

Poverty & Equity Brief

East Asia & Pacific

Fiji

April 2018

Poverty rates in Fiji are among the lowest in the Pacific. Estimates suggest that less than 2 percent of the population lived in extreme poverty in 2013–14 using the international poverty line (2011 PPP \$1.90 USD per person per day); 14.3 percent lived in poverty using the lower middle income class poverty line (2011 PPP \$3.20); and close to half the population lived in poverty using the upper middle income class poverty line (2011 PPP \$5.50). This latter incidence of poverty is at the higher end of the spectrum seen across the upper middle income countries, and the incidence of extreme poverty is comparatively low.

According to national estimates based on the cost of local basic needs, poverty in Fiji has been declining over time. The headcount poverty rate, as measured by consumption welfare, declined from 39.8 percent in the 2002–03 survey, to 35.2 percent in the 2008–09 survey, to 34.0 percent in the 2013–14 survey. The poverty rate is significantly higher in rural areas than urban areas (38.3 percent relative to 29.9 percent in the 2013–14 survey), but this gap has shifted over time. The rural poverty rate was relatively stable between 2002–03 and 2008–09, but dropped significantly between 2008–09 and 2013–14. Meanwhile, the urban poverty rate declined between 2002–03 and 2008–09, but then partially rebounded between 2008–09 and 2013–14 (reflecting both an influx of poorer migrants from rural areas, and deterioration in the wellbeing of urban residents). The characteristics associated with being poor (according to the national poverty line), include a larger household size and household heads with a lower level of education and who are self-employed, older in age, and a member of the i-Taukei ethnic group.

POVERTY

	Number of Poor (thousand)	Rate (%)	Period
National Poverty Line	299.1	34.0	2013
International Poverty Line 2.5 in Fiji dollar (2013) or US\$1.9 (2011 PPP) per day per capita	12.2	1.4	2013
Lower Middle Income Class (IC) Poverty Line 4.1 in Fiji dollar (2013) or US\$3.2 (2011 PPP) per day per capita	126.2	14.3	2013
Upper Middle Income Class (IC) Poverty Line 7.1 in Fiji dollar (2013) or US\$5.5 (2011 PPP) per day per capita	435.4	49.5	2013

SHARED PROSPERITY

Annualized Consumption Growth per capita of the bottom 40 percent	1.00	2008-2013
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INEQUALITY

Gini Index	36.4	2013
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth	1.86	2008-2013

GROWTH

Annualized GDP per capita growth	1.2	2008-2013
Annualized Consumption Growth per capita from Household Survey	-0.86	2008-2013

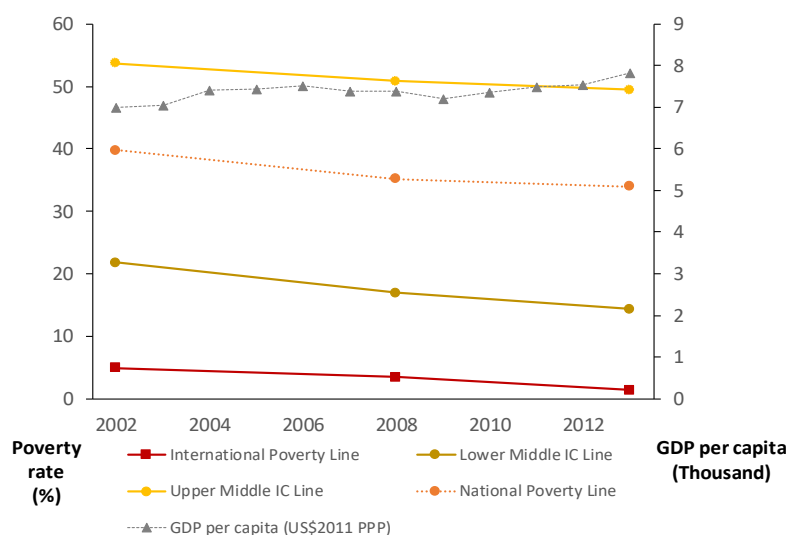
Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of April 20th 2018, and Global Monitoring Database for the rest.



