



2026-2027 National Budget Address

“Theme: A responsible budget for sustainable future”

**Minister for Finance, Commerce and Business
Development**

Honourable Esrom Yosef Immanuel

Friday, 26 June 2026

Honourable Prime Minister;
Honourable Cabinet Ministers;
Honourable Assistant Ministers;
Honourable Leader of Opposition;
Honourable Members of Parliament,
Invited guests and
Fellow citizens.

Opening Remarks

1. Honourable Speaker Sir, I rise to present the fourth National Budget of the Coalition Government and my first Budget as the Minister for Finance.

2. I express my sincere gratitude to the Honourable Prime Minister for the trust and confidence he has placed on me to lead this critical portfolio. I also wish to thank the cabinet ministers, the assistant ministers, government members and all the other members of parliament for their support. Special thanks to the former DPM Professor Biman Prasad for his tutelage in the last 3 years and his contributions.
3. I also wish to thank everyone who provided their budget submissions and attended the budget consultations held around Fiji early this year. We have listened to your views and, after careful consideration and prioritisation, formulated this Budget.
4. Mr Speaker Sir, as the Finance Minister with less than 8 months in the job, I have been entrusted with the responsibility to manage the nation's finances at a time when our fiscal position is under considerable pressure and the global environment is extremely volatile and uncertain.
5. Mr. Speaker Sir, this Budget is not a populist budget that one would expect before an election, nor is it built on short-term promises or commitments that the country cannot afford. This is ***“A responsible budget for sustainable future”***.
6. It is realistic, disciplined and focused on delivering real outcomes for our people. Every dollar has been carefully prioritised and directed towards areas that matter most. We will live within our means, make prudent choices and invest in the foundations that will strengthen the economy, create jobs and secure a more stable future for all Fijians.

7. In a period of uncertainty, leadership requires honesty and responsibility. And, today, I will lay the facts as they stand as the Fijian people deserve an honest assessment of the challenges before us and decisive action and leadership to provide solutions to these problems.
8. Let me first provide a bit of context to the fiscal challenges facing us today and explain the need for urgent action that is required to address these fiscal imbalances.
9. Mr Speaker Sir, our fiscal dynamics have significantly changed over the last decade. Public debt levels have increased from around \$4 billion dollars in 2016 to almost \$12 billion by the end of 2026. This is a threefold increase in 10 years, with the debt to GDP ratio doubling from around 43 percent to almost 85 percent of GDP.
10. During this 10-year period the nation has also encountered unprecedented challenges. The country went through the COVID-19 pandemic, a once in a 100-year crisis, TC Winston, a category 5 cyclone which holds the record as the strongest and most intense tropical cyclone in the Southern Hemisphere and an uncertain global environment marked with rising military conflicts and geopolitical confrontation, including the recent energy crisis that shook the whole world.
11. During this period, our public spending has increased rapidly from around \$3 billion to \$4.8 billion in the last budget. Operating expenditure grew from around \$1.8 billion to almost \$4 billion, more than doubled, and accounting for over 80 percent of total public spending.

12. This rapid expenditure growth was driven by the continuous pressure on public spending to meet expectations for better Government services, expectations for higher wages and salaries in the public sector, expansion in the size and role of Government, catching up on infrastructure development, increased social sector support and expansionary fiscal stance during the many extraordinary domestic and external economic shocks.
13. During this period, our public sector grew significantly with now more than 42,000 personnel. This includes around 38,000 employees in the civil service, police force, military and correction services and another 4,000 employees in independent institutions and publicly funded statutory bodies like the Judiciary, Parliament, FICAC, Fiji Revenue and Customs Service, Water Authority of Fiji, Fiji Roads Authority, Tourism Fiji, amongst others.
14. Overall, this is an increase of over 10,000 employees in the public sector during this period which is now costing the Government over \$2.3 billion per year in wages and salaries and cost of support services required to operate the public sector. This is almost 50 percent of the total budget.
15. Mr Speaker Sir, of this \$2.3 billion, over \$1.5 billion per year is required just to cater for the wages and salaries of the 42,000 employees. This is equivalent to almost \$6 million per day or almost \$60 million per fortnight, based on a 5 day working week.
16. To sustain this workforce, a further \$800 million per year is required for the provision of office space, vehicles, fuel cost, travel expenditure, electricity, telecommunications,

computers, stationery, conferences, training, security costs, repair & maintenance and other support services. This is a cost of around \$3 million per day. So, basically now we need \$9 million per day just to operate the public service.

17. Mr Speaker Sir, during this 10-year period, our social sector spending has also increased rapidly to over \$1 billion. This includes significant spending increases towards free education, transport assistance, tertiary scholarships, social welfare support to over 130,000 Fijians, social wages like free water and subsidized electricity, back-to-school payment, funding for higher education institutions and the provision of free health care. If we include the wages and salaries paid to civil servants in the social sector, the total social sector budget is almost \$2 billion, accounting for almost 42 percent of total spending.
18. Over these 10 years we have also increased spending to support sectors that cannot survive without taxpayer funding. This includes around \$100 million spent annually in the sugar industry for cane price support, fertilizer and farm input subsidies, replanting grant and working capital support to the Fiji Sugar Corporation. This had to be done to protect our sugarcane farmers and vulnerable rural communities.
19. Mr Speaker Sir, we have also over \$320 million debt guarantee exposure with FSC which may ultimately fall on the taxpayers of this country. This is on top of the \$200 million debt write-off that was recently provided to FSC. Risks from overall guaranteed debt (which is around \$1.1 billion) have increased and has to be carefully managed.

20. Mr Speaker Sir, Government over the years has also taken up the responsibility to fund municipal council projects, which were previously largely self-funded by the councils from rate collections. As such, taxpayer funds had to be diverted for the construction and upgrade of municipal markets, roads & drainage infrastructure within the town boundaries, sporting facilities, rubbish collection and even the payment of salaries for some of the town council executives.
21. Mr Speaker Sir, we also inherited a number of large unpaid debt including close to \$200 million outstanding film tax rebate, outstanding dues to USP, various incomplete projects like Lautoka Swimming Pool, Ba Govind Park Stadium, FNU Campus in Labasa and Ratu Sukuna Park including ongoing funding commitments like Walesi.
22. With the rapid growth in our debt levels, the interest cost to service our debt has doubled to almost \$600 million per year. This is on top of around \$400 to \$600 million required to refinance our principal debt repayments as they fall due.
23. All these factors have contributed to the significant increase in overall public expenditure, Mr Speaker Sir.
24. While revenues also grew during this period from \$2.8 billion to almost \$4 billion, the pace of expenditure growth had been much faster.
25. What this meant was that Government had to continuously rely on increased borrowings to meet the growing expenditure commitments. In fact, we are now confronted with a situation where the gap between our public

expenditure and state revenue is growing wider. The average fiscal deficit increased from around 2 percent in the previous decade to around 6 percent in the last 10 years.

26. Mr Speaker Sir, given that most of our spending increase has been largely operating in nature, reaching almost \$4 billion or over 80 percent of our total spending, we have deprived the nation of the much needed capital expenditure that was required to build our roads, replace our bridges, fix our hospitals & medical facilities, expand our water and waste water infrastructure, get our drainage sorted and provide a conducive environment for our private sector to take the lead in our growth and development.
27. These fiscal imbalances were made worse with the recent global fuel crisis and the uncertainty presented by the volatile external environment. Our revenues plummeted further, making the fiscal situation even more challenging.
28. Mr Speaker Sir, this chronic challenge of debt fueled expenditure growth at the current rate cannot be sustained. As a nation we must come together to resolve this. We cannot play the blame game or rant about why we are in this situation. We have to be responsible and solution oriented.
29. I plead that we don't politicise this issue and call upon everyone to be part of the solution. We need the support and understanding of each and every Fijian. We cannot fall for short-term political gain and populist policies. We need to learn to live within our means. We need to learn to do more with less. And we need to ensure that we deliver the best long-term outcomes for our people.

2026-2027 Budget Framework

30. Mr Speaker Sir, that is the foundation of the 2026-2027 Budget with the theme - ***“A responsible budget for sustainable future”***.
31. **Firstly, we are immediately reigning in our public expenditure, especially operating spending.** The 2026-2027 Budget maintains our public expenditure levels to almost similar levels as in the current financial year.
32. We are doing so while still accommodating for more than \$200 million in new and additional expenditures for the general elections, referendum, national census, commencement of 4 major bridge replacement projects, investment to double the capacity of the Kinoya wastewater plant, investment in non-revenue water reduction, establishment of a new cancer treatment facility, major investment to upgrade our primary health care facilities, adding additional bed capacity at CWM, catering for the increased debt servicing costs, amongst other new expenditure commitments which I will highlight later.
33. What this means is that we had to cut back on our other expenditures to cater for this. Operational expenditure across Government has been reduced by 10 percent. Ministries, Departments and Agencies have been directed to reduce spending on travel, workshops, conferences, communications, maintenance, administration and the purchase of goods and services.
34. Grants provided to state entities, independent bodies,

commissions and other grant recipient agencies have also been reduced by 10 percent.

35. Funding for vacant positions across Government has been reduced by 50 percent. Recruitment will continue only for critical frontline positions and specialised roles necessary to maintain essential service delivery. A holistic review of the civil service will be undertaken and staff from over-staffed agencies will be redeployed to Ministries that need additional manpower, with the required training and transition management.
36. Mr Speaker Sir, Government has also continued the broader cost-containment measures announced earlier this year, including tighter controls on overseas and domestic travel, vehicle usage, fuel consumption and other operational spending.
37. The 20 percent reduction in the salaries of all Ministers and Members of Parliament will also continue in the next financial year.
38. Following these cost control measures, and after accommodating additional expenditures of over \$200 million, we are still maintaining overall expenditures at around **\$4.87 billion in the 2026-2027 Budget**, similar to current year Budget.
39. This is just a marginal increase of less than one percent which means that overall real expenditure (adjusted for inflation) is now put on a declining path. This downward trajectory is important to correct our fiscal imbalances.

40. We need to commit to and maintain this strategy of expenditure restraint over the medium term and work out policy measures to ensure that operating expenditure doesn't increase from the current **\$3.99 billion in the 2026-2027 Budget**.
41. In fact, Mr Speaker Sir, if possible, we need to reduce our operating expenditures in nominal terms in the years ahead. However, that would require national consensus and political bipartisanship as any major reduction in operating spending will require tough decisions on the size of the civil service & the overall public sector, level of social spending and social wages, funding for the sugar sector and overall Government operations.
42. **Secondly, Mr Speaker Sir, we are focused on increasing our spending on capital expenditure.** We have commenced with four major capital projects in the health sector, road infrastructure, water and wastewater and flood alleviation with a total value of over \$2 billion to be implemented in the next four to five years. The financing arrangements for \$1.5 billion from this \$2 billion capital projects have been secured and signed by the government with our development partners. The other \$500 million financing package for the flood alleviation project is in advance stages.
43. Apart from this, we have also lined up major public infrastructure projects in the area of renewable energy transition, port infrastructure redevelopment and airport expansion. Preparatory works are in advance stages with number of development partners already committing significant amount of financing and technical support. The

total value of these projects will be over \$5 billion and these projects will be funded through our state-owned entities with government support and guarantee where required.

