

# RESERVE BANK OF FIJI



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**WELCOME ADDRESS BY THE GOVERNOR OF THE RESERVE BANK OF FIJI, MR ARIFF ALI, AT THE OFFICIAL LAUNCH AND UNVEILING OF FIJI'S 50 YEARS OF INDEPENDENCE COMMEMORATIVE BANKNOTE AND COIN, 07<sup>th</sup> OCTOBER 2020, GRAND PACIFIC HOTEL, SUVA**

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## *Salutations*

- **The Honourable Prime Minister, Mr Josaia Voreqe Bainimarama, and Mrs Bainimarama;**
- **Honourable Attorney-General and Minister for Economy;**
- **Honourable Cabinet Ministers;**
- **Honourable Speaker and Members of Parliament;**
- **Members of the Diplomatic Corp;**
- **Past and present Board Directors of the Reserve Bank of Fiji;**
- **Distinguished Guests;**
- **Ladies and Gentlemen.**

## *Introduction and Welcome*

A very good evening and welcome to this significant event of the launch and unveiling of Fiji's 50 Years of Independence Commemorative currency. I extend a very special welcome to our Chief Guest, the Honourable Prime Minister. Thank you very much Sir, for agreeing to officiate at this function.

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*As some of you know that I was born and bred in BA. The soccer capital of Fiji.*

*For my family and I, the Fiji day holiday is synonymous with the IDC which is held in the same weekend and this year it started here in Suva yesterday with the Hon PM being the chief guest.*

*For the people of Ba, the Fiji day celebration is more often than not a double celebration. Apart from celebrating Fiji day, we rejoice as Ba holds the record for winning the IDC trophy the most number of times and this year will be no exception.*

*So when you say Fiji Day, what I see is the IDC trophy. Which is why I was thinking about putting the IDC trophy on the currency, but thankfully cooler heads prevailed.*

Ladies and Gentlemen, Saturday, the 10<sup>th</sup> of October 2020, is a historic date for our beloved country as it marks Fiji's 50 years of independence. **"10 October"** of every year always nudges at the heart of every Fijian as we pause to reflect on our past, bringing with it a mix of emotions as we visualise our flag being unfurled for the first time just across the road from here, at Albert Park.

It has always been a time of celebrations for all Fijians, here in Fiji and also for all Fijians around the globe. A time to remind ourselves of the great sacrifices of our forefathers, and the struggles and sweat of many generations gone past to pave the way for our independence, for our freedom and for our confidence in leading our country forward.

Ladies and Gentlemen, marking the 50<sup>th</sup> year of our independence is extra special this year, as we again prove our resilience in facing up to adversities, when we remain successful in containing COVID-19, in the midst of carrying the weight of the pandemic's economic and social impacts, as well as the impact of natural disasters that come our way more often now, than before. Indeed there is reason to

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celebrate, that we have continued to stand on our own for 50 years, attributed to the spirit of unity in our diversity, as a nation.

It is therefore in this humble spirit of celebration and unity, that the Reserve Bank of Fiji is honoured to mark our 50 years of love, care, shared prosperity, inclusiveness, equality and freedom, in the unveiling tonight of a new banknote and coin, to commemorate 50 years of Fiji's independence.

## *Fiji's Economic Evolution over Five Decades*

Ladies and Gentlemen, please allow me to take you down memory lane for a while, in how we at the Reserve Bank are reflecting on this important occasion.

Our country has come a long way since its independence half a century ago. Many economic and socio-economic developments and innovation have taken place post-independence, that have stood us in good stead, and I highlight a few to remind us of our remarkable journey:

- 50 years ago, our Gross Domestic Product (GDP) in nominal terms was only around \$192 million. The Fijian economy has since grown by almost 50 times to just under \$12 billion as at 2019. We have also witnessed 9 consecutive years of positive economic growth – an extraordinary achievement in the country's post-independence history.

This unprecedented economic growth resulted in declining poverty and inequality and enabled massive investment in infrastructure, allowing access to new markets and opportunities over time.

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However, the impact of the COVID-19 pandemic on the global economy has been substantial and Fiji has not been spared. Its effects include the erosion of one-fifth of our GDP value and hence a number of our positive gains have been reversed.

- Our foreign reserves has also grown over the years. In 1970, it stood at \$24 million whereas as of this morning, it stands at over \$2.3 billion.
- Liquidity in the banking system then, was \$3 million. Today it has surpassed the \$1 billion mark.
- At the time of independence, total currency circulating in the economy, including the ones in your pockets was \$14 million; today it is close to \$900 million.
- 50 years ago, the size of our financial system was smaller than our economy at around \$150 million whereas today, it is more than twice the size of the economy, at \$26 billion.
- Turning now to some socio-economic indicators; in 1970, Fiji's literacy rate was less than 50 percent. Today this has almost doubled to 99 percent.
- Average life expectancy in 1970 was slightly more than 62 years. Today life expectancy has grown to 69 years.
- Similarly 50 years ago, our infant mortality rate was recorded at 45 deaths for every thousand live births, this has improved considerably and reduced by more than 50 percent to 22 deaths per thousand.
- In 1970, less than 30,000 households had electricity in their homes. This has now increased over fivefold to around 180,000. It is pleasing to note that data for clean, piped water shows similar progress.