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www.worldbank.org/poverty
www.povertydata.worldbank.org

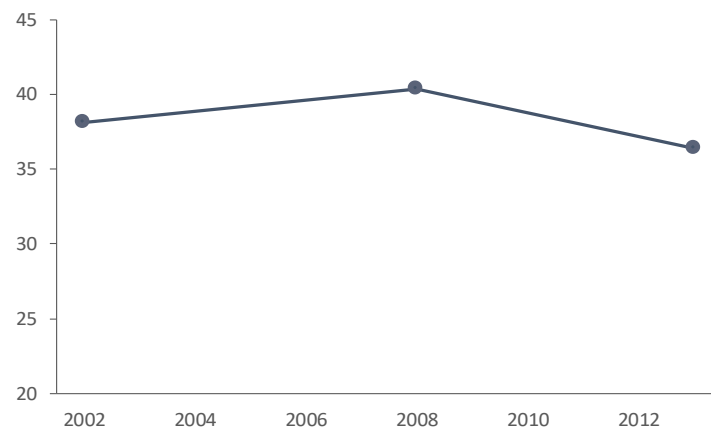
POVERTY HEADCOUNT RATE, 2002-2013



Source: World Bank using HIES/EAPPOV/GMD

INEQUALITY TRENDS, 2002-2013

Gini Index



Source: World Bank using HIES/EAPPOV/GMD

KEY INDICATORS (distribution among groups)

	International Poverty Line (%)		Relative Group (%)		Year
	Poor	Non-Poor	Bottom 40	Top 60	
Urban population	1	99	34	66	2013
Rural population	1	99	47	53	2013
Males	1	99	40	60	2013
Females	1	99	40	60	2013
0 to 14 years old	2	98	52	48	2013
15 to 64 years old	1	99	36	64	2013
65 and older	1	99	33	67	2013
Without education (age 16 and older)	2	98	38	62	2013
Primary education (age 16 and older)	1	99	43	57	2013
Secondary education (age 16 and older)	1	99	36	64	2013
Tertiary/post-secondary education (age 16 and older)	0	100	12	88	2013

Source: World Bank using Global Monitoring Database

POVERTY DATA AND METHODOLOGY

International measures of poverty are ideally derived using consistent methodology (to the extent that this is possible with the available data) with an aim to facilitate the meaningful comparison across countries. For Fiji, the international poverty statistics reflect levels of per capita consumption, with nominal values adjusted for estimated differences in the cost of living across rural and urban areas.

Fiji has two alternative national measures of basic needs poverty based on income and consumption data (with the latter constructed with World Bank assistance), which are derived using slightly different methodologies. For the income poverty measure, the poverty line reflects basic needs for Fijians in 2002–03, the food basket is exogenously defined, and food and non-food basic needs are assessed separately across rural and urban areas. For the consumption poverty measure, the poverty line reflects basic needs as defined in 2008–09, the food basket is implicitly defined, and a single food poverty line is applied across rural and urban areas, while the non-food component is derived separately for rural and urban areas. Both measures are based on an adult-equivalence benchmark, assuming children under age 15 have half the level of adult basic needs. The income-based headcount rate was 35 percent in 2002–03, 31 percent in 2008–09, and 28 percent in 2013–14.

HARMONIZATION

The numbers presented in this brief are based on the EAPPOV database. EAPPOV is a database of socio-economic statistics constructed using microdata from household surveys in the East Asia and the Pacific (EAP) region and is managed by the East Asia & Pacific Team for Statistical Development (EAPSTD). As of April 2017, the collection includes 19 countries and 78 surveys. Harmonized surveys in the EAPPOV database are compiled into 4 modules following Global Monitoring Database (GMD) Harmonization guidelines. A subset of the harmonized variables form the basis of the GMD collection, including the welfare aggregate which is used for Global Poverty Monitoring. Terms of use of the data adhere to agreements with the original data producers.