44. Mr Speaker Sir, capital spending is critical to improve our infrastructure, build our assets & national productive capacity and raise our economic growth. However, increasing investment in capital projects is not just about increasing the capital budget.
45. It requires proper planning and preparation. It requires getting the right capacity, people and contractors to get the projects implemented. It is about ensuring that the private sector is ready to take on the increased number of capital projects. It requires the support of our multilateral financiers like the World Bank, Asian Development Bank, Asian Infrastructure Investment Bank, Japan International Cooperation Agency and Australian Infrastructure Financing Facility for the Pacific to undertake proper due diligence, feasibility and planning before any loan funding is provided for such capital projects.
46. Mr Speaker Sir, in this budget we have started this process. A total capital budget of \$876 million has been allocated in the 2026-2027 Budget (including \$110 million for the projects I have highlighted above). Capital spending will significantly increase as we progress from design and tender stage to actual implementation of the above projects. With this, we target to double our capital spending in the short to medium term bringing the OPEX to CAPEX mix to 70:30. I will provide more details on these capital projects later during my address.

47. **Thirdly, Mr Speaker Sir, we need to protect and grow our revenues.** Unfortunately following the impact of the global fuel crisis, our tax revenues is projected to decline to \$3.3 billion, almost \$200 million lower than earlier anticipated. Therefore, overall revenues, which includes tax and non-tax revenues, is estimated at around **\$3.82 billion in the 2026-2027 Budget.**
48. With a total revenue of \$3.82 billion and total expenditure of \$4.87 billion, **the fiscal deficit is set at \$1 billion or 7 percent of GDP** for the 2026-2027 Budget.
49. Subsequently, **public debt is projected to increase to around \$12.6 billion** by the end of July 2027, equivalent to **84.8 percent of GDP.**
50. Mr Speaker Sir, for this budget we have kept the fiscal deficit at 7 percent of GDP as a countercyclical response to the global fuel crisis. This was required to sustain our expenditure at current levels with revenue levels projected to be \$200 million lower and yet accommodating additional new expenditures of \$200 million. If revenues had not declined due to the crisis together with the economic slowdown, our deficit would have been below 5 percent and debt would have been much lower at around 83 percent of GDP.
51. Mr Speaker Sir, while the 7 percent deficit is justified for this financial year, we need to reduce our deficit levels to around 3 percent moving forward. With a 3 percent deficit, our debt to GDP ratio will decline much faster and government will be able to finance its deficit without putting pressure on domestic market or getting overly reliant on external debt.

52. However, Mr Speaker Sir, there are basically only 2 options to reduce our deficit levels. Either we cut back on our expenditure level, or we increase the level of revenues.
53. But we cannot and should not try to increase our revenues by merely increasing taxes. That is not an option as it will worsen the cost-of-living challenges, further add to the cost of doing business and slow down the economy further with negative consequences for all.
54. What we need to do is to grow the economy, which will subsequently increase our tax revenues. To achieve this, we have to keep our tax regime stable, with focus placed on supporting the private sector to take the lead. We need to ensure that we create an enabling environment to support the private sector undertake investments for business expansion and new investments.
55. We need urgent action to ensure that we provide confidence and the prerequisites for our private sector to thrive, ensuring that processes are streamlined and bureaucratic red tape is eliminated. We need to deal with the skills gap in the country. We will need to address our productivity and competitiveness challenges. We need to deal with our drugs and HIV crisis. We will have to create new opportunities and nurture and grow new businesses to support economic diversification.
56. Our major institutional investors like the Fiji National Provident Fund, Fijian Holdings, BSP Life, Unit Trust, Provincial Councils and other investors who have the capital will have to take the lead. Major state entities like

Energy Fiji Limited, Fiji Airports Limited, Fiji Ports Corporation Limited, Fiji Roads Authority and Water Authority of Fiji will have to ensure that the supporting infrastructure is provided to support the expansion and growth.

57. Public sector investment will have to complement this strategy with investments in roads, bridges, jetties, water & wastewater infrastructure, health facilities, housing, drainage and better waste management. Apart from increased funding we need to urgently revamp public sector capacity to deliver on major capital projects and ensure timely implementation and value for money.

Economic Growth Projections

58. Mr Speaker Sir, without a private sector led growth, Fiji cannot achieve its National Development Plan growth target of 5 percent per year.
59. Post pandemic we have had 4 consecutive years of growth, which is positive, but we have not been able to reach the growth target of 5 percent. The global fuel crisis worsened the situation and put the economy under more pressure.
60. Subsequently, growth for 2026 has been revised down to 1.5 percent, lower than 3 percent earlier anticipated. Growth is expected to average around 3 percent in the years ahead. However, Mr Speaker Sir, as I have said earlier, we have to reverse this trend.
61. Not everything is doom and gloom. The progress on the peace deal between United States and Iran is a positive

development. With the opening of the Strait of Hormuz, although with some challenges, and subsequent reduction of fuel prices to below US\$80 per barrel is a welcome relief. FCCC will soon announce major reductions in domestic fuel prices for July and following months which should ease our inflationary pressures and cost of business.

Investment Pipeline

62. We already have a strong pipeline of private sector projects with 254 active investment projects valued at approximately \$8.9 billion across key sectors of the economy. Of these, 116 projects are under construction, 87 are in the pre-development stage, and 51 are at the conceptual stage.
63. The investment portfolio includes several landmark developments that continue to define the scale and quality of Fiji's investment landscape. Key projects include the Carpenters Fiji Pte Ltd introducing Hilton Garden Inn in Suva, Sofitel Fiji Resort & Spa – Vatu Talei “The Jewel” in Nadi, the Crowne Plaza Wailoaloa Hotel, the Radisson Mirage Resort in Naisoso, Wananavu Resort in Rakiraki, Koro Beach Resort & Spa, and Vualiku Hotel in Labasa, all reinforcing strong confidence in Fiji's tourism and hospitality sector.
64. In addition, some of the major projects completed and commenced operations recently include FHL Towers in Suva, Ramada Encore in Labasa, Naval Base in Lami, Vuvale Plaza in Nadi, Orion Distribution Centre in Lautoka, and Sun Insurance Centre 2 in Nadi. Other major developments include the Staghorn submarine cable project in Natadola supporting digital infrastructure growth,

the Lyndhurst Business Park in Nasinu as a significant mixed-use commercial hub, six-star resort in Yasawa by Kerzner Group, and Emerald Bay in Nadawa undertaking a mixed integrated real estate, housing, and tourism development.

65. Cabinet has established a high-powered taskforce to fast-track investment projects that are being delayed by approval agencies. The taskforce will play a facilitative role by bringing together investors and relevant approval agencies to identify and resolve bottlenecks in a timely manner. This initiative will not bypass any laws, regulations or requirements. Rather, it will promote a more coordinated, solution-oriented and efficient decision-making process to support investment and economic growth.
66. In addition, Investment Fiji and the Ministry of Immigration have agreed to work together to fast-track the issuance of investor permits. Investment Fiji will provide a pre-engagement letter to the Ministry of Immigration containing key information required to process investor permit applications. This initiative is expected to reduce the processing timeframe for investor permits from 21 days to a maximum of 5 days.
67. Mr Speaker Sir, our macroeconomic fundamentals remain strong. The financial sector is well capitalized and secure. The low interest rate environment supported by accommodative monetary policy provides a conducive environment for investment. Our exchange rate remains stable with a strong foreign reserves position. Remittances have continuously performed well, supporting domestic demand and livelihoods. After a record year in 2025, the

tourism industry continues to grow although there are some challenges now.

Tourism Industry Support and Investments

68. Mr Speaker Sir, to raise our growth, we have to protect our tourism industry which contributes around 40 percent towards our economy. We have to ensure that the industry remains competitive. We have to expand the tourism infrastructure, increase our airport capacity, invest in more hotel room inventory, develop more tourism products and ensure Fiji is safe and secure for our visitors.
69. We need to support Fiji Airways, our national airline, which brings most of our tourists and plays a critical role in positioning Fiji as the aviation hub of the South Pacific.
70. Recently the airline has been under some financial pressure following the substantial price increase in aviation turbine fuel and at a time when the airline was still recovering from the massive financial losses registered during the pandemic.
71. Government as the major shareholder and given the strategic importance of Fiji Airways will support the airline with the planned \$200 million Government guarantee that will be brought to this Parliament soon. In this budget, we are extending the loss carry-forward provision for the airline from the standard 8 years to 15 years and waiving fees and charges amounting to around \$10 million for the next 12 months.
72. We are also working together with other key stakeholders

including Fiji Airports, Air Terminal Services, Civil Aviation Authority of Fiji, Fiji National Provident Fund and Fiji Development Bank to help ease the financial pressure on the airline.

73. Mr Speaker Sir, the tourism industry has also come on board to support the airline and has broadly supported a temporary 5 percent tourism services tax on all hotels and tour & cruise operators with an annual turnover of \$2 million or more for the next 12 months.
74. The revenue generated from this 5 percent tourism tax will be ring fenced and fully directed to Fiji Airways. The industry has broadly agreed that the burden of the tax will be largely absorbed by the hoteliers and tour & cruise operators and not passed on. The 5 percent tourism tax will be effective from 1 September 2026 and is expected to generate around \$70 million for the airline.
75. Mr Speaker Sir, as highlighted earlier, we are also working with our investor community to fast track and support investment in adding additional hotel room capacity. Major hotel investments will add around additional 5,500 rooms with these hotel projects valued at over \$3 billion. Of these 5,500 rooms, around 1,400 are in construction stage (and will be completed in 1 to 3 years), 2,500 rooms in pre-development stage and around 1,600 rooms in conceptual stage. Additional room capacity will set the foundation to grow the industry further.
76. Fiji Airports is also undertaking a transformational aviation infrastructure programme that will strengthen Fiji's position as the gateway to the Pacific. Over the next five years,

investments valued at more than \$700 million will support airport modernisation, regional airport upgrades, digital technologies, renewable energy infrastructure and aviation safety systems.

77. Mr. Speaker Sir, implementation has also commenced on the \$440 million (US\$200 million) ten-year **Vanua Levu Tourism Development Programme**, known locally as the Na Vualiku Project. This flagship initiative, supported by the World Bank, represents one of the most significant investments ever undertaken to expand the tourism industry in the Northern Division.
78. The first phase of the programme will finance strategic investments in roads, airports, water supply, sanitation, energy and waste management infrastructure across Vanua Levu and Taveuni. A sum of \$20 million has been provided in this Budget for implementation activities next year.
79. Government will also continue advancing the **Nadi River Flood Alleviation Project**. This project, estimated to cost approximately \$400 million, is being supported by the Australian Infrastructure Financing Facility for the Pacific and the Japan International Cooperation Agency. This project will provide long-term flood protection for Nadi Town and the lower floodplain, which is critical to protect the tourism industry and our people in Nadi. A sum of \$3 million is allocated in this budget for initial preparatory works.

