

Private sector priorities for national budget



By GAYLENE KAMALI

BUSINESSES are the engine of economic growth, and their ability to remain viable through the current crisis will be critical to achieving the ambitions of the National Development Plan 2025-2029.

As the announcement of Fiji's National Budget 2026-2027 approaches, the private sector will be watching closely for measures that strengthen business confidence.

While Fiji's economy has demonstrated resilience, the current fuel crisis, increasing electricity tariffs, and broader cost pressures are creating significant challenges for businesses across the country.

The 2026-2027 Budget must include targeted relief that support both small and large enterprises to manage cost pressures.

Beyond immediate relief, the budget must also provide a pathway to recovery by strengthening business confidence, encouraging investment, and creating the conditions necessary for long-term growth.

Seven priorities to support business resilience, recovery and growth

The 2025-2026 (previous) Budget contained positive signals around private sector partnerships, MSME development, infrastructure investment, and business confidence.

The 2026-2027 (current) Budget should build on these foundations by strengthening competitiveness, addressing skills shortages, improving regulatory efficiency, supporting business growth, and creating conditions that encourage investment, employment, and productivity growth across the economy.

1. Strengthening business competitiveness

The current operating environment has reinforced the importance of maintaining business competitiveness. Targeted measures that improve productivity and reduce costs will be essential to supporting resilience and recovery.

The Budget should therefore continue to examine measures that:

- Reduce the cost of doing business
- Encourage reinvestment and capital expenditure



Businesses are the engine of economic growth, and their ability to remain viable through the current crisis will be critical to achieving the ambitions of the National Development Plan 2025-2029. Picture: AI GENERATED/FCEF

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- Improve productivity and enterprise competitiveness
- Support sectors with export and employment potential
- Proactively encourage domestic economic activity

2. Skills development and labour market alignment

The skills shortage remains one of the most commonly raised concerns by employers across sectors.

While Government has recognised workforce development as a priority through the MSME Strategy 2025-2030 and the broader economic agenda, there remains a clear need for stronger alignment between training outcomes and industry demand.

The 2026-2027 Budget presents an opportunity to further strengthen demand-driven skills development and workforce participation initiatives.

This can be achieved through measures such as granting employers access to 100 per cent of the 1 per cent training levy, strengthening employer-led workforce development, and expanding industry-responsive training programs.

Greater emphasis on apprenticeships and workplace-based learning would also help ensure training pathways are more closely aligned with real labour market needs and emerging skills gaps.

3. MSME growth and formalisation

MSMEs are central to Fiji's economic transformation, with targets to increase MSME contribution to GDP to 40 per cent by 2030, alongside improved access to finance, technology, and business services.

Government's recent fuel

crisis relief measures, including targeted support for MSMEs and the public transport sector, are a positive step in helping businesses manage immediate cost pressures.

Building on this support, continued efforts to simplify compliance systems, improve access to affordable finance, and expand digital payments and digital commerce will help strengthen resilience across the MSME sector.

Greater investment in business advisory and capability-building programmes, as well as incentives to encourage formalisation, will also be important in building a more competitive and sustainable business community.

4. Regulatory efficiency and ease of doing business

Government's continued focus on ease of doing business is a positive step, and this momentum should be sustained through further improvements in:

- Digitisation of approvals and licensing, supported by complete infrastructure and systems integration beyond a standalone digital platform
- Faster processing times
- Improved coordination between agencies
- Greater transparency and consistency in regulatory processes.

These reforms may require upfront investment in systems, infrastructure, and capacity building, but can deliver significant long-term gains in efficiency, productivity, and investment confidence.

5. Infrastructure that supports productivity

The 2025-2026 Budget placed strong emphasis on infrastruc-

ture investment, recognising that reliable infrastructure supports economic growth and private sector activity.

Continued investment is needed in:

- Roads and transport networks
- Energy and green energy infrastructure
- Water and utilities
- Digital connectivity

Investment in infrastructure ultimately means productivity.

Every improvement in logistics reduces costs.

Every improvement in connectivity expands market access.

Every improvement in infrastructure strengthens competitiveness.

6. Investment confidence and policy certainty

Sustained economic growth in Fiji is closely linked to strong private sector participation and ongoing business investment.

The 2026-2027 Budget must continue to support clear policy direction, stable investment settings, predictable taxation frameworks, and consistent implementation of reforms to encourage investor confidence and private sector-led growth.

Businesses can adapt to changing market conditions, but investment decisions are strengthened when there is confidence in the policy environment.

7. Supporting local industry and economic diversification

Fiji's long-term resilience depends on maintaining a diverse economic base.

Strengthening domestic production and supporting local industries can also help improve resilience during periods of external shocks and economic

uncertainty.

This includes consideration of initiatives such as the Fijian Made campaign, which can play a significant role in strengthening confidence in locally produced products and supporting domestic industry.

Confidence matters

For businesses, investment decisions are made with a long-term view. Whether a company purchases new equipment, expands operations, hires additional staff, enters a new market, or invests in skills development depends largely on confidence in the operating environment.

The National Budget 2026-2027 cannot solve every challenge facing businesses. However, it can provide the framework, investment signals, and confidence, that encourages employers to continue investing, employing, and expanding in Fiji.

A stronger private sector ultimately benefits all Fijians through more jobs, higher incomes, greater economic resilience, and a more prosperous economy.

As Fiji navigates the current fuel crisis and broader cost pressures, confidence will be critical to recovery. Budget measures that support mitigation and recovery efforts during this period will be essential to sustaining business continuity and restoring growth.

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