewed had skills to make a living entirely out of non-agricultural work. This lack of transferable skills poses a major challenge, as there has been no effort to provide training and education in non-agricultural knowledge and skills to farmers whose leases have expired.

5.1 Options for farmers as leases expire

As indicated earlier, there are a number of options for farmers on expiry of their land leases. The overthrown Peoples’ Coalition Government had provided two options to those farmers
whose leases expired. These were either a lump sum payment of $28,000 or resettlement on a five-acre plot. Farmers were asked if they had a choice between the three options of lump sum payment of $28,000, resettlement or having their leases renewed, which one of the three would they choose. Fifty-five per cent opted for renewal of lease, while 41.9% opted for lump sum payment and only 3.1% opted for resettlement.

Table 9: Preferences for lump sum payment, resettlement or renewal option

<table>
<thead>
<tr>
<th>Options</th>
<th>Response (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lump sum</td>
<td>41.9</td>
</tr>
<tr>
<td>Resettlement on five-acre plot</td>
<td>3.1</td>
</tr>
<tr>
<td>Renewing of lease</td>
<td>55</td>
</tr>
</tbody>
</table>

The above results show that more than half the farmers wish to continue as sugar cane farmers, 42% opted for the lump sum payment and only 3% were prepared to be resettled.

The implication of the first response is that there remain a significant number of sugar cane farmers who are deeply committed to the industry. On the other hand those who wish to obtain the cash payment have decided that, having spent much of their working life in the farming sector, they are now availing themselves of the opportunity to leave that sector forever. The respondents who wanted to take this option felt that with the money they could do a number of non-agricultural activities to gain a livelihood. This included operating small businesses. They also expressed their frustration and resentment about the non-renewal of their leaseholds. They maintained that if they were to be given another lease somewhere else, then it would only be a matter of time before the lease would expire and they would have to start all over again.

A number of respondents equated this cycle of obtaining leases, developing the farm, making a livelihood and then being deprived of the farm when the lease expired as a kind of Girmit, meaning that the Indian indentured labour days were not over. Ethnic Fijian respondents, who opted for the $28,000 payment like their Indo-Fijian counterparts, felt that their range of options would go beyond farming if they had the money in hand. One respondent felt that he could be a successful middleman in buying and selling kava.

Experience thus far has shown that large numbers of former farmers are leaving the land to settle in urban and peri-urban areas. Most of them have not received any payment from government or compensation from the NLTB as stipulated by ALTA. These people have moved in with relatives or have found alternate accommodation depending on their circumstances. There is some evidence that squatter settlements on marginal land in and around urban centres have expanded significantly in the last five years as a consequence of the influx of displaced farmers and their families. Such settlements, characterised by informal housing, absence of sewerage and sanitary services and having limited access to piped water, electricity and other utilities, pose health hazards for those who live in them as well as the wider community. There has also been a significant movement of Vanua Levu farmers to Taveuni where they have sought a range of lease arrangements including vakavanua to plant taro and yagonna (Kava or Pipe methysticum).

Farmers were also asked questions about their preferred options. When asked if renewal of lease and lump sum payment options were not available, but resettlement on five-acre state, freehold or native land were possible, 90% stated resettlement on ‘freehold land in the same district’ as their first preference and 71.3% stated resettlement on ‘freehold land in another district’ as their second preference.
Table 10: Preference on resettlement with regard to free household

<table>
<thead>
<tr>
<th>Preference</th>
<th>% Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st Preference</td>
<td>90</td>
</tr>
<tr>
<td>2nd Preference</td>
<td>71.3</td>
</tr>
</tbody>
</table>

The strong preference for resettlement on freehold land is linked to its security of tenure. The farmers have undergone severe economic, social and psychological trauma with the loss of their leaseholds on native land. Whole rural settlements and communities have had to move. They have no desire to obtain native land leases again. They prefer to be resettled permanently on freehold land in the same or another district. The larger number wishing to settle in the district of their current domicile reflects their attachment to it.

However, given the paucity of freehold land, the strong preference to be resettled on such land is unrealistic. There is greater potential for settlement on native-owned leaseholds but the landowners prefer that tenants take up their leases under the Native Land Trust Act (NLTA). One of the contentious issues under NLTA is the lease length. NLTB has argued that it would no longer provide 30-year leases as under ALTA. Instead NLTB would provide rolling leases, which could expire with a short period of notice. Farmers and their leaders have argued that long-term leases are vital for capital investment. A short-term lease neither provides time to benefit from the investment, nor is accepted as collateral for loans.

