



CONSUMER COUNCIL OF FIJI

# Contents

Chief Executive Officer's Report	4
Year In Review-Highlights	6
Alternative Disputes Resolution (ADR) & Consumer Advisory Services (CAS)	8
Research and Policy Analysis	11
Campaigns, Information and Media	13
Administration, Finance and Project Management	18
2012 Audited Financials	21

# Consumer Council of Fiji

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19 November, 2013

Honourable Aiyaz Sayed-Khaiyum  
Minister for Industry and Trade  
Office of the Attorney General  
Level 7, Suvavou House  
Suva

Dear Minister

### **Re: Consumer Council of Fiji Report and Accounts 2012**

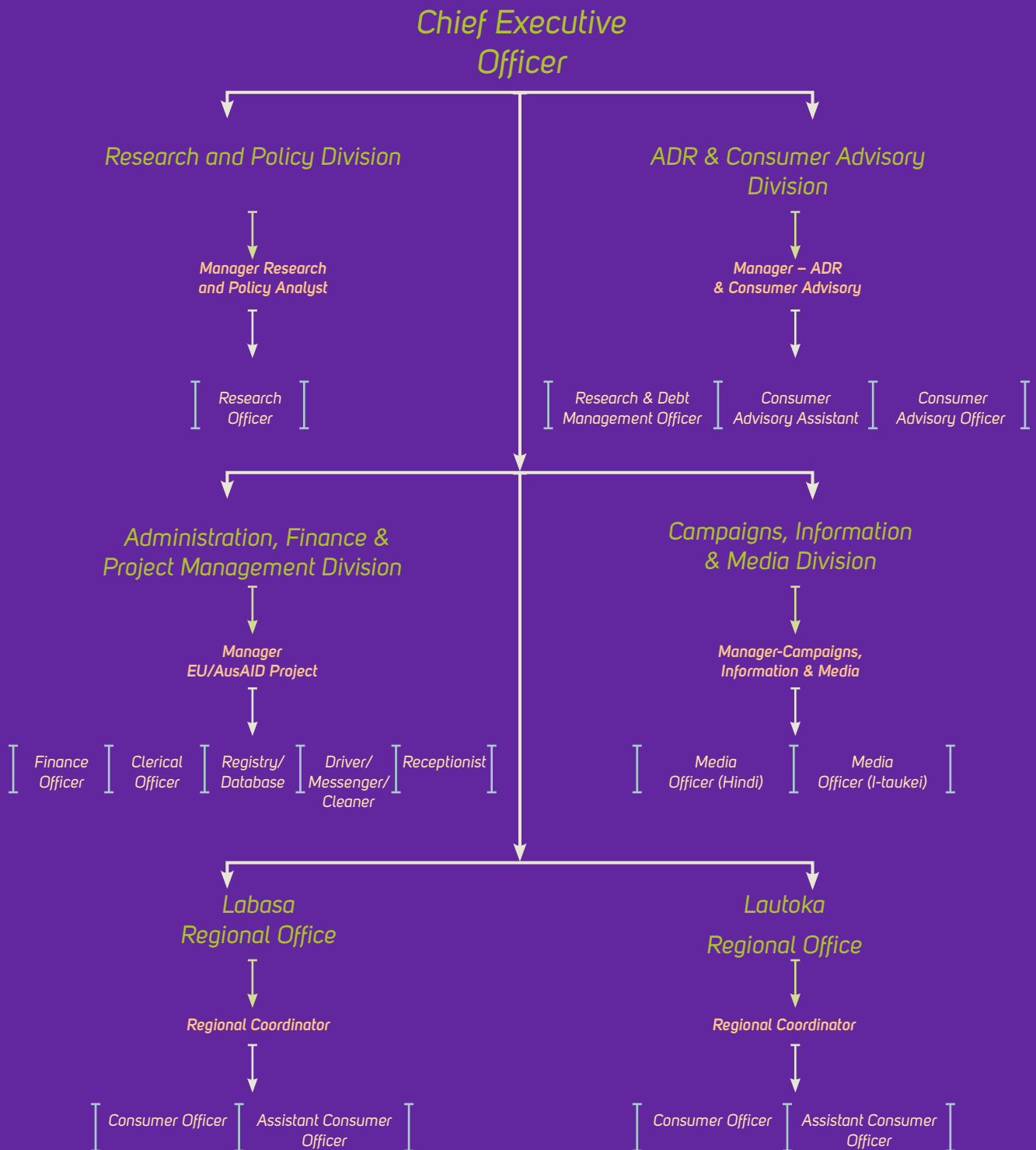
I am pleased to present the Consumer Council of Fiji's Annual Report for 2012. According to section 16 (1) of the Consumer Council Act, I submit the following:

- (i) A copy of the Consumer Council of Fiji's Annual Accounts for the year ended 31 December 2012 certified by the Auditors; and
- (ii) A report on the Council's Operations for the 2012 fiscal year.

Your's Faithfully

Mr. Raman Dahia  
**Chairperson**

# Organisation Structure 2012



# Chief Executive Officer's Report, 2012



It is with great pleasure that I present the Council's Annual Report for 2012.

Without a doubt, 2012 has been a very busy and exciting year for the Council. We focused on our commitment in a practical way to deliver measurable benefits to consumers with results that by far exceeded the targets set out in the Service Agreement that the Council signed with the Ministry of Industry and Trade.

In 2012, consumers experienced various forms of unfair trade practices such as adulterated and substandard goods, unsubstantiated halal claims, short weights and measures, misleading advertising, Connect's unfair contracts, higher prices, incorrect and incomplete labels, deceptive packaging, imitations or counterfeit goods to name a few.

During the year, the Council also took on board emerging issues affecting consumers and pushed these onto the agenda of public debate and policymaking, with great success.

We assisted consumers to deal with problems in an ever-changing market with confidence, while improving our own organisational capability to intervene in the market, where necessary.

As the only consumer advocacy body, there were numerous requests to the Council for interventions in handling consumer related issues. The Council worked tirelessly to change the behaviour in marketplace through advocacy and guidance, and taking actions by using non-enforcement tools.

## Accomplishments

I am pleased to report on the Council's performance for the year by highlighting the key achievements. Whilst it's too many to list here, let me mention a few key accomplishments.