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Ladies and Gentlemen, I can go on with my list, but time is not on our side. The point I wish to highlight in stating these trends is that the growth and improvement in these indicators, showcase a nation that has made considerable economic progress over the last five decades.

Of course, our journey has not been easy. We confronted challenges both foreseen and unforeseen, that tested our resolve, but at the same time provided us the unique opportunities to put aside our differences for the collective good of our country, just as we have been experiencing in the current pandemic. With all that we have been through over the years, we have shown time and time again that we are a nation of resilient people.

And so, when the tide turns on the current COVID crisis, I have no doubt that we will emerge from the experience much stronger, and more rejuvenated to tackle the challenges of the next 50 years.

## *Modernisation of Fiji's Currency*

Ladies and Gentlemen, I wish to briefly make some comments on our national currency journey that has led to the new commemorative banknote and coin that we are unveiling this evening.

Fiji's first currency was introduced more than 86 years ago in 1934, emulating the pre-decimal British system - the pounds, shillings and pence. In 1969, we began to convert our currency to the decimal system known to us today as dollars and cents. These changes were considered crucial steps as Fiji trekked towards independence.

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The cessation of the British imperial currency system marked the severance of an emotional link with the British crown, a sentiment very similar, I'm sure, to one that prevailed on Independence Day. On this note, it is important to highlight that in January last year, the Reserve Bank marked 50 years of decimal currency in Fiji.

Some of us would recall that we started with 1, 2, 5, 10 and 20 cent coins, and banknotes for 50 cents, 1, 2, 5, 10 and 20 dollars. Over the years, the structure of our banknotes and coins has continued to evolve in line with changing transaction patterns, customer demand and security standards.

In 1975, the 50 cent banknote was coined. Two decades later in 1995, we coined the 1 dollar banknote and introduced a higher 50 dollar banknote denomination. After twelve years, in 2007, we introduced the 100 dollar banknote, which is currently our largest denomination in circulation. In 2008, we ceased the issuance of 1 and 2 cent coins, and in 2009, we introduced smaller and lighter coins to achieve cost-efficiency.

In December 2012, Fiji launched a completely new family of banknotes and coins which is currently in circulation. This monumental change included the replacement of Her Majesty, Queen Elizabeth II's portrait with local flora and fauna designs on all banknote and coin denominations. In the same year, we also introduced Fiji's first 2 dollar coin and Fiji's first polymer banknote in the 5 dollar denomination. These historic changes served to promote Fiji's biodiversity, improve banknote durability, and save on currency costs.

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An exhibit of our currency journey has been on display here at the Grand Pacific Hotel from the beginning of this month, and you may take the opportunity if you have not done so, to view the display later this evening. A similar exhibit will be on display at the Fiji Museum from tomorrow, for general public viewing.

## *Commemorative Currency*

Ladies and Gentlemen, the commemorative currencies being launched today, first took shape almost three years ago. Over the years, the RBF has introduced similar currencies within a much shorter time span, however, this commemorative currency journey has been a lengthier one. While the design for the new coin was clear, simple and finalised promptly, it took more than a year of meetings for the banknote design to be completed.

Preliminary deliberations considered various options such as sports and the evolution of the domestic economy to feature on the commemorative special issues. As we aim to truly portray the significance of reaching our country's golden jubilee, we finally settled on a theme that showcased Fiji's individualism as an independent nation, and emphasised elements from its past and future.

The final design and other technical characteristics of the currencies were approved by the Board of the Reserve Bank in May 2019. Looking at the end result, I am confident that we have a product that every Fijian will appreciate and value. I will not divulge any more details and will leave it in the good hands of our Chief Guest, the Honourable Prime Minister to tell us more.

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I acknowledge the dedication and commitment of the RBF Internal Currency Technical Committee, the technical expertise provided by our Currency Team who worked tirelessly with artists from the Royal Canadian Mint and banknote printer, De La Rue, to put the final pieces together.

## *Circulation*

The Reserve Bank will be issuing the new commemorative currencies into circulation via the commercial banks from tomorrow, the 8<sup>th</sup> of October 2020, and they will be legal tender, just like any other circulated banknote or coin.

A limited number of these banknotes and coins have been produced, and we do not yet envisage adding to the current number. Members of the public can visit their nearest commercial bank to purchase the notes and coins at face value. To cater for our numismatic collectors, there will also be a limited number of the banknotes and coins in special covers for sale, at the Reserve Bank from tomorrow.

## *Closing*

Ladies and Gentlemen, thank you very much for accepting our invitation to be part of this commemorative currency launch.

*Vinaka vakalevu* and I wish you all an enjoyable evening and Happy Fiji day!!!

END.