The ER Bill

FCEF council members from WEBC and MSME presenting to the Parliamentary Standing Committee on Economic Affairs this week in a new round of public consultations and review of the Employment Relations (Amendment) Bill 2025. Picture: SUPPLIED

A threat to women's economic participation

By GAYLENE KAMALI

THE Employment Relations (Amendment) Bill 2025 proposes new and additional leave that includes women, but one that is very specific to women - menstrual leave. This could inadvertently discourage businesses from hiring women, despite the Government's push for gender equality and women's economic empowerment. Clause 97 amends section 68 of the Principal Act by providing that where a worker has completed more than three months continuous service with the same employer may use three of her ten days paid sick leave during each year of service if she has severe or debilitating menstruation.

The new amendment states that, "(1A) A woman may use three of her 10 days of paid sick leave if at any time she experiences severe or debilitating menstruation."

"Menstrual leave, though well-intentioned —is not supported by Fiji's economic realities and may inadvertently influence some employers to favour male candidates over female applicants', said Edward Bernard, chief executive officer of the Fiji Commerce & Employers Federation (FCEF).

Additional leave proposed in the Bill that also includes women are three days family leave and two days annual leave.

Female participation in today's labour market

Women are disproportionately represented in our current labour market. Female participation is only 36.2per cent in labour, 21per cent in board rooms and 19per cent in business ownership.

The national unemployment rate for women in Fiji is 7.4per cent, compared to 4.9per cent for men.

Female unemployment rate is 1.7per cent higher than the national unemployment rate of 5.7per cent. Furthermore, women represent the majority in youth unemployment (18per cent) and youth not in employment, education or training (NEET) (26.6per cent) (ref: TABLE 1).

Fiji's economic and business challenges

Fiji's National Development Plan aims to increase female participation to 60per cent by 2030. The proposed increases in leave and new provision for menstrual leave could affect productivity and add to the challenge of achieving this target.

In order to be competitive and be classified as a higher income country by 2050, Fiji's GDP needs to grow at five per cent per annum.

However, Fiji's economy grew at three per cent last year and is forecasted to grow at three per cent in 2026.

The latest RBF economic review highlights higher imported inflation, weak tourism demand and lower remittance in-flows as headwinds to this growth.

High cost of doing business, skills and labour crisis, and low productivity are major barriers to business growth and sustainability in Fiji.

In the last three years minimum wage and corporate tax have increased by 92per cent in total.

Employers are investing more in attracting and retaining workers, including bearing the high cost of recruiting foreign workers so that their machines are operational and factories open.

Our trend productivity rate is 1.2per cent, which is nowhere close to the 3.2per cent that our National Productivity Master Plan dictates.

There are about 50,000 registered MSMEs in Fiji, representing 82per cent of all formal businesses.

These MSMEs are also required to comply with laws that enforce additional leave and higher costs.

While MSMEs employ 60per cent of Fiji's labour force, only 22,800 MSMEs are tax compliant.

This is an indication that the majority of the MSMEs do not have the capacity to absorb additional and higher costs.

In the short to medium term, global trade tensions, climatic events, potential increase in electricity tariffs, wait-and-see approach by investors in the lead up to national elections and the signing of the PACER Plus trade agreement would also add to the cost and sustainability of doing business in Fiji.

	Male	Female	ANALYSIS	
	[ICLS 19]	[ICLS 19]	Total	M – F
Working Age Population (Aged 15 and over)	312,518	302,313	614,832	10,205
Total Labour Force	205,424	109,474	314,898	95,950
Employed	195,432	101,393	296,825	94,039
Unemployed	9,992	8,081	18,073	1,911
Unemployment Rate (%)	4.9%	7.4%	5.7%	
Labour Force Participation Rate (%)	65.7%	36.2%	51.2%	
Employment to population ratio	62.5%	33.5%	48.3%	
Persons Outside the Labour Force	107,094	192,839	299,934	-85,745

TABLE 1. Source: Fiji Employment & Unemployment Survey 2023-24 (Fiji Bureau of Statistics)

Countries that provide menstrual leave and their economic status

Japan: A pioneer in giving menstrual leave to women. Introduced in 1947 offering one day leave during their menstruation. Japan is the 5th largest economy in the world, and in 2025 was valued at $US4.28 trillion.

Indonesia: Indonesia has had a menstrual leave policy since 1948 and was renewed in 2003. Women have the right to take two days off every month. The country's GDP growth in 2025 was 5.11per cent.

South Korea: The menstrual leave law in South Korea was introduced in 2001 as a one day leave. If this leave is not taken, then the company must pay a two-day salary. In 2025, South Korea's GDP was valued at $US1.86 trillion.

Spain: Spain was the first country in Europe to provide menstrual leave in 2023. The law states that women will be given three days' leave during their menstruation which can be extended to five days if required. In addition, the Spanish government has approved a decrease in the taxes applied to menstrual products (from 10per cent to four per cent). A doctor's letter is required and the public social security system covers the cost.

Taiwan: In 2002, the Gender Equality in Employment Law of Taiwan adopted three days' leave for women with a half-salary. If it exceeds three days, then it will be considered sick leave. In 2025, Taiwan's GDP growth was 8.63per cent.

Zambia: The policy enacted in 2015 provides female employees one day off from work without medical certification, every month, during their menstruation. In Zambia, the policy is applicable for women who do not have children. In 2025, Zambia's GDP growth was 5.8per cent.

Kanataka (India): In November 2025, the Indian state of Kanataka passed a law allowing women aged 18 to 52 to take one day of menstrual leave every month, without medical certificate. The policy covers 350,000 to 400,000 women in the formal sector, although it excludes a much larger cohort - estimated to be six million - who are engaged as domestic workers, daily-wage labourers and gig workers in the unorganised sector. Karnataka registered a Gross State Domestic Product (GSDP) growth rate of 10.2per cent in the 2023-24, higher than the national GDP growth rate of 8.2per cent.

Unintended implications

There is a valid concern that employers might become hesitant to hire women to avoid the "cost" of extra paid leave - including menstrual leave, leading to an increase in the gender gap.

In many traditional or male-dominated workspaces, women may feel uncomfortable declaring "menstrual leave" to a male supervisor, possibly fearing gossip or being labelled "unreliable."

While including menstrual leave in a legislation is meant to provide legal grounding, Government's capacity to ensure compliance is uncertain.

This also includes rural and maritime MSMEs.

Opportunities to increase women's economic participation

About 192,839 women are currently outside the labour force and in the next few years will be transitioning into the labour market.

We must ensure that there are effective pro gender policies in place to support the transition from school or training into jobs.

At the same time, 109,473 women are already in the labour force.

It is imperative that their employers are provided with fair and robust business environment that can sustain employment and economic growth.

As responsible employers we understand and agree that we must fulfill our obligations to ensure that we comply and align with International Conventions that Fiji has ratified.

These international standards provide minimum labour standards. We must ensure that we are not overreaching in fulfilling our obligations by adopting maximum standards in this Bill that will adversely impact employment opportunities, business sustainability and economic growth.

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