### *Gas under price control*

The Council's unrelenting lobbying for price control was of great benefit to consumers when the Fiji Commerce Commission (FCC) placed Liquid Petroleum Gas (LPG)

under price control. It took five years for this goal to be realised. On 4th August 2012, new gas prices determined by the FCC came into effect, which saw prices drop by up to 20%.

### *Bank Fees and Charges withdrawn*

The Council's campaign on fair financial services which started in 2010 resulted in the Reserve Bank of Fiji (RBF) reviewing the Banking Supervision Policy on Accountability and Disclosure Guidelines on Interest Rates, Fees and Charges for licensed banks in Fiji. It was good news for consumers when RBF directed banks to withdraw six different fees, while placing maximum limits on five other fees from 1 January 2012.

### *Recovery of Consumers' Money*

At the end of 2012, the Council registered 2,232 cases with a monetary value of \$2.9 million. There was an increase in complaints by 9% compared to 2,067 recorded in 2011. We recovered \$1.2 million by solving 1,732 cases through mediation. The success rate in mediation increased by 15%, 63% of the cases being solved in 2011 and 78% in 2012. The cost of non-intervention would have been far more damaging to the consumers and businesses that trade fairly.

### *First Ever Consumer Show "Dollars & Sense"*

The Council initiated, designed and delivered its first ever local TV consumer programme called "Dollars and Sense" under its AusAID financed project. The weekly programme in partnership with Fiji TV was produced to educate and empower consumers on their rights and responsibilities when accessing credit. A total of 10 episodes, each for 24 minutes with three segments were aired on Fiji TV.

### *Debt Management and Consumer Credit Advisory Services*

Our consumer credit work has played an important part in protecting vulnerable consumers during the year. Without the government's additional grant of \$100,000, it would not have been possible to roll out debt management

and consumer credit advisory services throughout Fiji. It is a free service where consumers are now able to seek advice on their financial problems and the Council helps them reorganize their finances so that they are in a better position to pay their debts. In 2012, the Council recorded 48 consumers who sought advice and assistance on consumer credit and debt management.

### **Resolution for establishment of Pacific Islands Consumer Network**

The Council was a key player in bringing and organising the 34th International Standards Organization Financial Committee on Consumer Policy meeting (ISO/COPOLCO) in Fiji. It was for the first time ISO/COPOLCO meeting was held in the Pacific region. ISO/COPOLCO also passed a resolution to establish Pacific Islands Consumer Network to improve standards in the Pacific region. The network will give an opportunity to island countries to have a forum to exchange views, experiences and new ideas to improve consumer protection in the region.

### **Challenges**

I must also include the challenges faced by the consumers in 2012.

Pacific Broadcasting Services (PBS) subscribers vented their frustration when PBS abruptly closed its operation in Fiji without any notice, owing thousands of dollars to consumers. The Council received more than 300 complaints from paid PBS consumers who wanted their money back. This posed a question to the regulators on how consumers would get their money back.

Adding more to the sorrows of consumers was FEA's additional security deposit, where FEA over-billed consumers for their security deposits. The Council was inundated by consumer complaints against over-billing of their security deposits. The Council was concerned with FEA's position, where their unchecked power under the outdated Fiji Electricity Act is a breach of consumer rights.

The Council also handled public outcry when Fiji's only fixed line monopoly, Connect, tried to use unfair contract terms and conditions to migrate its thousands of subscribers to new rates and packages under 'Connect Velocity'. For example, charging an unfair early exit fee that included the security deposit and one month's rental; and reloading data that expired at the end of the month (use or lose policy). Connect advised its customers that if they did not convert to the new rates by 30 March 2012, subscribers will automatically be converted to a new plan and customers' email addresses will be taken away. This was a classic example of a service provider trying to limit consumer choice and locking consumers so that their ability to exit from 'bad' deals was restricted.

### **Conclusion**

The Council will continue to play a positive and assertive role in achieving a marketplace where consumers are well informed, confident and protected from unlawful, deceptive, misleading or otherwise, objectionable practices. While we have achieved much, we have also learned that the enforcement of the nation's consumer protection laws is critical and central to the well-being of consumers.

The Council realised its corporate goals with the assistance from various stakeholders. We acknowledge and value the partnerships we have with the Government, donor agencies, public bodies, private companies, community groups and individual consumers. We recognise that these links are vital to implement our work plan and to enhance our reach to people who most needed our support.

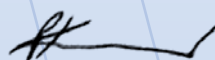
I would like to thank our donor agencies-AusAID, European Union (EU), and Consumers International. Without their financial assistance most of our accomplishments would not have been achieved. I would also like to acknowledge the individuals and volunteers who supported and shared our passion in ensuring consumer protection through their relentless support and commitment.

My special thanks also goes to the Ministry of Industry and Trade and other government departments for their assistance.

Consumers have been at the heart of the Council's work. I acknowledge the consumers in Fiji, who, through their support, constructive and at times negative criticisms, imparted ideas and knowledge and voiced complaints and concerns, all of which have taken consumer protection to a step higher in Fiji.

My sincere appreciation also goes to my dedicated staff members who have been instrumental in delivering these outstanding results, which I am delighted to present in this annual report.

Having learnt, experienced and witnessed major impacts and challenges in 2012, I look forward to another year for the opportunity to continue advocating consumer issues so that consumer rights are kept intact.



Premila Kumar  
**Chief Executive Officer**

# Year in Review - Highlights

*“Consumers recovered \$1.2 million through the Council’s mediation process , which they would have lost.”*

During 2012, the Council’s notable achievements were as follows:

- A total of 233 traders and service providers immediately rectified problems (expired food items, damaged items, labeling issues, etc) after the Council’s intervention;
- A total of 32 businesses made amendments to their advertisements as a result of the Council’s advertisement monitoring;
- Connect amended its contract containing unfair terms and conditions which consumers signed to switch to “Connect Velocity”. The ISP was made to restore the data cap; remove a \$40.89 plan downgrade fee; extend reload data validity to 30 days; take responsibility for fixing network faults after initially passing this to TFL; and remove unfair indemnity clause;
- The Fiji Commerce Commission put LPG under price control on 4th August, 2012. The regulation of LPG price is one success that had taken the Council a long time to achieve through continuous lobbying and discussions;
- The Reserve Bank of Fiji directed banks to withdraw six different fees, while placing maximum limits on five other fees after the Council’s consistent campaign on unfair fees and charges in the financial services sector;
- The Reserve Bank of Fiji made a decision under the Banking Act 1995 that the “no surcharge” rule for credit and debit cards will be in place. This regulatory stance extends to all merchants and all cards used in Fiji and became effective from 1st November, 2012;
- First ever consumer programme called “Dollars and Sense” was launched on television in 2012 in partnership with AusAID and Fiji TV. The weekly programme was designed to educate and empower the general public on their rights and responsibilities when accessing credit. The programme received very positive reviews from the consumers;
- 10,544 consumers received awareness through 146 consumer awareness raising activities in the form of mobile units, school visits, workshops and community visits conducted during the year. 5,174 females and 5,369 males directly benefitted from these programmes;
- Through its 29 mobile units and 42 community visits, the Council reached out to 3,874 (1,827 females, 2,047 males) consumers in their own hometowns empowering them how to take steps to protect their money if goods are not of satisfactory quality. 41 complaints were lodged and 320 advisories were sought during these programmes;
- Through 36 school visits, 4,949 students (2,434 females, 2,515 males) were made aware of their consumer rights and responsibilities;
- A high number of secondary and tertiary students approached the Council for assistance with their English research projects. This was the result of Council’s media advocacy and school visit programmes. 30 regional students from New Caledonia visited the Council in May seeking assistance with their project on roles and functions of the Council. 20 overseas USP students also visited the Council to understand their rights and responsibilities.
- A total of 1,226 unpaid radio programs on 390 issues (English 133, Hindi 143, Fijian 114) were also conducted

*“10,544 consumers received awareness through 146 consumer awareness raising activities in the form of mobile units, school visits, workshops and community visits conducted during the year.”*

during this period, covering to a total of 4,960 minutes of air time;

- The increasing number of TV programmes, (350) including talkback shows (12), resulted in making consumers aware of current and emerging issues;
- A total of 413 newspaper articles were published with 250 issues, boosting awareness of the Council's actions. Apart from news coverage through the print media, the Council published a total of 131 advisory articles. This comprised 66 feature articles, 47 shoppers guide and 18 other advisories on various topics which were published in the local dailies;
- Press releases and statements issued by Council were covered online by various local and international media outlets. 481 articles were posted on various websites with 224 issues on 35 different websites;
- Eight new publications were added to the Council's resources to educate, inform and empower consumers. Two bi-annually newsletters, one fact sheet, two brochures and three reports were produced. The Council produced two new brochures on "Hire Purchase" and "Unfair Trade Practices". Brochures on "Money Lending" and "About CCF" were reproduced while "Debt Management" and "Read Before You Sign" (RBYS) brochures were reprinted;
- Produced three reports: Hire Purchase Industry in Fiji; Review of Consumer Credit Act & Regulations – from Consumers' Perspective; and Review Report on Existing Consumer Protection Laws of Fiji: A Way Forward;
- Campaign advertisements for "Read Before You Sign" appeared on Fiji One television with a total of 70 spots screened at Village 6 and Village 4 Cinemas;
- Initiated/assisted Ministry of Industry and Trade in the hosting of the 34th ISO/COPOLCO meeting for the first time in the Pacific region;
- As part of the statutory obligations the Council ensures that the interests of consumers of goods and services are promoted and protected. In fulfilling this role, it made eight submissions to policymakers and regulatory agencies to consider in order to protect consumer interests;
- Conducted 52 minor research/investigations in 2012. These were mostly investigations based on complaints and concerns raised by the consumers;
- Worked with other stakeholders in the development of policies affecting the consumers. It participates, on an average, in twenty five external working groups, boards, committees each year, working with government, regulators, businesses and other organisations;
- The Council was part of 80 meetings, consultation workshops and one-to-one discussions. These engagements are crucial in ensuring that consumer issues/concerns are addressed effectively in the marketplace; and
- Recorded a total of 388, 937 website hits for the year.

# Alternative Disputes Resolution (ADR) & Consumer Advisory Services (CAS)



**Assist consumers in resolving complaints through alternative dispute resolution, advisory services and legal representation.**

There is a growing expectation of consumers to receive quality and value of services being provided. An increasing number of consumers, who are aware of their consumer rights, seek the Council's assistance on their rights and redress measures when these rights are abused. During 2012, the Alternative Dispute Resolution (ADR) Division was at the front line to advise or resolve wide ranging complaints.

## Major Impacts

- The Council recorded 2,232 consumer complaints worth \$2,901,132 million dollars. On an average that translates into 186 cases per month. These complaints increased by 9% when compared to 2,067 complaints recorded in 2011. The rise in complaints in 2012 reflects a growing awareness of the service provided to the public as well as an increasing willingness by consumers to complain when they realize that they have bought unsatisfactory goods or received poor service;
- 1,732 cases were successfully mediated in 2012; an average of 144 cases per month were solved. The success rate in mediation increased by 15%, from 63% in 2011 to 78% cases in 2012;
- A sum of \$1,218,910 was recovered which consumers' would have lost;
- There was a noticeable upsurge in consumers seeking advice- a 47% increase, from 936 in 2011 to 1953 in 2012, as a result of ongoing efforts to improve service to the consumers;

- Debt Management and Consumer Credit Advisory Services was established as a new initiative to assist consumers struggling with indebtedness. In 2012, the Council assisted 48 consumers with consumer credit and debt management issues.

Out of the top five complaints, the landlord/tenancy issues dominated the number of cases with 256 in 2012, an increase of 9% over 2011.

Pacific Broadcasting Services (PBS) ranked second with 176 complaints. This resulted from abrupt closure of PBS's operation in Fiji, owing thousands of dollars to consumers.

Complaints relating to mobile products ranked third with 174, substandard electronic goods ranked fourth with 172 and hire purchase ranked fifth with 145 complaints. In addition to these, complaints against electricity, water, hardware, internet and spare parts continue to appear on the Council's top 10 complaints.