Electricity and Renewable Energy Transition

80. Mr Speaker Sir, secondly, energy security and access to

electricity is a major prerequisite for growth and development. The current fuel crisis has made the need for renewable energy transition even more urgent. Without reliable and affordable electricity, we cannot have sustained growth and economic expansion.

81. To support Fiji's national renewable energy and energy security objectives, EFL is progressing an investment program of approximately \$2 billion, one of the largest infrastructure investments in our nation's history.
82. This program includes two new hydropower schemes providing 50 mega watts of renewable baseload power, approximately 165 mega watts of solar generation with battery storage, major grid upgrades, investment in transmission redundancy and the replacement of aging infrastructure.
83. These investments will support Fiji's target of increasing renewable energy generation to 60 percent and ultimately 90 percent by 2035, while reducing dependence on imported fuel and strengthening long-term energy security.
84. Recognising the national importance of these investments, Government is supporting EFL in accessing affordable financing and climate investment capital to help lower long-term electricity costs for consumers. We are working together with ADB, World Bank, EIB and other financiers for funding support with Government providing the required loan guarantee and necessary investment approvals.
85. A lot of preparatory work has been undertaken, and I thank our key development partners who have come on board to

support these major investments with planned financing and technical support. Actual implementation is expected to start from 2027.

Port Development Project

86. Mr Speaker Sir, thirdly, to lift our growth to over 5 percent, we need to invest in a modern port facility that not only serves Fiji's trade and logistical requirements but serve as a regional trans-shipment facility given our hub status in the Pacific.
87. Our current Suva Port is reaching its capacity and for future economic expansion and growth we need to expand our port capacity, improve operational efficiency, enhance competitiveness and capitalize on unrealized trans-shipment opportunities in the region.
88. Government is embarking on a major transformational Port expansion and redevelopment project to develop the Suva Port into a modern port facility.
89. The Millennium Challenge Corporation, a US funded agency, has been working with Government to provide a major grant funding support towards this transformational initiative.
90. Other financing partners, including the Government of Australia and the Australian Infrastructure Investment Financing Facility for the Pacific (AIFFP) and the other multilateral institutions stand ready to complement the funding requirements. The project will also mobilise private sector financing, including the participation of the Fiji

National Provident Fund and other institutional investors.

91. The full project cost will be over \$1.5 billion and will be implemented over a period of 5 years. Plans are also underway for further investments and expansion at the Lautoka Port including investment in shipbuilding and maintenance to serve Fiji and the region.

Investment in Roads, Bridges and Jetties

92. Mr. Speaker Sir, in the 2026–2027 Budget, Government is providing \$821 million to the Ministry of Public Works, Meteorological Services and Transport.
93. The Fiji Roads Authority is provided a funding of around \$370 million. This includes \$118 million for road maintenance; \$77 million for road renewals, replacement, and resealing; \$35 million for bridge renewals and crossing replacements; and \$26 million for new sealing and upgrading of community and rural roads.
94. To ease traffic congestion experienced by commuters travelling on major urban road networks, the Government is providing the Fiji Roads Authority with a sum of \$20 million in the next financial year. Of this, \$15 million is budgeted for the widening of Ratu Dovi Road, construction of the Extension Street bypass to connect with Brown Street, and upgrades to Ratu Sukuna Road.
95. A sum of \$4.5 million is allocated to conduct feasibility and design studies for road widening along Delainavesi to Veisari, Veikoba to Laqere, Princess Road, and Nasoso to Navutu (in the Nadi–Lautoka corridor). Government

recognizes this investment as a priority to improve road travel.

96. In the Northern Division, I am glad to update that the detailed design for the temporary and permanent bridge replacement is nearing completion for the Labasa Bypass Project. For the new financial year, FRA will continue with its preparatory works and procurement process.
97. A sum of \$3.2 million is provided for the maintenance of our jetties in Ellington, Savusavu, Taveuni, and Rabi, and to fund preparatory works to enable the construction of the Vunikura Jetty in Cakaudrove. In the new financial year, an inter-island jetty feasibility study is planned to identify new jetty sites aimed at increasing inter-island transportation.
98. Government, with the support of the Asian Development Bank, has also finalized detailed designs to overhaul the jetties in Nabouwalu, Natovi, and Savusavu. Proper investment in our jetty infrastructure is essential to improve connectivity across our islands.
99. Mr. Speaker Sir, I am also pleased to announce that civil works are expected to commence in the new financial year on the replacement of **four critical bridges**, namely the Lami Bridge at Suvavou, Medraukutu Bridge near the Lami Cement Factory, Sabeto Bridge, and Viseisei Bridge linking Nadi and Lautoka. A total of \$41.5 million is budgeted for this project in the new financial year. The full project cost is estimated at around \$400 million (US \$170), and funding has already been secured through the ADB and the World Bank.

100. These bridges are critical assets that connect our major towns and cities along the Queens Highway. We are ensuring that these new bridges are future-proofed and resilient. The new designs include wider spans, increased load capacity, and, most importantly, enhance climate resilience.
101. Works are also in progress to finalize the detailed designs of six other critical bridges in the new financial year. This includes the planned replacement of the Sawani, Namotomoto, Lomolomo, and Labasa bridges, earmarked in the next phase.
102. A total of \$14.9 million is budgeted for the construction of new bus shelters along the Queens and Kings Roads, as well as footpaths and frontage sealing to improve safe accessibility to schools and villages.
103. Mr Speaker Sir, rural connectivity continues to remain a key priority for this Government. We are working with the Government of China to upgrade approximately 82 kilometres of rural roads and the construction of 22 bridges, with a focus on strategic corridors such as the Nabouwalu, Wailevu West Coast and Natewa West Roads. Works are expected to commence during the later part of the year.
104. Apart from this, Government is also working with the Asian Infrastructure Investment Bank to undertake a major capital investment to strengthen the climate resilience of rural road and water infrastructure. Government has secured approximately \$6.4 million from AIIB to facilitate detailed feasibility studies on identified sites and is working on a US\$100 million rural road and water infrastructure financing

package.

105. Mr. Speaker Sir, Government is also providing around \$17 million to the various departments within the Ministry of Public Works to implement targeted capital interventions to improve rural roads access, water supply, and electricity services, and to support the delivery of public services in the rural and outer islands.

Investment in Water and Waste-water

106. Mr. Speaker Sir, we inherited a critical crisis in the water sector with an ageing water infrastructure, where 50 percent of the water is lost through leakage. While the Viria Project has helped add significant additional capacity, we need to focus on leak reduction and further additional capacity in the future. Our wastewater sector is facing even greater challenges with urgent investment requirements.
107. In this budget, the Water Authority of Fiji is provided with an increased funding of \$291 million to upgrade and expand water and wastewater infrastructure around the country, including the upgrading of water sources, treatment plants, reticulation, distribution and non-revenue water reduction.
108. Government is providing the Water Authority of Fiji with \$81.4 million to maintain ongoing efforts to upgrade and expand our water infrastructure. Major projects include \$7 million budgeted for civil works and installation of a new 20-megalitre package plant at the Tamavua Water Treatment Plant. The project is targeted for completion in June 2027 and is expected to benefit 150,000 people living along the Suva to Togalevu corridor.

109. A sum of \$11 million is allocated for the installation of 11.73 kilometres of new water mains, construction of a state-of-the-art pump station, and two 5-megalitre reservoirs. The project is targeted for completion in June 2027 and will provide reliable water supply for 14,000 people residing in Sawani, Colo-i-Suva, and Khalsa Road.
110. To meet future demand for safe, reliable water supply in the greater Suva area, \$1.2 million is allocated for pipeline realignment from Savura Pump Station to Tamavua Water Treatment Plant, and \$2 million is budgeted for the preparatory works for the expansion of the Viria Water Treatment Plant from 40 megalitres to 80 megalitres as part of Phase 2 investments. These investments in the future will benefit 244,000 people living in the Suva–Nausori corridor.
111. In addition, Mr Speaker Sir, the Water Authority of Fiji has begun work on the development of a new water treatment plant in Navua as well as a new water supply scheme in the Wainadoi area, which will cover an area from Naboro to Nabukavesi, with the potential to extend towards Togalevu and Namelimeli in Navua, benefiting a population of 11,000.
112. Furthermore, the Water Authority of Fiji is looking into extending water supply services from Veinuqa to Kasavu in Tailevu. Civil contractors are expected to be mobilised in the new financial year for the construction of a water main, pump station, and a 3-megalitre storage tank at Davetalevu, Tailevu.
113. In the Western Division, the upgrading of water infrastructure is in progress at Dreketi Feeder Road, Vuda,

and Wairabetia. These upgrades will benefit 18,000 people living within and along Dreketi Feeder Road, Vuda, Wairabetia, Nadi Airport, Nadi Back Road, and Sabeto Road. We are also investing in water extensions to previously unserved communities such as those in the Korovuto area in Nadi and the Coral Coast region in the Votua area in Sigatoka.

114. Furthermore, water source improvement works have also been allocated to improve water supply services, with proposed works for the Qalau and Nasivi intakes in Ra and Tavua, which will benefit 32,000 people. There will also be rehabilitation of the Nadrou and Varaciva pump stations in Ba to increase water intake, benefiting 55,000 people.
115. In the Northern Division, we are upgrading the Benau Water Treatment Plant, undertaking water mains upgrades to Rara and Volanau in Labasa, constructing a new storage reservoir at Raviravi, and carrying out improvement works for Naidriva in Savusavu. In addition, the proposed Wainivasa water source in Taveuni is in progress.
116. Mr. Speaker Sir, over \$16 million is provided to WAF to upgrade wastewater infrastructure. Our priority in the new financial year includes upgrading the Denarau Island wastewater infrastructure, the Pacific Harbour Wastewater Treatment Package Plant, and supporting localized wastewater treatment plants, pump stations, and distribution systems.
117. In response to these pressing challenges in the water and wastewater sector, we are partnering with the ADB on a \$300 million (US\$135 million) Healthy Oceans and Water

Security Improvement Project (HOWSIP) over a four-year period. This investment aims to double the capacity of the Kinoya Wastewater Treatment Facility to 36,000 cubic meters per day, reduce non-revenue water (leakage) from 50 percent to 20 percent and improve coastal health and water security. Around \$28 million is budgeted in this financial year for this project.