To ascertain what the farmers would want in terms of minimum lease length, a question was asked to this effect. Their response was that they preferred a minimum of 20 years. This shows that the rolling lease option proposed by NLTB with a five to ten-year lease would not be acceptable to the farmers. Interestingly enough, there are some informal ongoing arrangements between landowners and tenants, generally on smaller parcels of land, that appear to be working reasonably well. These include share cropping and vakavanua tenure.

5.2 Farmers' perceptions about ALTA and NLTA

As mentioned earlier, NLTB is proposing that ALTA be scrapped and all native land be leased out under NLTA. This view is shared by the Bose Levu Vakaturaga (BLV) or Great Council of Chiefs and the current government. During this study, the farmers were asked under which legislation would they prefer the lease to be renewed and why. Of those that responded, 97% chose ALTA and stated that it provided more protection (Table 11).

Table 11: Farmers' perceptions about ALTA and NLTA

<table>
<thead>
<tr>
<th>Preference</th>
<th>% Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALTA</td>
<td>97</td>
</tr>
<tr>
<td>Other</td>
<td>3</td>
</tr>
</tbody>
</table>

The almost unanimous support for the retention of ALTA was on the grounds that it provides more protection. This shows farmers’ concern for secure property rights. A number of ethnic Fijian respondents opted for NLTA and vakavanua arrangements, as they did not have the sense of insecurity of Indo-Fijian growers.

5.3 Farmers' views on future cane farming and agriculture

Farmers have often complained about the difficulties of sugar cane farming. These include the system of cane payments (by instalments, three to four times in the course of a year, with long delays), the cost of fertiliser and labour and the inadequacy and cost of transport, including the condition of feeder roads and the burning of the sugar cane crop near the time of harvest. At another level, they have to face the almost intractable land problems as well as the anticipated decline in returns due to the gradual phasing out of preferential prices under

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7 Rural schools in the five provinces that constitute the sugar cane belt have reported a significant decline in student numbers.
the Lome and Cotonou agreements, which are beyond their control. Given this backdrop, the farmers’ view on the future of sugar cane farming and agriculture were ascertained. Table 12 summarises their responses.

Table 12: Farmers’ views on future cane farming and agriculture

<table>
<thead>
<tr>
<th>Preference</th>
<th>% Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cane farming</td>
<td>38.2</td>
</tr>
<tr>
<td>Retain farm but other crops etc.</td>
<td>30.0</td>
</tr>
<tr>
<td>Children in non-agricultural employment</td>
<td>93.4</td>
</tr>
</tbody>
</table>

In contrast to the large proportion who had indicated a preference for the one-off payment of $28,000\textsuperscript{8}, 68.2% of the respondents said that they would continue in agriculture and 32.8% said that they were considering other non-agricultural livelihoods. Of those who wished to continue on the farms, 38.2% maintained that they would stick to sugar cane cultivation and 30% said that they would grow other crops.

As in most other developing countries, the agriculture sector in Fiji is very labour intensive. Bullock and horse drawn ploughs are used, although tractors have become popular. Cane cutters manually cut and load sugar cane. There is no mechanical harvesting. In the immediate future, therefore, the agricultural sector would continue to depend to a large extent on the availability of a plentiful supply of labour. To the question, ‘What type of employment would you want your children to pursue when they grow up?’, 93% of the respondents said that they would want their children to seek employment in the non-agricultural sector. Keeping in mind the weak labour market and the likelihood that not all rural children will be able to escape rural agricultural life, the farmers do not see a future in agriculture for their children.

This has two implications for the agricultural sector in the intermediate to long term. First, the cost of agricultural labour and thus the cost of production are likely to rise, due to a shortage of labour. Amid falling and unstable output prices, sugar farming may eventually come to a halt unless other avenues are sought to reduce unit cost and increase productivity. Second, if the next generation seeks to work in the non-agricultural sector, other modes of land use are feasible, including capital-intensive plantation agriculture, agri-forestry and livestock ranching. Further studies on rural population growth and mobility, educational attainment and trends in land utilisation are needed to provide a fuller understanding of changing conditions in rural hinterlands.