**Table 1**

Summary of Consumer Complaints for 2012	
Total received and registered	2,232 ; 186 cases per month
Resolved and closed through mediation	1,732 ; 144 cases per month
Cases referred to Small Claims Tribunal (SCT)	180 ; 15 cases per month
Cases referred to other Consumer Protection Agencies	199 ; 16 cases per month
Consumer Advice (not registered)	1,953 ; 162 cases per month



**Table 2**

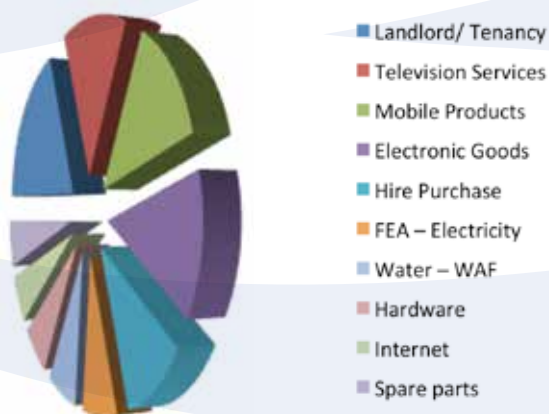
**Monetary Values For Complaints Received from 1st January - 31st December**

Complaints	Total Dollar Value
Registered Cases	\$2,901,132
Resolved Cases through Mediation	\$1,218,910
Cases Referred to Small Claims Tribunal	\$124,727

**Table 3**

**Top Ten Complaints of 2012**

	Issues	No. of cases registered
1.	Landlord/ Tenancy	256
2.	Television Services	176
3.	Mobile Products	174
4.	Electronic Goods	172
5.	Hire Purchase	145
6.	FEA – Electricity	95
7.	Water – WAF	85
8.	Hardware	79
9.	Internet	74
10.	Spare parts	72



**Nature of Top 10 Complaints:**

- 1. Landlord/tenancy:** Non issuance of receipt upon payment of rent; failure to enter into tenancy agreements; 30 days written notice to vacate not followed; failure to attend to urgent repairs of rented premises ; non- refunds of deposit/bond.
- 2. Television services:** In 2012, the consumers lodged complaints after PBS suddenly closed its operations.
- 3. Mobile products:** Sale of refurbished or counterfeit phones; no warranty; phones with faults within days of purchase; faulty replacement phones; defective phone batteries; and faulty phone accessories.
- 4. Electronic goods:** Defects found in electronic goods within days of use; no warranty or terms and conditions disclosed; and failure to test electronic goods before purchase.

- 5. Hire purchase:** Failure to disclose terms and conditions; warranty; lack of back up services; failure by consumers to read HP contracts before signing; no back up parts available; and repaired products not fit for its purpose despite repeated repairs.
- 6. FEA:** Estimated readings; inaccurate billing; security deposit demands; and faulty meters.
- 7. Water Authority of Fiji:** Estimated readings; inaccurate billing; and faulty meters.
- 8. Hardware:** Defective hardware materials, cheap quality and mould infested wood sold in the market.
- 9. Internet:** Disconnection despite bill payment; faulty modems; failure by internet service providers to provide redress in a timely manner.
- 10. Spare Parts:** No warranty provided; no refund/ exchange policy; and defective spare parts.

**Major Impacts**

- 1. Education** is a right for all consumers and the Council continued to stress the importance of quality, efficient and fair education services.

In 2012, USP Lautoka Campus changed their fees during the semester which led to students having to pay an extra \$140. With the Council’s intervention, USP refunded the extra amount paid by some students; waived extra amounts for those who hadn’t paid their fees; and sent a letter of apology to all enrolled students for the inconvenience this had caused them.

- 2. Electricity** is a basic necessity and consumers continued to express their discontent with the increase in security deposits.

The Council’s suggestion to include “cash security deposit held”, on the bill, was taken on board by FEA. Now security deposits paid by consumers have become



*Complaint against mobile phone remain top on the complaints list*



Spare parts

a permanent feature of the bill. This new feature allows consumers to know exactly the amount held by FEA.

3. **Mobile services** is another area riddled with problems when it comes to competition and promotion where mobile phone service providers fail to alert consumers clearly on the terms and conditions associated with different competitions.

Vodafone, as part of its International Call promotion, has now resorted to sending consumers a text message to advise them of the closing date of promotions. Previously, Vodafone had been sending text blasts to consumers advising them that the promotion was 'valid until further notice' and would not advise them using the same medium on the actual closing date, leaving consumers unaware of when the actual normal call charges would apply.

4. **Promotions and advertisements** are other areas which the Council monitors. It also received complaints from consumers who were not satisfied with promotions and advertisements.



Council welcomes consumers for debt management advice.

Fiji Commerce Commission drew Guidelines for Texting Competitions and Promotions in Fiji to spell out clearly the dos and don'ts so that consumers are not misled.

Air Pacific (now Fiji Airways) amended advertisement "Buy a ticket and take a friend for half the fare." This was done to include the departure route and fare class applicability.

5. **Market Practices**, which restrict their consumer right to redress, are also monitored.

Bargain Box (Fiji) Ltd removed the 'non refundable' notice from their store and now provides a fitting room in their stores to allow consumers to try on clothes before purchasing the item.

7. **The Land Transport Authority** continued to remain under scrutiny by many consumers. It agreed to amend the receipts by removing 'Learners Permit' to avoid confusion particularly when the receipt is not issued for Learners Permit.

### Debt Management and Consumer Credit Advisory Services

The Council's Debt Management and Consumer Credit Advisory Service is a free of charge services where consumers can seek assistance and advice on taking or repaying loans or when they have multiple loan accounts or when their house is under mortgagee sale. The Council assisted consumers to repay their debts by creating a payment plan, budget and by making them understand their rights and responsibilities as borrowers.