118. Mr. Speaker Sir, as part of this project, WAF will establish a regional Water Academy to build the technical and vocational skills required to manage water supply and wastewater operations. This initiative is funded by a \$10 million grant from ADB.
119. To maintain and increase rural water supply across Fiji, the Water Authority of Fiji is provided a funding of \$10.5 million.
120. Mr Speaker Sir, WAF is also in the process of formulating an infrastructure development charges framework to support economic development by catering to the growing demand for water and wastewater services for non-residential developments through a more sustainable and equitable cost-sharing mechanism.

Land Transport Authority and MSAF

121. Mr. Speaker Sir, an allocation of \$38.8 million is provided to the Land Transport Authority to improve transport service delivery and enhancing road safety across the country. This funding will cater for development of an Integrated IT System, revamped e-services platform and completion of the Labasa Restoration Project.

122. Mr. Speaker Sir, the upgraded NODA LTA platform will enable customers to conveniently access key services online, including renewals of driver's licence and payments, thereby significantly reducing the need for in-person visits.
123. Government will provide an exemption on outstanding wheel tax and road user levy for vehicles that have been off the road for a period of time, are in road worthy conditions and are presented to LTA for fitness inspection and renewal. The amnesty is intended to assist vehicle owners who have accumulated arrears in Wheel Tax and Road User Levy payments over time.
124. Mr. Speaker Sir, an allocation of \$9.3 million has been provided to the Maritime Safety Authority of Fiji. \$1 million is provided to MSAF for the construction of lighthouses on Yadua Island, Makuluva Islet, Taveuni (Vuna Point), and Kadavu (Cape Washington). These critical investments will significantly improve navigational safety for both local and international vessels operating within Fiji waters.

Health and Medical Services

125. Mr Speaker Sir, investment in our health sector has lagged behind due to years of neglect and underinvestment.
126. In the 2026-2027 Budget, a total funding of \$647 million is provided to the health sector. Of this, \$477 million is provided to the Ministry of Health to fund the salaries of doctors, nurses and allied health professionals, procurement of medicines and medical supplies, and purchase of biomedical equipment.

127. Mr Speaker Sir, Government is embarking on a major \$500 million (US\$242 million) health project, namely Pacific Healthy Islands Transformation Project (known as PHIT) with the support of the World Bank, Asian Development Bank, and OPEC Fund. This is a major step towards a significant transformation in Fiji's health system.
128. Over the next 12–18 months, we will be focussed on some significant deliverables.
129. Firstly, **we will establish Fiji's first radiotherapy and cancer treatment centre at CWM Hospital.** Construction will begin in the year ahead, with completion over the following years. The facility will house linear accelerator technology and chemotherapy capacity to treat up to 60 patients daily. This will reduce reliance on overseas referrals and provide lifesaving opportunity to our people.
130. Second, **we will expand acute care capacity at CWM Hospital, adding 56 new beds for adults and children.** This will address the persistent congestion and connect maternity services to operating theatres, eliminating over time the current reliance on container walkways.
131. **Third, we will upgrade and rebuild primary health care facilities nationwide.** Within the next year, 17 priority facilities, across urban, rural and maritime areas, including Valelevu, Nuffield, Balevuto, Kabara, Tukavesi, Lami, and Nausori, will move through design, procurement and early works, with selected sites already beginning upgrades.
132. **Finally,** through engagement with UNICEF, the Government will focus on digital connectivity of at least 70

primary health care facilities enabling real-time data, continuity of care, and improved service efficiency. We will also rollout online training programmes to strengthen frontline health worker capacity and establish a national AI risk mitigation framework.

133. Mr Speaker Sir, the full PHIT project will take around 4 years and a sum of \$41 million is provided in the 2026-2027 Budget.
134. Mr. Speaker Sir, the Government of Australia is supporting the master planning for the new national tertiary hospital in Valelevu. Keeping the CWM Hospital operational and safe remains a critical priority until the new national tertiary hospital is ready.
135. Australia has committed AUD10 million for urgent priority infrastructure upgrades at the existing CWM Hospital. The first tranche of works includes roofing and drainage remediation across key hospital buildings, installation of a new 200,000-litre potable water storage system with filtration, UV treatment and pumping, remediation of maternity sewer infrastructure and refurbishment of the Acute Patient Ward.
136. Mr. Speaker Sir, Government has also been working closely with Health Care Fiji Limited, a subsidiary of Fiji National Provident Fund and Aspen Medical, to iron the PPP contractual arrangements for the operation of the Lautoka and Ba Hospitals. With the help of IFC, we are re-negotiating the agreement to ensure it is cost effective and delivers the best services to our people.

137. Nonetheless, significant progress has been made with the investment in a state-of-the-art cardiac facility in Lautoka together with improvements in hospital infrastructure, modern equipment and improved delivery of overall services. We now also have our first JCI accredited hospital in Ba.
138. Since 2022, HCF has done more than 300 open-heart surgeries and over 1,000 advanced cardiac procedures. New services such as the Cardiac Cath Lab, MRI, interventional radiology and enhanced oncology services have greatly expanded access to advanced healthcare for Fijians. In the 2026-2027 budget \$120 million is provided for the ongoing operations and maintenance costs to Health Care Fiji for the Lautoka and Ba Hospitals.
139. Mr. Speaker Sir, the Government of India is also in advance stages for the commencement of the construction of a 100-bed Super Specialty Hospital in Nasinu. Land acquisition is now complete, while detailed design and tender process is currently underway. Construction is expected to start early next year.
140. We have been encouraging and providing the necessary support through tax incentives and other support to entice the private sector to invest in hospitals and tertiary healthcare. The outcome has been positive. We now have a number of private sector players -- Pacific Specialist Healthcare, Oceania Hospitals, MIOT Pacific Hospital, Nasese Private Hospital and Sai Prema Hospital delivering advanced medical care services.
141. Mr Speaker Sir, the HIV issue has become a major

existential threat to our people, and an urgent and decisive response is required to fight this crisis. With the support of Government of Australia, New Zealand and other development partners, Government has put together a multipronged response strategy focused on fighting drug use (which is lead cause of the HIV problem), raising national awareness, procuring HIV medicine, investing in identification and treatment, investing in required healthcare skills and overall preventative measures. A sum of around \$12 million is allocated.

Investing in Education

142. Mr. Speaker Sir, investment in education is investing in the future of our nation. Over the years we have invested heavily in improving access to education with initiatives like free education funding, transport assistance, free textbooks and scholarship funding.
143. Focus will now be on improving the quality of education, improving the employability of our graduates, meeting the skills need of the country, teacher welfare and retention, holistic education development that focuses on character building and achieving value for money for the investments in the education sector.
144. Mr Speaker Sir, the education sector is provided a budget of \$883 million in the 2026-2027 Budget, the largest funding accounting for 18 percent of the Budget. The Ministry of Education is allocated \$708.3 million. This includes \$434 million for the salaries and wages of over 13,000 teachers.
145. Around \$61 million is provided for the free education grant,

\$54 million for transport assistance and \$40 million for Back-to-School assistance. Apart from this, \$74.5 million is provided for operating grants to the higher education institutions.

146. Mr Speaker Sir, the operating grants to these institutions have been allocated based on the recommendation of the Fiji Higher Education Commission. No capital grant is provided to any higher education institution, and we encourage these institutions to explore self-funding for their capital works.
147. Mr Speaker Sir, the Coalition Government wrote off over \$650 million in tertiary student debt for over 53,000 students and replaced it with a full scholarship with cut-off marks to ensure increased completion rates and quality of graduates. Bonding arrangements were introduced to ensure graduates work in the country and contribute in return for the taxpayer funded tertiary education.
148. To fund these scholarships, \$160 million is provided in 2026-2027 budget which will cater for 23,000 students (14,000 existing students and 9,000 new students).
149. To better align scholarships with national priorities, several scholarship schemes will be modernised and rebranded, while scholarship places for high-demand local programmes such as nursing, medicine and technical skills will continue to be expanded. Greater support will also be provided to students from rural, remote and maritime communities, students with disabilities and those pursuing technical and vocational qualifications in national priority sectors.

150. Mr Speaker Sir, Government is also strengthening accountability within the scholarship programme. Scholarship recipients will be expected to maintain satisfactory academic performance, while new measures will improve completion rates, strengthen financial accountability and ensure that public investment delivers highly skilled graduates who can contribute meaningfully to Fiji's development.
151. To better respond to changing labour market demands, Government will introduce a new Postgraduate Diploma Scholarship Scheme to support professional upskilling in priority sectors, while continuing support for in-service public sector scholarships, apprenticeship programmes and technical skills training. These initiatives will help address critical skills shortages, improve productivity and strengthen Fiji's long-term economic resilience.

Housing

152. Mr. Speaker Sir, access to housing remains a challenge, especially in our major urban centres. Government is working through the Housing Authority and Public Rental Board to expand the supply of residential lots and housing units for our low-and middle-income earners.
153. Housing Authority is working towards providing more than 2,900 residential lots and around 1,800 complete houses for sale in Nepani, Wanibuku, Davuilevu, Tavakubu, Tavua, Wairabetia, Tacirua, Waqadra, Waila and Veikoba. We are also working together with PRB to invest in more low-cost housing projects.

154. Apart from Housing Authority and PRB, Government is also collaborating with other key partners like Habitat for Humanity, HART, Koroipita and other private sector partners to deliver affordable housing solutions.
155. We encourage our institutional investors like FNPF and Fijian holdings to help increase the availability of affordable residential lots and housing in Fiji. Other private sector investors should also come on board. The tax incentive available for development of subdivisions has been extended and provides developer profit exemptions and customs duty concessions for land developers undertaking investment in residential subdivisions.
156. Mr. Speaker Sir, the low-interest rate environment remains conducive for housing finance with home loans provided at just below 4 percent from the commercial banks. We also allowed FDB to introduce housing loans on a small scale.
157. A sum of \$3 million is allocated to support first home buyers in the 2026-2027 Budget. Government has approved a revised structure for the First Home Ownership Assistance Programme to enhance housing affordability for low and middle-income households.
158. Under Category 1, households earning \$30,000 or less, including those displaced from informal settlements such as Veidogo, Nabua Muslim League and Kilikali, will be eligible for grants of up to \$40,000 for home construction and \$30,000 for home purchase.
159. Category 2 has been revised to target households earning

above \$30,000 to \$60,000. Under this category, the home purchase grant has been increased from \$5,000 to \$15,000, while the home construction grant remains at \$20,000.

160. Households earning above \$60,000 will no longer be eligible for assistance, ensuring that Government resources are more effectively targeted towards those with the greatest housing needs.
161. In addition, a total of \$10 million is provided for the formalisation of 9 informal settlements in Tore, Field 4, Valewaquyaya, Sakoca, Vuniika, Nabare, Delaisaweni, Lovu seaside and Caubati.
162. Around \$1.3 million has also been allocated for the Relocation and Resettlement of Informal Settlements and \$500,000 is allocated to Habitat for Humanity. These projects will assist the Ministry of Housing to undertake civil works for the relocation and resettlement of 1,200 households from Veidogo, Nabua Muslim League and Kilikali to Koronivia and Mokosoi Greenfields.

