

## Responsible Corporates? Social, Economic and Environmental Sustainability in Fijian Tourist Resorts



### Overview

- Concerns about unsustainable tourism development in small island states
- New approaches suggest tourism can be sustainable and can help to alleviate poverty
- Potential benefits of resort-style tourism in Fiji
- Discussion

### Ways in which geographers viewed tourism in the past

- Tourism in the developing world was widely critiqued by academics as being dominated by foreign interests, exploitative of local people and resources, causing environmental and cultural degradation, and leading to dependency

*Tourism is '...an industry that satisfies the commercial imperatives of an international business, yet rarely addresses local development needs'*  
(Ringer 1998:9).

### A new approach to tourism: Pro-poor tourism (PPT)

- Key focus of PPT: to increase the net benefits of tourism to the poor.
- An *approach* to tourism: not a niche product or sector
- Suggests any type of tourism can be made pro-poor, from alternative, community-based ecotourism initiatives through to large scale resorts, hotels, and tour operators

### A new approach to tourism: Pro-poor tourism (PPT)

The 'core activities' of PPT are:

- to increase **access of the poor to economic benefits** (e.g., training, employment, supply linkages, buying local)
- to **address the negative environmental and social impacts** of tourism
- to **reform policies and processes** (e.g. develop policies which support greater involvement of poorer people in tourism enterprises; encourage partnerships with the private sector (IIED 2001).

### The focus of this research

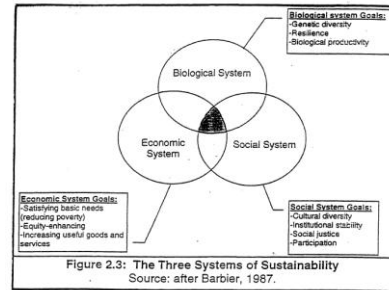
There has been a startling absence of research on PPT in the Pacific to date thus this research has the following aim:

*to examine whether tourism is delivering widespread development benefits to Fijian people at different scales of tourism development, and under different land tenure arrangements.*

A related interest was in whether resort-based tourism in Fiji could be seen as *sustainable*...

## Can resort-based tourism be sustainable?

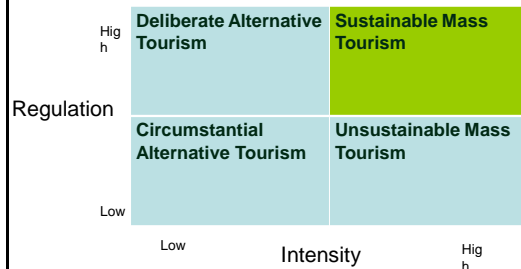
- Sustainable development requires that goals of the 3 systems of sustainability (biological, economic and social) are met
- Can this occur in the tourism industry of the most popular South Pacific Island destination, which is dominated by large and medium scale enterprises providing for 'mainstream' tourists?



## Is sustainable mass tourism possible?

- It is important to consider the **conventional** tourism industry's potential for sustainable development:
- *Despite moves by the smaller 'alternative tour operators', tourism is still a mass event and the operations of large, transnational companies (TNCs) have come to dominate and control most areas of tourism development (Sobania 1999:81).*

## Is sustainable mass tourism possible?



## PPT and sustainable development of resorts: is this just window dressing?

- In the 1990s, tourism industry players were eager to 'go green'. In the 2000s, many want to show they are socially responsible as well: image is what counts.
- Businesses are in existence to make profits, not serve the poor
- Tourist resorts place heavy demands on scarce resources.
- Resorts may happily support a turtle nesting site, but would they support labour rights legislation? They may provide a site for a craft market, but will they support customary land rights?



## Pressure for change in the tourism industry

- Segments of the industry can, and are, changing their practices
- Who has encouraged these changes?
  - Tourism watchdog groups
  - Environmental organisations
  - Governments
  - Holidaymakers



## Corporate Social Responsibility (CSR) in Tourism

- Cannon (cited in Burns 1999a:4-5) suggests there are five elements to corporate responsibility:
  1. 'the social, economic and moral responsibilities of firms and managers;
  2. compliance with legal and voluntary requirements for business and professional practice;
  3. the corporation and the environment;
  4. the challenges posed by the needs of the economically and socially disadvantaged;
  5. management of the corporate responsibility activities of business.'
- The industry has worked on points 2 & 3, but is weak on addressing 4 in particular.

## CSR by resorts: environmental

Rehabilitation of mangroves



Support for MPAs



## CSR by resorts: environmental



Environmental education:  
for tourists and residents

## CSR by resorts: social

Contributions to  
schools, health  
clinics, police posts,  
sports teams,  
churches



## CSR by resorts: social

Donations by guests, and contributions from village tours



## CSR by resorts: economic

Health insurance, transport, fair wages, &  
progression planning for employees



### CSR by resorts: economic

Contracting in of services e.g. bands, laundry



### CSR by resorts: economic

Procurement



### CSR by resorts: economic

Business mentoring



Business partnerships  
e.g. Jungle Trek

### Benefits for communal landowners

- 83 % of land in Fiji is under native title
- The Native Lands Trust Board was established in 1940 to manage native-owned lands – has arranged lease deals for hundreds of hotels and resorts
- Twice yearly distribution by NLTB of lease money to chiefs and to individuals registered with a mataqali that has leased land to a resort (e.g. 200 bed resort - \$500,000/year)
- New leases: require a contribution to an education fund, and 5% free shares in the resort for the landowning community

### Communal benefits from lease money

Village development committees often invest lease monies in:

- Provision of school supplies and scholarships to students
- Contribution to construction of a community hall
- Construction of footpaths
- Contribution to construction of a piped water supply to all households



### Resort-landowner relationships

- *...we have a very good relationship with the landowning unit. I guess it comes from the fact that we're a family business and they're a family, and we're neighbours. We've known each other for 15 years now. And I guess in this culture, we're seen... you know, I employ a massive number of the people from the village, we're well known, we interact in many different ways, and so there's a bit of a mutual respect and trust there I think.*
- *Regular meetings with the landowners' representative '...keeps the partnership alive. And it really is a partnership – given we're on native land. It just makes sure no one sits in the village and bubbles away [with grievances], and likewise for us.'*
- (Managing Director of a medium-sized, foreign-owned resort: December 2009)

### Areas in which most resorts could improve

- Procurement – need to build better linkages with suppliers of tourism products and services (e.g. farmers)
- Labour rights
- Job security for employees
- Training of employees
- Mentoring micro-enterprises

In addition...

- Resorts tend to take a charitable, rather than partnership, approach to working with local communities

### Conclusion

- Tourist resorts in Fiji are showing some commitment to social, economic and environmental responsibility.
- In some ways large resorts in Fiji are bringing more extensive benefits than smaller, locally-owned tourism businesses: e.g. they offer better wages, working conditions
- However, too often the changes are superficial, or tokenistic – it is important for governments and watchdog organisations to keep a check on tourism corporates and for local residents to be empowered to challenge resorts where necessary
- Governments need to play a strong guiding role if sustainable, equity-enhancing tourism is to develop further