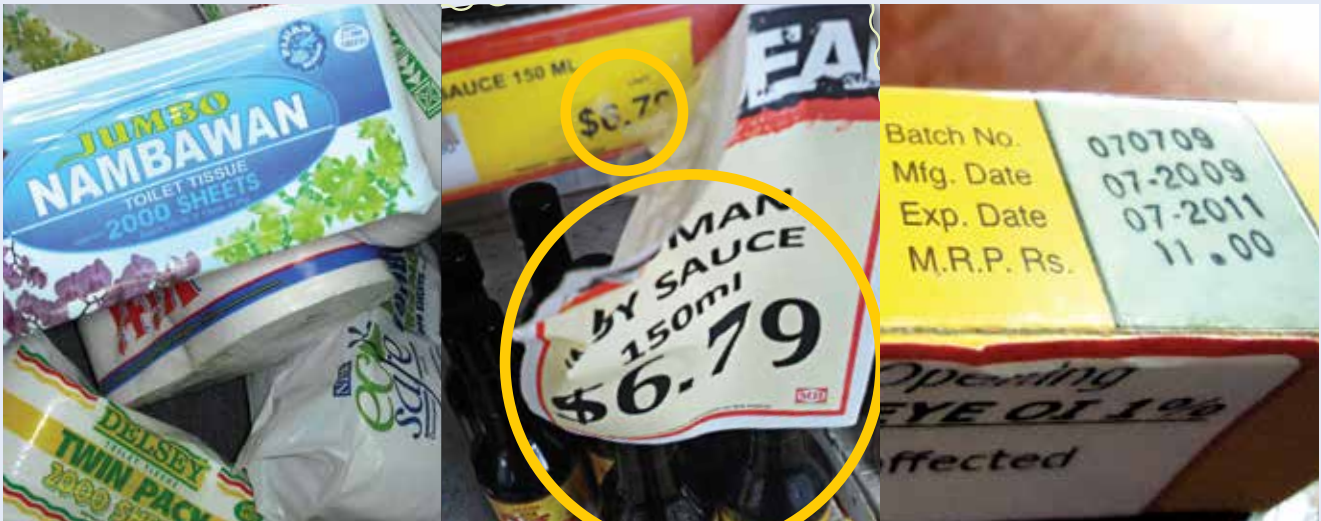
This programme was rolled out Fiji-wide after the government increased the Council's budget. It now has a full time staff dedicated to handling financial services complaints. The credit advisory work, in particular, has been very important over the year, as the Council worked hard and smart to protect some of the most vulnerable consumers.

In 2012, the Council assisted 48 consumers under the Consumer Credit and Debt Management initiative.



Demand for disclosure when buying goods on hire purchase

# Research and Policy Analysis



**Identify and undertake broad-based and complaints driven research on key consumer issues and consumer protection legislations to bring about necessary policy change.**

The Council took evidence-based approach to champion consumers' interests in this complex, changing world. Its research programme provided evidence on whether the markets and services work well or fail consumers. That evidence enables it to be powerful advocates for change to put consumers at the heart of policy-making. The Council continued to strengthen its market surveillance work through on-site engagement with traders in rectifying problems and issues affecting consumers. Market surveillance has resulted in consumers benefiting from improved value, choice and quality in products and services, and therefore less likely to encounter problems.

The following are key impacts achieved by the Council under each of the key objectives in 2012:



Council launches investigation on the CEBO brand.

## MARKET SURVEILLANCE

Market surveillance work comprising trader/service provider visits, mystery shopping, price checks, monitoring of business practices and others allowed the Council to gather evidence of non-compliance of consumer protection laws. Our market surveillance work is necessary to uncover bad business practices that lead to abuse of consumers' rights.

### Impact

In 2012, 245 trader visits were conducted where 233 traders and service providers immediately rectified problems relating to expired food items, damaged items, labeling issues, and so forth. The market surveillance work protected consumers from spending time and more money to seek redress later after buying products or services under dubious business practices. Some examples are provided below:

- **Consumers misled about CEBO origins:** The Council caught Payless Shoes marketing and promoting CEBO sandals with misleading promotions.

Payless Shoes was selling CEBO sandals with the words "CZECH REPUBLIC" inscribed on the sandals' soles and the inscription "Made in the Czech Republic" was used in the company's in-store flyers and posters. Upon the Council's investigation, it discovered that these claims were not true since the sandals were made in China and not the Czech Republic, as indicated on the sandals. Apart from the misleading and dubious labelling, what shocked the Council was the \$119 premium price tag on these sandals, which was only a dollar less in price than the last batch of genuine Czech Republic made CEBO sandals. CEBO used to be a leading up-market



An example of misleading price tag.

brand because of its quality, durability and the fact that it used to be made in the Czech Republic. Payless Shoes had to remove all the misleading information from in-store flyers, posters and other advertisements for its CEBO sandals. This was a typical example of consumers being misled.

- Unsubstantiated halal labelling:** Local food manufacturer Universal Enterprises Limited (UEL) (a Shop-n-Save sister company) was not complying with the law by using unsubstantiated halal labelling on its Farm624 pre-cooked sausages. The Food Safety Regulations require that any claims relating to religious or other rituals in the manufacturing, preparation and sale of food items are to be substantiated with appropriate certification or endorsement from a relevant religious body. UEL was unable to substantiate its halal claim and the company had to remove the sausages from retail shelves, and later modified its labels by removing the word halal. The Council's action was commended by the Fiji Muslim League, which had raised concerns that Muslims were being misled by the company. Similarly, the Council found expired halal certificates displayed by Kundan Singh's supermarket in Tamavua, Suva. The halal certificates for Imam's Duck Supplies were valid

until 31/12/2006; however, a visit to Kundan Singh's store by the Council on 3rd October 2012 found that the supermarket was still displaying the certificate. The supermarket immediately removed the expired certificates after the Council's intervention.

## MISLEADING ADVERTISEMENTS

The Council monitors advertisements to protect consumers against misleading information, false statements and gimmicky promotions whether it is print, audio, visual or online advertisements. These advertisements were scrutinised for accuracy, disclosure and compliance to relevant laws and regulations. The Council took action against 32 businesses for misleading advertisements. These businesses had to amend their advertisements. For example:

- Supermarkets:** The Council caught some supermarkets using misleading sale prices to lure customers. In most cases, sale and normal price were the same.
- Real estate sector:** Some realtors were using VAT exclusive prices (VEPs) for property listings. The Council made real estate companies like Realcorp and Titus Real Estate to amend their advertisements and use VAT inclusive prices (VIP) as required under the Value Added Tax Decree 1991.
- Mobile phone sector:** While competition between mobile phone operators is appreciated, there is still on-going concerns about unfair tactics used by operators, which misleads consumers. The Council continued to scrutinise mobile phone advertisements to avert these unscrupulous promotions from misleading consumers. The Council took mobile giant Vodafone to task for their "Call Anywhere in the World" (20cents per call) advertisement. The Council's investigation concluded that the promotion was applicable only to a limited number of eligible countries and not "anywhere in the world". Because of this, Vodafone corrected its advertisement and posters by amending its tagline to "Call the world for 20c".