Social Protection

163. Mr Speaker Sir, the Ministry of Women, Children and Social Protection is provided a total funding of \$211 million. This will cater for welfare support to over 130,000 Fijians, including our vulnerable children, elderly, disabled and rural pregnant mothers.
164. The Coalition Government in the 2023-2024 Budget had provided a 15 percent increase across the board for all social welfare recipients, including a 25 percent increase for

recipients aged over 70 years. This was followed by a further 5 percent increase in the 2025-2026 Budget. In this budget, all these increases are maintained despite the fiscal pressures on Government.

165. Apart from this, in response to the fuel crisis, Government had also provided an additional temporary increase of 50 percent from May to July this year to help vulnerable households cope with the fuel crisis. This will end in July.

Agriculture, Waterways and Sugar Industry

166. Mr Speaker Sir, investing in our agricultural sector is critical to drive economic diversification, support our rural economy & livelihoods, grow our exports and ensure food security.
167. The Ministry for Agriculture, Waterways and Sugar Industry is provided a total funding of \$221 million in the 2026–2027 Budget.
168. Earlier this year the Ministry of Sugar was merged with the Ministry of Agriculture to ensure a holistic approach towards the development of the agricultural sector. The sugar industry has been on a decline and given the economics of the industry and to protect the interest of the farmers and the taxpayers, Government will focus on sugar industry diversification in the medium term.
169. However, in the interim the sugar industry will continue to be supported with funding support of \$96.3 million. Amidst declining world sugar market prices, Government will continue with the guaranteed price of \$85 per tonne for the 2026 season. With the forecast price of \$57 per tonne,

\$41.6 million is allocated in the 2026-2027 Budget based to cater for around a \$28 per tonne top up payment.

170. Additional support for the sector will continue with a budget of \$30 million for fertilizer and weedicide subsidy, cartage subsidy, upgrade of cane access roads, cane planting grant farm mechanization, farm incentive programme, and support for new farmers.
171. Government has also been funding the repayment of the US\$32.7 million taken by the Fiji Sugar Corporation in 2005 from EXIM Bank of India. Government has allocated around \$18 million in the new budget to cater for the repayment.
172. For non-sugar agriculture a funding of \$102 million is provided. This will cater for crop and livestock research and extension services, farm mechanisation upgrade of farm access roads, support towards increase in primary production of export commodities like yaqona, dalo, ginger, spices, cocoa and dairy.
173. Mr Speaker Sir, the Coalition Government introduced the fertiliser and weedicide subsidy for dalo, ginger, cassava and vegetables. A funding of \$3 million is provided in the 2026–2027 Budget which will cater for additional crops such as yaqona and turmeric.
174. To incentivise landowners to continue making land available for agricultural purposes, Government will continue to fund the Committee for Better Utilisation of Land (CBUL) Programme with a total allocation of \$6.9 million.
175. A total of \$2.5 million has been provided to the Agricultural

Marketing Authority to increase market access for unreached and smallholder farmers while support for institutions such as the Navuso Agriculture Technical Institute and the Tutu Training Centre will continue, with funding of \$3.6 million provided in the 2026–2027 Budget.

176. For the dredging of rivers and the clearing of waterways, \$16.2 million is provided in the 2026–2027 Budget.

Ministry of Forestry

177. Mr Speaker Sir, Government remains committed to the sustainable development of Fiji's forestry sector and ensuring that resource owners continue to benefit from their forest resources. The Ministry of Forestry is provided a funding of \$25.7 million in the 2026-2027 Budget.
178. A total of \$2.5 million has been allocated for the Commercial Maritime Pine Subsidy Programme. This funding will assist pine woodlot owners in Kadavu, Lomaiviti and Lau through transport subsidies, helping improve returns to landowners and support the continued growth of the maritime pine industry.
179. Government has further allocated \$3.7 million for the Fiji Pine Trust Extension Programme. This programme supports harvesting activities, reforestation, nursery management and maritime operations. Of this, \$2 million is provided for the construction of the Wainiyabia Jetty in Lakeba, to improve transportation and logistics and support broader economic opportunities in the maritime region.
180. The Maritime Pine Development Programme is provided

\$1.5 million to support rehabilitation and development activities across Kadavu, Moce, Moala, Levuka and Lakeba. The programme includes the construction of staff quarters and office facilities, renovation works, harvesting operations, timber processing and capacity building initiatives.

181. Government will continue implementing the REDD+ Programme with an allocation of \$500,000 to support sustainable forest management, reduce emissions from deforestation and forest degradation and position Fiji to access international climate financing opportunities.
182. Finally, \$196,000 has been allocated towards Fiji Mahogany Development to support the sustainable management, assessment and development of Fiji's mahogany resources, ensuring long-term benefits for resource owners and the continued growth of this high-value industry.
183. We are also introducing a five-year tax holiday for businesses investing at least \$5 million in new mahogany processing facilities. This incentive will support value addition, downstream processing and employment opportunities within Fiji's forestry sector.

Ministry of Fisheries

184. Mr Speaker Sir, for 2026–2027, the Ministry of Fisheries has been allocated a total budget of \$28.4 million to support aquaculture development, seaweed farming, pearl oyster development, offshore fisheries management, construction of ice machines in Vanua Balavu & Levuka, construction of

fisheries stations in Cawaro, Koro & Matakunea and preparatory works for Natovi Fisheries Station.

185. A new allocation of \$5 million has been provided for the Tuna Development Fund. This initiative will support Fiji's tuna industry during periods of high operating costs and market uncertainty, helping to maintain fishing operations, protect employment and sustain export earnings.

Rural and Maritime Development

186. Mr Speaker Sir, development must reach every corner of Fiji, and this Government remains committed to ensuring that where a person lives does not determine their opportunities in life.
187. The Ministry of Rural and Maritime Development has been allocated \$35.4 million to continue improving the quality of life for Fijians living outside our urban centres.
188. Increased funding of \$3 million is provided for construction and upgrade of community access roads, footpaths and foot bridges to help connect communities to schools, health facilities and essential services.
189. For the Rural and Outer Island Programme (ROI) which supports integrated development initiatives across agriculture, forestry, and fisheries, creating opportunities for income generation and improved livelihoods a funding of \$2.9 million has been provided.
190. To improve living standards, Government continues to support the Rural Housing Assistance, helping families

build, complete and improve their homes for which \$2.9 million has been allocated.

191. \$1.3 million is allocated to support the continuation of the Grant to Self-Help Projects, which aims to empower local communities by enabling them to take the lead in identifying and implementing projects that address their specific development needs.
192. Mr Speaker Sir, Government is allocating \$6.3 million to support groundwater assessments, borehole drilling, water reticulation and hydrometric surveys to improve long-term water security. In the current financial year alone, the programme successfully completed 13 surveys, 21 groundwater investigations, drilled 31 new boreholes and completed 5 water reticulation projects. These investments will provide more communities with access to safe drinking water, strengthen resilience to drought and climate change, and improve the quality of life for thousands of Fijians.
193. To strengthen disaster preparedness through continued investment in the Construction and Retrofitting of Evacuation Centre's, a funding of \$2.2 million is provided.

Ministry of Local Government

194. The Ministry of Local Government has been allocated \$29.5 million in the 2026-2027 Budget.
195. To improve service delivery, the Ministry will continue to streamline development approval processes and reduce delays for building, subdivision and rezoning applications. In addition, the Ministry will undertake a comprehensive

review of key local government and town planning laws to ensure they remain relevant, support investment and meet the needs of a modern and growing Fiji.

196. A sum of \$3 million has been provided for the Western Division Dumpsite Remediation Programme. This investment will support the rehabilitation of unmanaged dumpsites, reducing environmental and public health risks while improving waste management and creating opportunities for future sustainable land use.
197. Government also remains committed to expanding and strengthening urban development. An allocation of \$300,000 has been provided to support the declaration of Navua as a town. This will assist in establishing the necessary planning and management frameworks to support future growth and development in the area.
198. In addition, \$3.8 million has been allocated for New Town Development initiatives, including the Nabouwalu New Town Project, Nabouwalu Passenger Terminal Project and the Keiyasi New Town Project. These initiatives are aimed at creating new economic centres, attracting investment, creating jobs and bringing development opportunities closer to our rural communities.
199. A key initiative in the coming financial year is the launch of Fiji's first municipal Sorting-at-Source Programme in Sigatoka. Under this pilot, households will separate recyclable and household waste at source, reducing the amount of waste sent to landfill and supporting a cleaner environment for future generations.

iTaukei Affairs

200. Mr Speaker Sir, this Budget continues to invest in our indigenous people, landowners, traditional institutions and village development project. The Ministry of iTaukei Affairs has been allocated a funding of \$33.1 million in the 2026-2027 Budget.
201. Through the iTaukei Resource Owners Support and Development Fund, Government will continue assisting landowners to unlock the economic potential of their land through residential and commercial development opportunities. This programme supports landowners to move beyond simply leasing land and become active participants in economic growth. A funding of \$3.8 million has been allocated to support this.
202. A funding of \$7.2 million is provided to the 14 Provincial Councils while \$3.2 million is provided as an operating grant to the iTaukei Affairs Board. Government remains committed to supporting our community leaders who serve as a vital link between Government and the people. A sum of \$4.2 million has been provided for the monthly allowance of 1,197 Turaga ni Koro, 262 Mata ni Tikina's and 1,189 Turaga ni Yavusa's.
203. Funding has also been provided for the continuation of the Village Improvement Scheme, supporting village infrastructure, sanitation, beautification and community development projects throughout Fiji with a budget provision of \$1.3 million.
204. Mr Speaker Sir, support also continues for the Centre for

Appropriate Technology and Development (CATD), which plays a critical role in skills development, technical training and creating opportunities for our young people. CATD is provided with \$2 million as capital investment to increase the capacity of its current campus (Nadave) and supporting capital expenditure for the new campuses in the Western Division.

205. In addition, \$1 million has been provided for land access roads to native leases.

Fiji Police Force, Military and Corrections

206. Mr. Speaker Sir, the Fiji Police Force is critical to maintain law and order and safety of all Fijians.

207. A total budget of \$226.5 million is provided to the Fiji Police Force. The first phase of the recruitment of 538 additional officers was completed in the 2025-2026 financial year, taking the force size to over 5,000. This added strength should now provide the additional capability to maintain law and order.

208. Government will provide funding for additional 538 officers, as committed earlier, once Government's financial situation improves. For now, the Force will focus on filling in the around 400 vacant positions to increase its manpower.

209. Mr. Speaker Sir, the Republic of Fiji Military Forces remains central to safeguarding Fiji's sovereignty, security and national interests, while contributing actively to regional and global peacekeeping and security efforts.