In the interviews, farmers were asked if the opportunity to migrate overseas was available, would they take it. Eighty-three per cent said they would, 10% said that they would not want to leave and 7% were undecided. On Viti Levu, 50% of farmers indicated that a close relative (father, mother, brother, sister, son or daughter) had migrated, whereas on Vanua Levu 30% had relatives abroad.\textsuperscript{9}

6. Summary and conclusion

This study gathered primary data on farmers’ views and perceptions with regard to the expiring land leases and sugar cane farming. Most farmers on native leaseholds see a bleak future in cane farming and are now seeking other alternatives. This is largely because of their adherence to and sense of security from ALTA, now opposed by the NLTB and the ethnic Fijian establishment. Pessimism amongst Indo-Fijian farmers extends to the whole issue of citizenship rights in their country of birth. A large proportion of the respondents indicated that

\textsuperscript{8} The Fiji Labour Party-led People’s Coalition Government’s decision to provide $28,000 was controversial, as it appeared to favour largely Indo-Fijian tenant farmers over ethnic Fijian landlords. The Soqosoqo Duavata Lewanivanua (SDL) Party-led Government abolished this scheme. Seven hundred and eighty-five applications were received up until February 2002 and only 203 farmers received the $28,000 payment.

\textsuperscript{9} Since 1987, 100,000 Fiji citizens emigrated to Australia, New Zealand, Canada and the United States.
they wanted to move out of the agricultural sector altogether. The main reason for diminishing confidence in sugar cane farming and agriculture is the uncertainty that surrounds the renewal of leases on native land. Many farmers whose leases expired have had to leave their farms without any compensation. Three thousand farming families are desperately seeking alternative livelihoods in Fiji at a time when the economy is generally depressed. There has been a high rate of unemployment and under-employment over the last two decades, worsened in the current period by the political turmoil since May 2000 and its aftermath.

Those farmers that wish to continue sugar cane farming, should their leases be renewed, suggest that the minimum lease period be 20 years and the regulation governing the lease should be ALTA. The long-term lease is to secure loans for investment and to provide adequate time to obtain returns from the farm. There does not appear to be any possibility of a quick resolution of the impasse between NLTB and the tenant farmers.

The future of the agricultural sector as a whole is uncertain and there is a likelihood of a major shortage of labour. Most of the farmers stated that they want their children to work in the non-agricultural sector. This implies that for the agricultural sector to grow profitably in the future, it should reduce its reliance on labour intensive modes of farming.

Another implication arising out of the large number of farmers (41.9%) wishing to opt for a lump sum payout is that of increased urbanisation. The urban population has been increasing in Fiji over the last two decades and urban areas do not have the facilities to cater for the increasing influx by the rural population. Fiji’s urban centres are already facing problems of ‘over-urbanisation’ including unemployment, inadequate housing and infrastructure, poverty and high rates of crime.

The following recommendations are suggested to break the current impasse:

1) All individual native leases should be identified and data on whether the landowners want to renew leases or not should be established by an all stakeholder representative team.
2) For all leases to be renewed, separate leases for agricultural and residential property should be provided.
3) Lease for residential property should be long-term while agricultural lease should be for at least 20 years.
4) Rent levels should be based on the market rate. At the moment, only a percentage of the unimproved capital value (UCV) formula is able to capture that and therefore should continue to be utilised. An alternative formula would be to fix the rent to a portion of the Net Value Product.\(^\text{10}\)
5) The NLTB should stop the process of extracting goodwill payments, as this is tantamount to extortion.
6) In the case of non-renewal of leases:
   • There should be full compensation for all improvements to the farm. An independent valuation committee should be established to value these improvements and to arrive at a fair compensation.
   • Resettlement on secure leasehold and freehold land as well as opportunities for training for new livelihoods for former farmers.
   • Casual labourers who were residing on farms where leases have expired should be given opportunities for resettlement and retraining.
7) Incoming farmers (likely to be ethnic Fijian) should be assisted by the government and industry to acquire skills in farming and other support.

These recommendations take into account issues of national development, property rights, economy, role of the state and social justice.

\(^{10}\) In this case, the risk is shared by both the tenant and the landowner. In the case of fixed rent, as is the case currently, the risk is only borne by the tenant.
References


Fiji Times, as cited in text.


Appendix 1: NLTB recommendations to government

1) That the government, political party leaders and all other stakeholders should explicitly and publicly acknowledge that native land (including Crown Schedule A and B lands) is the exclusive property of the Fijian landowners, and accordingly the NLTB in consultation with the landowners alone should have the right to determine when, how or if their land is to be leased.

2) That the government, political party leaders and all other stakeholders should explicitly and publicly acknowledge the debt owed by both the nation and the tenant communities to the landowners for their sacrifice in having surrendered the use of their land under ALTO and ALTA at less than commercial rates of returns, and further publicly acknowledge the right of the landowners to receive a fair and commercially determined rate of return on lands they will allow for leasing.