Table 1

2012 Submissions	
TO	ABOUT
Fiji Commerce Commission	Guidelines for texting competitions/promotions
Ministry of Health	Proposed changes to hospital fees & charges
Reserve Bank of Fiji	Credit card surcharges
Fiji Commerce Commission	Connect's unfair contract and anti-competitive behaviour
Fiji Commerce Commission	Review of price control order, market practices – motor vehicle parts and accessories
Fiji Commerce Commission	Review of shipping fares and freight charges
Ministry of Finance	2013 Budget submission
Ministry of Works and Fiji Institute of Engineers	Review of the Engineers Act and Professional Engineers of Fiji Rules



Council made a submission on the Gas price

## SUBMISSIONS

The Council has statutory obligations to make representations to the Government or other parties concerning policies, laws and regulations and any initiative in the public or private sector that may have an impact on consumers in Fiji. To fulfil this role, the Council made eight submissions in 2012 (see table 1). The Council also made its submission to the Government's National Budget consultation with the intention of lowering the cost of living.

### Major Impacts

- **Gas under price control:** This was an impact realised in 2012 after a submission was made by the Council in 2010 to Fiji Commerce Commission (FCC). In August 2012, FCC placed gas under price control. FCC price control order of 2012 saw retail prices of LPG drop by 20%. While the Council's submission prompted the price regulator to take action, it acknowledges the role of vocal consumers who persistently raised the issue of LPG pricing in the "Letters to Editor" columns of the daily newspapers and through letters and emails to the Council and other agencies.
- **Removal of certain bank fees and charges by the RBF:** The Council's campaign in the financial services sector has produced some results. In January 2012, the Reserve Bank of Fiji (RBF) directed banks to remove fees related to inward dishonour cheque, early termination (exit), insufficient funds, unclaimed monies, dormant account, and over the limit fee for credit cards. The Council had consistently requested RBF and FCC to address high fees and charges in the banking sector. It had made a submission to the FCC and maintained pressure through the media on the issues. The Council's monitoring of banks in 2012 has found that some banks have suddenly imposed new and mysterious fees such as "discharge of document fees", and "surrender of documents on settlement" for customers terminating an account.

- **RBF upholds 'No Surcharge Rule' on credit and debit cards:** In September 2012 the RBF upheld the 'No Surcharge Rule' on credit and debit cards. The Council made its submission to the RBF in May 2012 highlighting the unfair fees and charges imposed by retailers on credit and debit card holders. Initially, RBF was conducting an inquiry into credit cards only. Amongst other requests, the Council requested RBF to extend its inquiry to include debit cards considering that the majority of consumers (with a bank account) use debit cards. RBF responded positively and included debit cards in the 'No Surcharge Rule' which came into effect on 1 November 2012.
- **Connect amends unfair customer contract terms:** The Council made a submission to the FCC on 27 February wherein it highlighted unfair terms and conditions used by internet service provider (ISP), Connect, on its new broadband plans under the name 'Connect Velocity'. The new service saw the data cap for the entry-level plan (which majority of customers subscribed to) drop from 5GB to 1GB per month and speeds increased from 512 to 1mb. Connect also had unfair data reload conditions, unfair exit fees and liability clauses. The ISP was made to amend the contract and to restore the data cap; remove a \$40.89 plan downgrade fee; extend reload data validity to 30 days; take responsibility for fixing network faults after initially passing this to TFL, although it is a subsidiary/brand of TFL; and remove an unfair indemnity clause. The Council's submission and lobbying against Connect was a major win for Connect customers, although more work needs to be done to create a fairer playing field for consumers.



Council made a submission to FCC on Connect Velocity in 2012.

# Campaigns, Information and Media



**Empower consumers with knowledge and information so that consumers can assert their rights and make their voices heard in the market place.**

Preventing harm in the first place is better for consumers than taking enforcement action afterwards. One of the ways the Council does this is by equipping consumers with the knowledge to protect themselves against unlawful practices. Consumers are becoming knowledgeable with information about their rights, and consequently stand a better chance of resolving problems and issues with traders and service providers.

The Council implemented a proactive and aggressive outreach and education programme for consumers-using media outreach, a comprehensive website, campaigns, mobile units, presentations, publications, and partnership opportunities. Through these activities the Council empowered and equipped consumers with knowledge, confidence, information and skills required to make appropriate choices and get the best value from traders and service providers.

## CONSUMER EDUCATION

The Council has a very important role to play in helping educate consumers on their rights when shopping for goods and services. They are able to connect easily when the Council staff go out in the localities disseminating appropriate information, especially in those areas where consumers do not have access to any form of media. In 2012, the Council's Campaigns, Information and Media team visited different areas of the country empowering as many consumers as possible.

### Major Impacts

- Around 10,544 consumers received consumer awareness through 146 awareness raising activities in the form of mobile units, school visits, workshops and

community visits conducted during the year. 5,174 females and 5,369 males directly benefitted from these programmes.

- Through its 29 mobile units and 42 community visits, the Council reached out to 3,874 (1827 females, 2047 males) consumers in their own localities, teaching them how to take steps to protect their money if goods are not of satisfactory quality. 41 complaints were lodged and 320 consumers were given advice during these programmes.
- From the 36 school visits, 4,949 students (2,434 females, 2,515 males) were made aware of their consumer rights and responsibilities.
- The Council was approached by a high number of secondary and tertiary students for assistance with their English research projects. This was the result of Council's media advocacy and school visit programmes. 30 regional students from New Caledonia visited the Council in May seeking assistance with their project on roles and functions of the Council. 20 overseas USP students also visited the Council to understand their rights and responsibilities to be effective consumers in the marketplace. A total of 158 students, teachers and members of the public were assisted during the year.
- Workshops conducted during the year numbered 39, which saw participation by a total of 1,721 (914 females, 807 males) consumers. The Council's increased profile and achievements over the years also have resulted in an increase in requests for it to be represented in many workshops organized by institutions such as the Fiji Media Watch, Women's Action for Change.