210. In the 2026-2027 financial year, RFMF is allocated a sum of \$152.6 million. A key focus of the funding to the military is to enhance Fiji's ability to combat transnational crime, particularly through its role in the Joint Counter Narcotics Task Force. Increased funding is provided for maritime surveillance and border protection including inter agency coordination.
211. Mr Speaker Sir, the Fiji Corrections Service is provided a funding of \$64.7 million. Funding increase is to cater for the implementation of the final phase of the Job Evaluation Exercise which was undertaken in 2024-2025 financial year and aligned with the 'Pay by Rank' pay structure.
212. Funding of around \$2.2 million is also provided to cater for Phase 3 of the Nasinu Public Cemetery Upgrade, which includes preliminary works, earthwork formation, drainage and stormwater reticulation, road formation and incidental construction.

Ministry of Immigration

213. Mr Speaker Sir, the Ministry of Immigration has been allocated \$14.8 million, including \$5 million for the procurement of 100,000 passport books and \$225,000 to combat human trafficking and ensuring compliance with national and international best practices and standards.
214. An Advance Passenger Information System is currently been developed to improve screening and help identify higher-risk travellers before arrival. There are also ongoing upgrades with Airports Fiji Limited, including additional surveillance cameras and improved monitoring systems at

key airport locations.

Ministry of Policing and Communications

215. The Ministry of Policing and Communications is provided a funding of \$34.2 million in the 2026-2027 Budget.
216. Mr Speaker Sir, Government remains committed to strengthening the fight against illicit drugs. Accordingly, \$1.6 million has been allocated to support narcotics operations and the continued establishment of the Counter Narcotics Bureau.
217. The Ministry also has responsibility for advancing Fiji's digital transformation agenda. A total of \$4 million is provided to continue the rollout of the BusinessNOW Building Permits and Approval Subsystem, which will fully digitise the construction permit approval process, making it faster, more transparent and easier for businesses and investors to obtain approvals.
218. Government will continue supporting nationwide digital connectivity through a grant of \$6.8 million to WALESI. This funding will support upgrades to the WALESI App, transmission infrastructure, solar power systems and other operational improvements to enhance digital access and broadcasting services across Fiji.

Ministry of Employment

219. Mr Speaker Sir, a funding of \$14.9 million has been allocated to the Ministry of Employment, Productivity and Workplace Relations.

220. To support training and skill development, Government is recalibrating the NTPC levy allocations. Currently, 50 percent of the levy is allocated for the medical GP Scheme, 40 percent to ACCF and 10 percent for training.
221. Effective from 1 January 2027, 50 percent of the levy will be redirected towards training and skills development, 10 percent will be allocated for public sector training through the Fiji Learning Institute for Public Service (FLIPS) and 40 percent will continue to support the workers compensation from the ACCF and Ministry of Employment. Government has also introduced a 200 percent tax deduction for eligible training and upskilling expenditures for employers. These changes reflect the urgent need to invest more heavily in workforce development and upskilling.
222. Mr Speaker Sir, the private GP scheme which was introduced as a temporary response during the COVID-19 period will now be funded from the remaining balance in GP Trust Fund.
223. Mr. Speaker Sir, there has been considerable discussion about increasing the minimum wage further. Any increase must be carefully aligned with productivity improvements and take into account the impact on businesses, particularly micro, small and medium enterprises. We have allocated \$100,000 in the budget to review the minimum wage next fiscal year.

Office of the President

224. Mr Speaker Sir, the Office of the President is allocated \$4.1

million in the 2026–2027 Budget. This funding will support the President's constitutional duties, official engagements and diplomatic functions, while ensuring the continued operation of the Office.

225. Around \$1 million has been allocated for the continued construction of the Executive Office and Administration Block, including the construction of a new six-room barracks and the restoration of the Administration Building.

Office of the Prime Minister

226. The Office of the Prime Minister remains at the centre of Government's policy coordination, national leadership and the delivery of key development initiatives throughout the country.
227. The Office is allocated \$9.7 million in the 2026–2027 Budget. A key component of this funding is an increase in the Development Grant to \$2.5 million, which supports community development projects, particularly in rural and maritime areas.
228. Mr Speaker Sir, Government is also taking an important step in advancing Fiji's international leadership through the establishment of the Ocean of Peace Institute in Suva. An initial allocation of \$50,000 has been provided for the preparatory phase of this initiative, which will serve as a regional hub for policy dialogue, research and partnerships to promote peace, stability and sustainable development across the Pacific.

Office of the Attorney-General

229. The Office of the Attorney-General is allocated \$9.8 million in the 2026–2027 Budget to continue delivering legal services across Government and supporting key national reforms.
230. Mr Speaker Sir, Government remains committed to ensuring that Fiji's laws remain modern, relevant and fit for purpose. Accordingly, the Fiji Law Reform Commission is allocated \$750,000 to continue its programme of legislative review, stakeholder consultations and law reform initiatives.
231. In addition, Government is providing \$1 million to support the work of the Constitutional Review Commission. This funding will facilitate nationwide stakeholder consultations across 104 communities, public awareness and civic education programmes, media engagement and other activities to ensure that Fijians have the opportunity to meaningfully participate in the constitutional review process.

Ministry of Commerce and Business Development

232. Mr Speaker Sir, the Ministry of Commerce and Business Development has been allocated a total budget of \$27.3 million to support business growth, entrepreneurship, MSMEs and private sector development.

Ministry of Tourism and Civil Aviation

233. The Ministry of Tourism and Civil Aviation is allocated a budget of \$75.8 million in 2026-2027.

234. Tourism Fiji has been allocated \$41.7 million, including \$33 million for marketing. As global travel conditions become more uncertain, Tourism Fiji is re-strategising its marketing efforts to ensure Fiji remains competitive and delivers greater value from tourism.

Ministry of Foreign Affairs and External Trade

235. Mr Speaker Sir, the Ministry of Foreign Affairs has been allocated \$56.6 million to advance Fiji's foreign policy priorities and maintain our growing international presence through our 14 diplomatic missions and 4 Trade Commissions.

236. In today's global environment, it is important that Fiji remains connected to key partners and markets around the world. Our overseas missions play an important role in promoting trade, attracting investment, supporting tourism, creating employment opportunities and looking after the interests of Fijians abroad.

237. This Budget provides continued support for Fiji's overseas missions, including the operationalisation of our Mission in Jerusalem and the reopening of Fiji's Mission in Brussels. A total budget of \$6.3 million has been allocated for both Missions.

238. These investments will strengthen Fiji's engagement with key partners and markets, create new opportunities for trade and investment, and ensure Fiji continues to have a strong voice in regional and international affairs.

Ministry of Finance

239. Mr Speaker Sir, the Ministry of Finance has been allocated \$70.4 million to strengthen public financial management and continue the Government's digital transformation journey.
240. Mr Speaker Sir, the Fiji Revenue and Customs Service continues to strengthen Fiji's border management capabilities through strategic investments in modern infrastructure and technology. The FRCS has been allocated a budget of \$51 million.
241. A key initiative is the construction of new purpose-built Container Examination Facilities in Suva and Lautoka. This major investment by FRCS with the assistance from the Australian Government, will significantly enhance cargo screening and inspection capabilities, strengthening Fiji's ability to detect illicit goods, combat transnational crime and protect our borders.
242. Currently, FRCS relies on a combination of physical inspections and mobile scanning equipment to undertake container examinations. As cargo volumes continue to grow, there is a need for dedicated facilities that can support more efficient, secure and effective border operations.
243. The new facilities will provide dedicated examination areas, improved heavy vehicle traffic management, secure access controls and modern evidence and storage facilities. These enhancements will enable FRCS officers to carry out inspections more safely and efficiently while reducing delays in cargo processing.

244. Following the successful rollout of the new Financial Management Information System (FMIS), the Ministry of Finance has focused on the automation of the national budget process. For many years, the budget process relied heavily on spreadsheets, word documents, emails and extensive manual consolidation of information. While these processes served us well, they were time-consuming and required significant effort from both spending agencies and officers within the Ministry of Finance.
245. This year, for the first time, Ministries and Departments prepared and submitted their budget proposals through the new Budget System. This represents a major step forward in modernising the budget process and moving away from fragmented and largely manual methods of budget preparation.
246. Mr. Speaker Sir, over many decades, taxpayers have invested billions of dollars in roads, bridges, schools, hospitals, water systems and other public infrastructure. But, we still do not have a complete picture of the value of these assets.
247. The Ministry of Finance will therefore undertake a comprehensive Fixed Asset Review to establish the full value of public assets across Fiji. This will help us better manage, maintain and protect these investments and provide a more accurate picture of our nation's wealth. After all, Fiji's balance sheet is not just about debt. It is also about the assets that generations of Fijians have helped build.

FNPF

248. Mr Speaker Sir, the Fiji National Provident Fund plays a critical role in our economy and in supporting the welfare of over 440,000 members.
249. I am pleased to report that the Fiji National Provident Fund has delivered another strong performance in FY2026, with total investment income of over \$1.2 billion—a result that reflects growth across every major asset class compared to the financial year ended June 2025.
250. On the strength of this performance and following independent actuarial clearance — together with prudent reserving to safeguard the Fund against future market shocks — I am pleased to announce that the FNPF Board has declared an interest rate of 9.5 percent to members for 2026.
251. The 2026 result reaffirms that members' savings are in safe and capable hands. The Fund remains financially strong, well-governed, and well-positioned to deliver sustainable long-term returns — even as we navigate what is expected to be a more challenging global economic landscape in the years ahead.
252. I commend the Chairman, Board of Directors, Management, and staff of FNPF for their stewardship, and I thank the members of the Fund for their continued trust.
253. Mr Speaker Sir, to assist employers and preserve employment, Government will reduce the Fiji National Provident Fund employer contribution rate from 10 percent

to 8 percent. Employee contributions will remain unchanged at 8 percent.

254. This measure will provide immediate relief to employers facing rising fuel, transport and operating costs, while helping businesses maintain their investment plans, retain jobs and prepare for any potential increase in the minimum wage. It will also support businesses affected by the removal of the Export Income Deduction incentive by providing a smoother transition period.
255. This reduction in the employer contribution rate will take effect from 1 August 2026 and will remain in place for a period of 12 months.
256. Mr Speaker Sir, I wish to announce that as part of the financial sector reforms planned for the next 2026-2027 fiscal year, the Reserve Bank of Fiji will pick-up again on the work it initiated a decade ago regarding the finalisation and implementation of a legislation to provide for the regulation and supervision of pension funds, and of persons concerned with the establishment, operation, administration and intermediation of pension funds in Fiji, including the Fiji National Provident Fund.

Sovereign Wealth Fund

257. Mr. Speaker Sir, we must also start thinking beyond the next Budget cycle and consider how we can build wealth for future generations. Government will therefore undertake a study into the establishment of a Sovereign Wealth Fund for Fiji. This work will be undertaken by the Ministry of Finance together with either the Fiji National Provident Fund or the

Fiji Investment Corporation Limited.

