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NATIONAL INCOME
and
BALANCE OF PAYMENTS
of
FIJI 1950-53
by
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PLAN OF THE WORK AND STATEMENT OF ORIGINALITY

Chapter one involves a descriptive study of Fiji. The material is based mainly on published sources and is not original. Part of the discussion relating to mining companies (page 5) communications (page 7) and financial institutions (pages 21 and 24) are claimed to incorporate original thought.

Chapter two is a description of the particular problems of national income investigation in underdeveloped territories and a statement of methodology. The former part incorporates some development of ideas based on the work of recognised authorities but no outstanding contribution of an original nature can be claimed for this section.

Chapters three - six present the results of the national income investigation in output, income and expenditure form. As far as the statistical material is concerned complete originality is claimed, no previous work of this type whatsoever being available either in published form or in government files, on Fiji national income. As regards the methodological approach, no such sweeping claim to originality can be made. In the nature of the case, it was necessary to adhere to a great extent to recognised techniques, particularly in regard to presentation of the final tables. If the survey had been undertaken purely as an academic study, rather than as a joint government-university undertaking, a more experimental approach would have been possible.

An original contribution may however be claimed in the following methodological aspects of Chapters three to six.

In Chapters III and IV a greater breakdown in the types of agriculture, and industry, and the presentation of more statistical detail of certain products than found in previous studies of this type, was possible. This resulted from the availability of fairly comprehensive Agricultural Department surveys and from the inclusion of actual field surveys in

the investigator's programme, in both the agricultural and non-agricultural sectors. As complete inter-sector accounts (by industries) would have meant little in the circumstances, and could not have been reliably computed from existing data, attention was given to constructing where possible, and on an elementary level, non-integrated accounts for any sectors in which the reliability of the figures was considered reasonable. In Chapter V, also, a considerable breakdown of the types of non-agricultural income was possible and was felt to have been simplified by the relative concentration of major profit incomes and the smallness of the labour force. This is claimed to be a relatively original approach as previous colonial national income studies have omitted such a breakdown, it being claimed that such data are difficult to obtain.

In Chapter VI some originality is claimed for the method of presenting an independent estimate of private capital formation and its components to compare with the item as reached by residual in the balancing tables (Table 48).

It is difficult to claim originality for the statistics in Chapter VII (the government sector) as they are mainly a re-arrangement of figures published in the Colony's financial accounts. Some of the collations had in fact already been made for the 'Fiscal Review Committee' which was held during 1954. The analysis of taxation incidence is however of an original nature.

The statistical data in Chapter VIII showing the Balance of Payments in 1952 and 1953 was computed by the investigator specifically for this study. The 1950 and 1951 figures are however taken mainly from estimates made by Mr. R. Parkinson of the Fiji Government. The computations of the Terms of Trade (p. 150) and the Direction of Trade (p. 154) are original computations although the latter involved only simple aggregation from the published trade returns.

Chapters IX and X include mainly the results of original field surveys. These surveys were undertaken specifically for the purpose of the national income study. As the statistics used from them in the main part of the study could convey little of the general quantitative and qualitative results of these surveys, it was thought desirable to use the supplementary information obtained for these two chapters on the economic life of Indian and Fijian people respectively. As economic data on the European community was obtained mainly from Inland Revenue data no survey relating to them, specifically, was undertaken.

The surveys undertaken are listed in Appendix I (p.213). The survey of Indian wage earners (p.167) was done in collaboration with Miss S. Holmes (now Mrs.Parkinson) Senior Nutritionist, South Pacific Health Service. Other surveys were undertaken by the investigator with the assistance of local interviewers.

The conclusions of Chapter XI are claimed to incorporate original thought.

The sector accounts in Appendix II are similar in outline to those appearing in Miss H. Siffleet's "National Income and National Accounts" (Social and Economic Studies, Vol.1 No.3). But it was considered that the presenting of the accounts in matrix form (Table 74) was an improvement on the cross-numbering technique usually employed.

The work was started in October 1953. From January 1954 - December 1954, approximately 11 months were spent in Fiji, during which period the statistical data from government and business accounts were collected and field surveys were done. The period from January - May 1955 was spent in Canberra working entirely on the collation and preparation of the material. From May - September 1955, a visit was made to the Gilbert Islands and the work in Fiji, temporarily suspended. By December 1955 an initial report based on the

material of this thesis was sent to the Fiji Government with a view to providing them with reasonably up-to-date information. During the period March - July 1956, work continued in Cambridge under the direction of Miss Phyllis Deane and the Fiji work was prepared for publication under the title "The Pattern of the Fiji Economy - National Income 1950-1953" and is now being printed by the Fiji Government printer.

The present thesis, does not differ materially from the printed version of the work. Some attempt has been made, however, to alter slightly the matter in Chapter two. For the printed work, it was necessary that this be an elementary exposition of national income methods. For the thesis some attempt has been made to expand this exposition. A certain amount of repetition evident in the printed Chapters II and III has been removed from the thesis, and an extended description of sources has been added to Appendix I, in the present thesis. Since July 1956, the writer has been working on similar national accounts work in the Caribbean. Inevitably some development has taken place in the views and methods of approach used by the writer, but these could not all be incorporated in the Fiji work which represents, substantially, the approach and methods used up to mid-1956.

SUMMARY OF ARGUMENT

In this thesis are presented the results of an investigation of the National Income and Balance of Payments for the colony of Fiji during the period 1950-53. The two introductory chapters (I and II) include a background description of the Colony and a discussion of National Income methods and techniques employed. There follows an analysis of the National Income material (chapters III-VI) set out in output, income and expenditure form and sub-classified by industrial origin of output, distribution of income, and directions of expenditure on consumption and investment. An account of the government sector and the incidence of taxation is included (chapter VII). The balance of payments is analysed and presented (chapter VIII) with a discussion of the direction and composition of external trade. Two chapters of a subsidiary nature (IX and X) describe economic aspects of the life of Indians and Fijians respectively and are based on supplementary information collected during field surveys. A chapter of conclusions (XI) discusses economic aspects of some of the main statistical conclusions which emerge from the investigation.