## Consumer Education Activities

**Table 1**

Summary of Consumer education activities		
Activity	Total	Number of participants
Mobile units	29	2,541 ((1094 Females, 1,447 males.
School visits	36	4,949 students(2,434 Females, 2,515 Males)
Community visits	42	1,333 participants (733 females, 600 males)
Workshops	39	1,721 participants (914 females, 807 males)
Total	146	10,544

## Seminars and Workshops

Workshop is a medium through which participants learn key issues on consumerism. Apart from attending events sponsored by other organisations, the Council also hosted its own events. The following were some of the major events:

**Table 2**

Major Seminars/Workshops/Conferences Conducted in 2012	
15 March	World Consumer Rights Day at Southern Cross Hotel in Suva
17 March	Consumer Networks Volunteer Training at Shirley Park in Lautoka
12 April	Consumer Education in Levuka
25 April	Consumer Education at Seaqaqa Police Bure in Labasa
26 April	Consumer Education at USP Conference Room in Labasa
13 June	Consumer Education at Crow's Nest in Sigatoka
4 October	Consumer Education at Ba Town Hall
5 October	Consumer Education at the Raj Associates Hall in Rakiraki

**Table 3**

Workshops/seminars conducted by other organisations.			
Date/place	Event	Topic	Presenter
10 March 2012 Parliament House	PM's Office	Role and Responsibility of Consumer Council and Nature of Consumer Complaints	CEO
22 March Suva Rotary Club	Rotary Club of Suva Meeting	Consumer Protection and Consumer empowerment	CEO
2 May & 24 June Tanoa Plaza in Suva.	Pacific Financial Inclusion Programme (FIN ED)	Read Before You Sign Understanding the basics of Hire Purchase Common consumer complaints Laws that protect consumers Redress mechanisms How Council can help teachers in schools with their FinED Fiji work	Dorine Narayan
3 May & 17 May Fiji Teachers Union Hall in Suva.	Women's Action for Change	Roles and functions of the Council Price Control issues  Landlord and tenancy issues Gas price survey FEA security deposits	Dorine Narayan
25 June Nadave	Fiji Inter-Provincial (I-P Adaptation) Forum 2012	Flooding Situation: Consumer concerns during 2012 floods	CEO
27 June Khatryia Hall, Labasa	Fiji Media Watch Capacity Building Workshop	Consumer Rights And Responsibilities through Media	Nanise

22 July, Fiji Club in Suva	Suva Retailers Association training and awareness forum	The Council and its roles Complaints lodged and issues raised Misleading trade practices in the market Counterfeit goods	Dorine Narayan
27 July Labasa Police Station	Fiji Community Policing Workshop	Consumer rights and responsibilities Roles and functions of the Council Importance of receipts Hire purchase Renting guide Money lending Lay-by	Savita Singh
5-6 September Holiday Inn	2012 National Financial Competency Development Workshop	Consumer Financial Protection and Consumer Empowerment	CEO
21 September 2012 Nadi	International Ozone Day celebration	COPOLCO Concerns & Impact of Montreal Protocol on Consumers	CEO
1 December	Amalgamated Pest Control Meeting	Roles and functions of Consumer Council Consumer interest in pest control	Ashika Singh

## Presentations at International Events

**Table 4**

Participation at international events			
Date/place	Event	Topic	Presenter
14-18 May 2012 Sofitel, Nadi	34th ISO/COPOLCO Workshop on How Do Consumers Know What They Are Getting?	Fighting against Consumer Product Fraud: An Island Perspective	CEO
14 May Sofitel, Nadi	34th ISO/COPOLCO Fringe Meeting	Consumer Participation in Standardization in FIJI	CEO
3-4 November 2012 Baku, Azerbaijan	Internet Governance Forum	Challenges in Reconciling Consumer Rights in Broadband Services: From an Island Perspective	CEO

## CONSUMER AWARENESS CAMPAIGNS

The Council uses campaigns as a medium to raise consumer awareness and to empower consumers to be aware of unethical practices in the marketplace. Through such campaigns consumers become conscious, proactive, critical, responsible and supportive to demand better quality of products and services and policy changes that are in their interest.

### World Consumer Rights Day (WCRD)

The Council held its annual event World Consumer Rights Day on 15 March, 2012 with the theme "Our Home Our Right: Fighting for Transparency in Mortgagee Sale". A total of 114 participants attended this event representing relevant government ministries and departments, private sector, NGOs, credit unions, financial institutions, real estate agents, judiciary and consumer groups. The outcome was encouraging because the Association of Banks in Fiji

agreed to work with the Council to improve information dissemination to mortgagors by developing minimum guidelines for financial institutions to follow prior to home repossession. BSP made the commitment at the workshop to improve default notices by including hardship clause provisions in the loan agreement.



Attorney-General, Aiyaz Sayed-Khaiyum, at the launch of the Hire Purchase Report

### Small Claims Tribunal (SCT)

In September 2012, the Council launched its campaign on Small Claims Tribunal to encourage consumers to use SCT services around Fiji to file complaints against traders and service providers. SCT advertisements were also aired on FBC & CFL radio station networks in all three languages to encourage consumers to seek redress. Advertisements on CFL were aired for a month from 26 September to 26 October and on FBC from 26 November to 26 December. A 35-second advertisement was also aired in cinemas and on television.

### Sustainable Consumption Project

The Council embarked on the Green Action Fund 2012 project on sustainable consumption, focussing on promoting energy-saver bulbs under the campaign slogan “Switch and Save”. It received funding support through Consumer International’s (CI) Green Action Fund 2012 from the Swedish Society for Nature Conservation. The campaign proper was scheduled for launch in January 2013.

### Ongoing Campaigns from 2011

The Council continued to advocate on its on-going campaigns-“Read before You Sign” and “Debt Management Services”. Articles based on these campaigns were published in the local dailies on a weekly basis from the beginning of the year as a part of the Council’s weekly newspaper feature articles.

The Council ran advertisements on “Read before You Sign (RBYS)” campaign on Fiji One Television in March with a total of 70 spots and 320 spots screened at Village 6 and Village 4 Cinemas. A 30 second commercial was aired in English, Hindi and I-Taukei radio stations including FM 96, Navtarang and Viti FM respectively from 9 to 30 April 2012.

## INFORMATION

The Council publicises its work widely to ensure it maximises the deterrent effect of interventions and raises awareness of the law and specific consumer protection risks. Being the voice for consumers, it continuously raised consumer grievances by lobbying for their rights, exposing unfair trade practices and the abuse of consumer rights in the market place. Throughout 2012, media organisations played a significant role in highlighting key consumer issues. They were the frontline agents for the dissemination of information to generate interests on issues affecting consumers.