258. The objective is to explore whether Fiji should establish a Government-owned investment fund that can generate long-term returns, strengthen national savings and support future development priorities.
259. Many countries have successfully used sovereign wealth funds to create financial security for future generations. It is time that Fiji carefully examines whether such a model can work for us as well.

Public Enterprises

260. Mr. Speaker Sir, Government also owns a significant number of State-Owned Enterprises and statutory bodies. Many provide important services to our people and make valuable contributions to the economy. However, we must also be honest and recognise that some entities are performing below expectations, some duplicate functions and some require reform to be profitable and better serve the people.
261. Government will therefore undertake a comprehensive review of State-Owned Enterprises and selected public bodies. The review will identify opportunities to improve efficiency, strengthen governance, increase profitability, eliminate duplication and, where appropriate, consider restructuring, partnerships or divestment.
262. Taxpayers deserve value for money and Government assets must work harder for the benefit of the people.

Civil Service

263. Mr. Speaker Sir, a strong country requires a strong public service. Government is therefore continuing with the Functional Review of the Fiji Civil Service to ensure that our public sector remains responsive, efficient and fit for purpose.
264. This review is not about reducing services to the public. It is about improving the way Government works, removing unnecessary bureaucracy, embracing digital solutions and ensuring that resources are directed where they are needed most.
265. The first phase is being piloted across the Office of the Prime Minister, the Ministry of Civil Service, the Ministry of Finance, the Ministry of Strategic Planning, National Development and Statistics, and the Ministry of Rural and Maritime Development and Disaster Management. These agencies will help establish the blueprint for a leaner, faster and more resilient civil service capable of meeting the expectations of modern Fiji. A sum of \$400,000 is provided for this initiative.

Religious and Moral Enhancement

266. Mr. Speaker Sir, economic development alone will not solve all of our challenges. We are witnessing growing social concerns across our communities, including drug abuse, rising HIV infections, erosion of moral values and the breakdown of family and community support systems.
267. Government will therefore undertake a review of Religious

and Moral Enhancement Initiatives to identify practical ways of strengthening values, community leadership, family support and preventative programmes. This review will focus on how Government, faith-based organisations, schools and communities can work together to build a safer, healthier and more caring society.

Independent Commissions

268. Mr. Speaker Sir, Government remains committed to ensuring that key independent institutions are adequately resourced to deliver their legal mandates and maintain public confidence in our justice and accountability systems.
269. The Judiciary is provided \$51 million while the Parliament is allocated \$18 million. Legal Aid Commission has been allocated \$13.5 million with \$8.6 million provided to the Fiji Independent Commission Against Corruption (FICAC).

Tax Measures and Incentives

270. Mr. Speaker Sir, overall there is no major increase in the tax rates.
271. The tax and revenue measures contained in this Budget are designed to provide targeted relief where it is needed most, encourage investment, strengthen productivity, support emerging industries and improve consumer welfare while preserving the integrity of the tax system.
272. Government will continue a number of targeted measures introduced to cushion the impact of the fuel crisis. Duty concessions on diesel and heavy fuel oil currently provided

to Energy Fiji Limited will be extended until October 2026. This support will assist EFL in managing fuel costs while maintaining reliable electricity supply across the country.

273. Duty concessions currently provided to bus operators will also be extended until October 2026. This measure complements Government's decision to fully subsidise the recent 22.5 percent increase in bus fares and will help maintain affordable public transportation for our people.
274. Government will extend duty concessions on diesel for hotels, resorts and mining companies until October 2026. Recognising the challenges faced by manufacturers that rely on diesel-powered generation, this concession will also be extended to eligible manufacturing companies that use diesel for electricity generation.
275. Mr. Speaker Sir, this Budget also introduces a number of targeted incentives aimed at supporting investment and economic diversification. A new tax incentive will be introduced for companies with at least 30 percent iTaukei shareholding investing in eco-tourism, cultural tourism and arts-related businesses.
276. Qualifying investments between \$5 million and \$10 million will receive a seven-year tax holiday, while investments exceeding \$10 million will receive a thirteen-year tax holiday.
277. Government will also introduce a thirteen-year tax holiday for businesses investing at least \$20 million in the establishment of a new cement manufacturing facility. This measure is intended to strengthen domestic production

capacity and support Fiji's growing infrastructure programme.

278. In addition, a five-year tax holiday will be introduced for businesses investing at least \$5 million in new mahogany processing facilities. This incentive will support value addition, downstream processing and employment opportunities within Fiji's forestry sector.
279. Mr. Speaker Sir, recognising the importance of financial innovation and access to finance, Government will introduce a new package of incentives to support Peer-to-Peer Lending and Equity Crowdfunding platforms. Qualifying providers will receive a five-year tax holiday.
280. Income earned from investments of up to \$200,000 annually through licensed Peer-to-Peer Lending platforms will be exempt from tax. Tax-free treatment will also be extended to qualifying institutional investors and capital gains tax exemptions will be expanded to include eligible Equity Crowdfunding investments and innovation-based enterprises. These measures will help broaden access to finance, particularly for small businesses and start-up enterprises.
281. Mr. Speaker Sir, Government also recognises the importance of strengthening strategic infrastructure and national resilience. The existing accelerated depreciation provision for investment in fuel and gas storage facilities will be expanded to encourage the construction of additional fuel and gas storage tanks. This measure will strengthen Fiji's energy security and improve our resilience to future supply disruptions.

282. Government will also extend the existing subdivision of land incentive until July 2030 to encourage housing development and increase the supply of residential land.
283. Mr. Speaker Sir, Government remains committed to promoting healthy lifestyles, sports development and community wellbeing. The existing 200 percent tax deduction available for sponsorship of the Fijian Drua will be extended to Bula FC. The minimum sponsorship threshold will be reduced from \$250,000 to \$100,000, making the incentive more accessible to a wider range of businesses.
284. Government will also introduce a 150 percent tax deduction for investments in new sporting facilities, gyms and sports development infrastructure.
285. Recognising growing interest in animal welfare and veterinary services, Government will introduce a new incentive package for the establishment of veterinary centres, animal sanctuaries and animal welfare facilities. Donations to qualifying animal welfare organisations will attract a 200 percent tax deduction.
286. Mr. Speaker Sir, Government is also taking measures to improve consumer welfare and reduce the cost of selected goods. Import duty on flavoured milk will be reduced from 32 percent to 15 percent. Import duty on plant-based food preparations will be reduced from 32 percent to 5 percent.
287. Import duty on surveillance cameras will be reduced from 5 percent to zero. Import duty on aluminium structures such

as doors and windows will be reduced from 32 percent to 15 percent. Import duty on PVC boards will also be reduced from 32 percent to 15 percent. These measures will improve affordability, strengthen competition and support consumers.

288. The Price Monitoring and Enforcement Taskforce will develop a stronger framework to ensure that benefits arising from tariff reductions and protection measures are passed through to consumers. Government will also undertake a detailed study into shrinkflation and other emerging consumer issues affecting everyday products and services.
289. Mr. Speaker Sir, traffic congestion continues to impose significant costs on productivity, fuel consumption and the quality of life of our people. To help manage congestion, Government will increase import excise on new motor vehicles by 5 percent and on used motor vehicles by 10 percent. VAT on personally imported electric vehicles will be reinstated at 12.5 percent.
290. Import duty on passenger vehicles with seating capacity of ten persons or more will be aligned at 5 percent to encourage greater use of public and shared transportation.
291. The threshold for the importation of antique, vintage, classic and luxury vehicles will also be reduced from \$500,000 to \$250,000.
292. Mr. Speaker Sir, Government remains committed to maintaining Fiji's reputation as a transparent, credible and internationally compliant financial centre. Following Fiji's

successful removal from the European Union blacklist, Government will continue implementing international tax transparency measures, including the Automatic Exchange of Information framework, Country-by-Country Reporting requirements and the Beneficial Ownership Framework. These measures will strengthen confidence in Fiji's financial system and support continued international engagement.

293. Finally, Government will make a number of technical amendments to tax legislation to improve administration, strengthen compliance and enhance efficiency within the revenue system.

Addressing Cost of Living Challenges and Support During the Fuel Crisis

294. Mr Speaker Sir, over the past three and a half years, Fiji has faced successive external shocks that have increased the cost of living for households and the cost of doing business. Prices rose sharply during the global recovery from COVID-19. This was further affected by the Russia-Ukraine conflict, global tariff war and are now the fuel crisis arising from tensions in the Middle East.
295. Throughout this period, Government has acted decisively to protect households, workers, farmers and businesses. We introduced a broad range of cost-of-living measures in our previous three Budgets and despite the significant fiscal pressures we now face, we will continue these measures and introduce additional targeted support in this Budget.
296. Mr. Speaker Sir, despite the significant fiscal pressures facing Government, we have made some important

decisions in this Budget.

297. First, there will be no reduction in civil service salaries. We recognise the important role played by teachers, nurses, doctors, police officers, military personnel and public servants in delivering essential services to our people. Around 42,000 public servants directly support more than 200,000 livelihoods across Fiji. While Government has implemented expenditure restraint measures across the public sector, we have deliberately chosen not to reduce the salaries of our civil servants.
298. In fact, we have strengthened the civil service through improved remuneration, permanent employment tenure and an increase in the retirement age to 60. Over the last three years, civil servants have received salary increases ranging from 10 percent to 23 percent, representing an additional annual investment of \$115 million after salaries had remained largely stagnant since 2017.
299. Second, this Budget contains no increase in income taxes for workers and no increase in corporate taxes for businesses. At a time when families are facing higher living costs and businesses are experiencing rising operating expenses, Government has chosen not to impose additional burdens on taxpayers.
300. Third, Mr. Speaker Sir, one of the most significant measures undertaken by Government to reduce the cost of living was the reduction of the VAT rate from 15 percent to 12.5 percent in August 2025. This decision delivered approximately \$250 million in tax relief to households and businesses.

301. This is in addition to the continuation of zero-rated VAT on 22 essential items, providing a further \$250 million in relief. Together, these measures provide approximately \$500 million in VAT relief to our people every year.
302. Despite the difficult fiscal situation, Government will maintain the VAT rate at 12.5 percent and continue the zero-rating of essential, including flour, rice, sugar, canned fish, cooking oil, potatoes, onions, garlic, baby milk, powdered milk, liquid milk, dhal, tea, salt, soap, washing powder, toilet paper, sanitary pads, toothpaste, kerosene, cooking gas and prescribed medicines.
303. Mr. Speaker Sir, despite the challenging fiscal environment, Government will continue the \$200 Back-to-School Assistance programme. This assistance will be paid in January 2027 before the commencement of the school year, with an allocation of \$40 million.
304. Through this signature initiative, Government has supported more than 210,000 students and their families, providing almost \$210 million in assistance during our term in Government.
305. We will also continue to support approximately 130,000 Fijians through social welfare, pension and aftercare programmes, with an allocation of over \$200 million in this Budget. In 2023, social welfare, pension and aftercare payments were increased by 15 percent across the board, including a 25 percent increase for recipients aged over 70 years. This was followed by a further 5 percent increase in 2025 and an additional temporary increase of 50 percent

from May to July this year to help vulnerable households cope with the fuel crisis. The additional 50 percent top up to assist during fuel crisis costed around \$24 million.