3) That the government expeditiously put in place amendments to the current provisions of ALTA to allow new agricultural leases over native land to be outside the ambit of ALTA. That at the same time, NLTB publicly announce its assurance to the tenant community that those whose leased land will not be required by the landowner for their use, will be offered rolling leases under NLTA. That the government and political party leaders explicitly and publicly acknowledge that Fijians have traditional and customary ownership rights.

4) That NLTB publicly announce that, together with the government and in consultation with the Fijian landowners, it will make available native land for resettlement. That the government and political party leaders explicitly and publicly announce their full support, both in terms of resources and finance, to NLTB to enable it to make available land for resettlement both in rural, urban and peri-urban areas.

5) That the government and political party leaders explicitly and publicly acknowledge that Fijians have traditional and customary ownership rights over land below the high water mark referred as their qoliqoli and that the Fijians should rest assured that Bills shall be introduced conferring such rights to the Fijian owners.

6) That the government and political party leaders explicitly and publicly acknowledge that native land previously acquired by the government for public purposes, and currently used for purposes other than for public purposes, be immediately returned to the original owners.
Appendix 2: Questionnaire

ALTA SURVEY

General
A) Questionnaire No: _______
B) District: ______
   1. Labasa
   2. Sigatoka
   3. Lautoka
   4. Ba
   5. Tavua
   6. RakiRaki

Farmer
C) Ethnicity: ______
   1. Fijian
   2. Fiji Indian
   3. Others
D) Age of farmer: ______
E) Number of years of formal education: _______
F) No of years of cane farming: ______
G) Any other area of expertise: ______
   1. ______
   2. ______
   3. ______

Family
H) Family size of farmer: ______
I) Age of child 1: ______
J) Number of years of formal education: ______
K) Occupation of child 1: ______
   1. Farmer
   2. Cane cutter
   3. Off-farm employment
L) Age of child 2: ______
M) Number of years of formal education: ______
N) Occupation of child 2: ______
   1. Farmer
   2. Cane cutter
   3. Off-farm employment
O) Age of child 3: ______
P) Number of years of formal education: ______
Q) Occupation of child 3: ______
   1. Farmer
   2. Cane cutter
   3. Off-farm employment
R) Age of child 4:_________
S) Number of years of formal education: ___________
T) Occupation of child 4: ______
   1. Farmer
   2. Cane cutter
   3. Off-farm employment
U) Age of child 5:_________
V) Number of years of formal education: ___________
W) Occupation of child 5: ______
   1. Farmer
   2. Cane cutter
   3. Off-farm employment
X) Age of child 6:_________
Y) Number of years of formal education: ___________
Z) Occupation of child 6: ______
   1. Farmer
   2. Cane cutter
   3. Off-farm employment
AA) Age of child 7:_________
AB) Number of years of formal education: ___________
AC) Occupation of child 7: ______
   1. Farmer
   2. Cane cutter
   3. Off-farm employment
AD) Age of child 8:_________
AE) Number of years of formal education: ___________
AF) Occupation of child 8: ______
   1. Farmer
   2. Cane cutter
   3. Off-farm employment

**Income**

AF) Total average household income: ___________
AG) Total income from farm: ______________
AH) Lease & land and land utilisation
AI) Number of years lease utilised: ______
AJ) Number of years of lease remaining: ______
AK) Total land area (acre): ___________
AL) Total land area under sugar: ___________
AM) Total land area under other agriculture: ______
AN) Total land area under non-agr. activities: ______
AO) Total land area not utilised: ___________

**Farmers' Attitudes**

AP) Do you wish to continue cane farming: ___________
   1) Yes
   2) No
AQ) If ‘No’ to (AP) above, do wish to remain on farm and continue other agricultural activity: ________

AR) If you were given an option to choose between renewing the lease or taking a lump sum payout of $28,000, or being resettled on a five-acre state or freehold land, what would you prefer?

1) Renew lease;
2) $28,000; or
3) Resettle on five-acre freehold land.

AS) If you are given an option to renew your lease, but the 30-year period may not be possible, what is the minimum number of years of lease that will make you choose this option? ________

AT) Would you want your children to be a farmer or casual agricultural labourer or seek employment in non-agr. sector? ________________

1) Farmer / casual agricultural labourer; or
2) Seek employment in non-agr. sector.