306. Mr. Speaker Sir, in light of the fuel crisis, Government acted early and decisively to address the fuel crisis. We chose to be proactive rather than reactive. We did not wait for the full effects of the crisis to be felt before taking action.
307. One of the most immediate impacts of higher fuel prices has been on public transportation. Last month, the Fijian Competition and Consumer Commission approved a 22.5 percent increase in bus fares to reflect rising operating costs faced by bus operators. Government carefully assessed the impact this would have on households and decided to fully absorb the entire increase.
308. Government will continue this support in the next financial year with an allocation of \$20 million. As a result, approximately 350,000 Fijians who rely on bus transport every day, including students using blue and yellow cards and adults using red cards, will not pay a single cent more despite the fare increase.
309. Government has also provided additional transport vouchers for Rural Service Licence operators and boat operators transporting students, recognising the important role these services play in connecting rural and maritime communities.
310. Mr. Speaker Sir, the fuel crisis has also significantly increased electricity generation costs. Following a review of fuel prices, a fuel surcharge of 5.91 cents per kilowatt hour

became necessary to ensure the continued financial sustainability of electricity generation and supply. The surcharge will be reviewed monthly by the FCCC.

311. Government carefully assessed the impact on households and small businesses and decided to fully absorb the entire surcharge for all subsidised electricity users with annual household incomes below \$30,000 at a total cost of \$13.5 million. Government will also continue with the provision of free water for households with an income of \$30,000 and below.
312. Mr. Speaker Sir, also Government continues the broad range of social support programmes including free education, free bus fares for students, free water, free medicine, subsidised dialysis, first-home buyer grants, free legal services and full tertiary scholarships that no longer require repayment. In fact we took the bold decision to write off more than \$650 million in tertiary student debt for over 53,000 students.
313. Mr Speaker Sir, to support our workers, we increased the minimum wage to \$5 per hour and restored the 10 Wages Councils to ensure fair wage determination. We are going to further review this in this Budget.
314. Mr. Speaker Sir, for FNPF pensioners who had been fighting since the unilateral reduction of their pensions in 2012, we restored their pension moving forward at a cost of around \$4 million per year.
315. We also delivered a record-high cane price of \$105 per tonne to our sugarcane farmers, \$20 above the guaranteed

price of \$85 per tonne. We are continuing the guaranteed cane price of \$85 per tonne with an allocation of \$41 million in this Budget. We have also provided higher prices for other agricultural produce, giving farmers better returns for their hard work while supporting rural incomes and communities.

316. Mr. Speaker Sir, Government has also recently provided a \$5 million fuel subsidy to reduce harvesting and cartage costs for sugarcane farmers during the 2026 crushing season.
317. Mr. Speaker Sir, in terms of taxation policies, some domestic manufacturers and producers have received heavy tariff protection for decades. Tariff protection should be temporary, targeted and transparent. We have been seriously reviewing these arrangements and, where necessary, have broken these protections for the benefit of consumers.
318. As part of the earlier Budget, tariff protection on chicken portions and offals, including giblets and liver, which previously attracted protection of up to 42 percent, was reduced to 15 percent.
319. Fiscal duty on frozen fish, including salmon, was reduced from 15 percent to zero percent, similar to canned fish products.
320. Fruits and vegetables such as tomatoes, cabbage, lettuce, cucumber, eggplant, pumpkin, banana, avocados, mandarins, watermelons and pawpaw will continue to attract only 5 percent duty, while other fruits and vegetables

not produced locally, including apples, carrots, grapes, oranges, pears, celery, capsicums, mushrooms, kiwifruit, cauliflower, broccoli and nuts, will continue to attract zero duty.

321. Everyday items such as potatoes, garlic, onions, tea and cooking oil will continue to attract zero duty. Duty on lamb products, which was reduced to zero percent, will continue, while the reduced duty rate of 15 percent for beef, ducks, corned mutton, corned beef and canned mackerel, down from 32 percent, will also continue.
322. We will maintain the reduced 5 percent duty on dairy products such as liquid milk, powdered milk, yoghurt, cheese and butter. These products previously received 32 percent protection under the former Government through a 10-year exclusive tariff arrangement granted to a single company. Today, anyone can import these products at a duty rate of only 5 percent.
323. Mr. Speaker Sir, while Government is providing more than \$500 million in tax and duty relief to assist ordinary Fijians, we also expect businesses to support these efforts and pass these benefits on to consumers.
324. The joint enforcement taskforce comprising the FCCC, the Consumer Council of Fiji, the FRCS and the Ministry of Finance will intensify market monitoring and price surveillance to ensure that tax and duty reductions are appropriately reflected in retail prices.
325. Where evidence of unreasonable pricing behaviour is identified, Government will not hesitate to introduce price

controls on additional essential items, remove tariff protections and apply the full penalties available under the law.

326. Government has also actively worked with the Biosecurity Authority of Fiji to dismantle long-standing trade barriers and open import pathways for key food products. For example, ghee, a staple item in many Fijian households, could not be imported from India until last year. These restrictions contributed to higher food prices.
327. Government has worked with trusted international counterparts to expand import sources while maintaining appropriate food safety standards. The goal is to introduce greater competition into supply chains, reduce reliance on a small number of suppliers, and enable businesses and consumers to benefit from greater affordability and choice.
328. These reforms are a critical part of our broader strategy to lower prices across the economy by addressing not only taxes and duties, but also the structural constraints that limit supply and drive up costs.
329. Mr. Speaker Sir, these measures demonstrate the approach adopted by the Coalition Government in responding to the cost-of-living challenges facing our people. This Budget does not attempt to shield every individual and every business from every consequence of a global crisis. No Government has the resources to do so.
330. Instead, we have adopted a targeted and responsible approach, directing assistance to those most affected while safeguarding fiscal sustainability and protecting future

generations from excessive debt.

331. Altogether, the Coalition Government's cost-of-living package now exceeds \$1 billion in direct support through tax and duty reductions, social welfare assistance, transport subsidies, electricity support, civil service salary increases and targeted household relief.

Concluding Remarks

332. Mr. Speaker Sir, as we present this fourth Budget of the Coalition Government, we do so with a deep sense of responsibility, humility and confidence in the direction our nation is taking.
333. When this Government was formed, there were many who doubted whether a coalition of diverse parties could provide stable leadership. There were concerns that the Government would not last its full term and that political instability would once again undermine our national progress. Today, those predictions have been proven wrong.
334. Over the last three and a half years, this Coalition Government has demonstrated that stability can be built through partnership, consultation and a shared commitment to serving the people of Fiji. We have worked together in the national interest, placing the welfare of our people above political differences and proving that democratic governance can deliver meaningful outcomes.
335. Mr. Speaker Sir, our first task was to restore democracy, freedom and trust in our institutions. We reopened

democratic space, restored media freedom, strengthened Parliament, empowered independent institutions and returned the voices of ordinary Fijians to the centre of national decision-making. We have reaffirmed the principles of transparency, accountability and participation that are essential for a vibrant democracy.

336. At the same time, we inherited significant economic challenges and a nation still recovering from the devastating impacts of the pandemic. Despite these challenges, and despite an increasingly uncertain global environment marked by geopolitical tensions, supply chain disruptions and inflationary pressures, we remained focused on restoring economic stability and building resilience.
337. Through careful fiscal management, responsible economic reforms and careful prioritisation, we have strengthened our economic foundations, restored investor confidence and put the fiscal position on a path of stability. We have carefully balanced the need for fiscal discipline with targeted measures to ease the cost-of-living pressures faced by our people.
338. We have increased wages, strengthened social protection programs, maintained support for essential household items, assisted students and families, and ensured that the most vulnerable members of our society were not left behind. At the same time, we have created an environment where businesses can invest, expand and create jobs, recognising that a strong private sector remains the engine of sustainable economic growth.
339. Mr. Speaker Sir, we have also begun rebuilding the nation.

Across the country, major infrastructure and capital projects will commence to address years of underinvestment and neglect. These investments will strengthen public services, improve connectivity, support economic activity and enhance the quality of life for future generations.

340. Importantly, we have also commenced the process of reviewing our Constitution to ensure that it reflects the aspirations of all Fijians. This is a significant national undertaking. It is about ensuring that every citizen has a voice in shaping the future governance arrangements of our country and strengthening the democratic foundations upon which our nation stands.
341. As we enter the final year of this Government's term, we do so with a record of achievement, a clear development pathway through our National Development Plan, and a stronger foundation for future growth and prosperity.
342. Mr. Speaker Sir, this Budget is therefore not simply a statement of revenues and expenditures. It is a continuation of a journey that began with restoring trust, rebuilding institutions and stabilising the economy. It is a Budget that prepares Fiji for the future while remaining responsive to the needs of today.
343. We are now approaching another important milestone in our democratic journey. The people of Fiji will soon have the opportunity to assess our record, judge our performance and determine the future direction of our nation through the ballot box. We welcome that opportunity with confidence and respect for the democratic process.

344. For the conduct of the upcoming elections, the Fijian Elections Office has been allocated a sum of \$23.2 million to cater for the preparation of the upcoming General Election. In addition, a separate budget of \$18.2 million has been set aside under Head 50 to cater for the main election day expenses. The Electoral Commission is provided a funding of around \$556,000, while for the conduct of the national referendum a funding of \$20 million has been set aside. We will also conduct the 2027 Census with a total funding of \$12 million in this budget.
345. Mr Speaker Sir, we present this Budget knowing that much work remains to be done, but also knowing that Fiji is stronger, more resilient and better positioned than it was three and a half years ago. Together, we have laid the foundations. Together, we have restored hope and confidence. And together, we can continue building a prosperous, inclusive and united Fiji for generations to come.
346. Mr. Speaker Sir, before I conclude, I would like to thank everybody that has helped shape this budget with their ideas, input, hard work and dedication. I thank the Honorable Prime Minister for his leadership, vision and guidance. I thank my fellow cabinet Ministers for their contribution and support to my dedicated team at the Ministry of Finance and all the staff of the Fiji Revenue and Customs Service. I sincerely thank you all for your contributions in putting this budget together. I thank you for your tireless effort, sacrifice and display of patriotism. I would like to also thank all the development partners, civil society and private organizations and multilateral financial institutions for their support.

347. Mr. Speaker Sir, with the full support of my Cabinet colleagues, I commend the 2026–2027 Budget to this Honourable House.