### Radio Programmes

The Council’s radio programme had a wider outreach to rural and outer island consumers. The Council is able to penetrate the commercial radio stations such as Radio Sargam, Mix FM, Radio Fiji Two and others at no cost to raise consumer awareness. This allows the Council to reach out to consumers in the rural areas and the outer islands. A total of 1,226 unpaid radio programmes on 390 issues (English 133, Hindi 143, Fijian 114) were also conducted during this period amounting to a total of 4,960 minutes of air time.

Table 5

Radio Programs in 2012		
Radio Programs	Language	Total
Unpaid	English	508
	Fijian	364
	Hindi	354
Total	390 issues	1226 programmes

The Council’s advice and comments on top consumer issues including landlord/tenancy, mobile phone product defects, electronic goods defects and so forth were broadcast in radio news, radio talk back shows, current affairs and advisory programmes through English, I-Taukei and Hindi language stations.

### TV Programmes

Television has remained a powerful medium to highlight key consumer issues. The increasing number of TV programmes (350), including talkback shows (12), resulted in making consumers aware of current and emerging issues.

Table 6

TV Programmes in 2012	No. of Coverage
Fiji TV News	337
FBCTV News	
Mai TV News	
Dollars and Sense	10
Talkback Shows	12
Close Up	-
Talk Business	1
Pacific Way	-
Total	360



## Dollars & Sense

One of the biggest achievements for the Council in 2012 was the launch of its first ever consumer reality television show "Dollars & Sense". This show focussed on financial literacy associated with Hire Purchase and Consumer Credit Act. A total of 10 episodes were aired on national television, Fiji One, covering 38 issues with each episode of 24 minutes with three segments.

**Table 7**

Issues covered in Dollars and Sense	
16/10	Why money matters, loans and financial institutions' importance, existing consumer protection laws and its effectiveness, do we have appropriate institutions to deal with consumer grievance?
23/10	Hire Purchase (white goods) -warranties and cost of borrowing.
30/10	Hire Purchase (white goods) - hardship clause, restructure and repossession.
06/11	Home brands and fake energy labelling.
13/11	Findings of the report on 'Hire Purchase Industry in Fiji'.
20/11	Findings of the report on 'Hire Purchase Industry in Fiji'.
27/11	Hire Purchase (motor vehicles)-pre-disclosure, inspection, vehicle insurance, availability of spare parts.
04/12	Hire Purchase (motor vehicles) - repossession, odometer tampering, unsafe vehicles.
11/12	Home Loans-what is home loan, who is a mortgagor, consumer rights under home loans and mortgage sale, who is a guarantor and why do banks need them?
18/12	Home Loans-hardship, acceleration clause and mortgagee sale process, insurance, consumer rights upon termination



*Council Launches Dollars and Sense TV Programme.*

## Print Media

The Council sent out advisories and consumer shopping tips on a weekly basis via print media. Last year, a total of 413 newspaper articles were published with 250 issues, boosting awareness of the Council's actions. Apart from the coverage in the newspapers, the Council published a total of 131 advisory articles. This comprised 66 feature articles, 47 shoppers guide and 18 other advisories on various topics which were published in the local dailies

**Table 8**

Newspaper Articles in 2012 (Languages)	Number of Coverage
English	366
Fijian	19
Hindi	28
Total	413

## Website Hits

The use of internet has become a popular means of accessing information. Consumers are now finding it easier to access information through the Council's website. www.consumersfiji.org. The Council recorded a total of 388, 937 website hits for the year.

The Council also made increasing use of social media to publicise its actions and engagement with the consumers. Its Facebook page continues to remain popular with currently 1,761 friends and an access to online website is a fast growing medium for consumers to access first hand information on the most current and up to date topics and issues.

In 2012, the Council's press releases and statements were covered online by various local and international media outlets. 481 articles were posted on various websites with 224 issues on 35 different websites.

**Table 9**

Website Coverage in 2012		
No. Of Website	No. Of Issues Covered	Total no. Of articles Online
35	224	481

## Publications

Eight new publications were added to the Council's resources to educate, inform and empower consumers. Two quarterly newsletters, one fact sheet, two brochures and three reports were produced. "Money Lending" and "About CCF brochures" were reproduced while Debt Management and Read Before You Sign (RBYS) brochures were reprinted.

Some of the publications produced in 2012 were:

- Consumer Watch newsletter;
- Fact sheet on Switch and Save;
- Brochure on Yours Rights under Hire Purchase;
- Brochure on Unfair Trade Practices;
- Report on the Hire Purchase Industry in Fiji;
- Report on the Review of Consumer Credit Act & Regulations – from Consumer Perspective; and
- Report on the Review Report on Existing Consumer Protection Laws of Fiji: A Way Forward.

The above activities/events have made the CIM Division extremely busy and successful in 2012. The Council is proud of the work it does especially in achieving its role in raising consumer awareness.

# Administration, Finance & Project Management



**To manage the Council's resources prudently and efficiently in accordance with good governance practices. To maintain and adhere to a healthy work environment with a work culture that promotes organizational pride.**

## Finance

The Consumer Council of Fiji signed a service agreement in 2012 with the Minister for Industry and Trade which outlined the key result areas and the targets to be achieved. To deliver the targets, the Council received a grant of \$700,000.00 (VAT inclusive) from the government. The Council is grateful to the government for increasing the budget by \$100,000.

With this grant, the Council operated three offices located in Suva, Lautoka and Labasa with a staff complement of 22.

## Donor Funded Projects

In 2012, the Council secured F\$111,625.57 from two donor agency/parties - European Union and Consumers International- to assist in achieving its corporate goals and objectives.

### Project 1: Strengthening consumer rights in Fiji and eliminating unfair trade practices through advocacy and enforcement of consumer protection laws

This project was funded by the European Union, under which the following activities were undertaken:

- Review of consumer protection laws

Ten consumer protection legislations were reviewed. Significant recommendations were made to amend the existing legislations. A report entitled "Review Report on Existing Consumer Protection Laws of Fiji: A Way Forward" was published by the Council in March, 2012. A consumer protection decree which establishes a consumer tribunal is proposed to provide cost effective redress to consumers.

- **Small Claims Tribunal Campaign**

The Council embarked on a campaign to educate consumers around Fiji on the services provided by Small Claims Tribunal. 35-second advertisements on the roles and functions of the Small Claims Tribunal were run in the cinemas, on television and radio which captured all consumers around Fiji. The advertisements over the radio were in three languages (English, Hindi and Fijian) to ensure that consumers know where and how to make a claim against their trader and service provider.

- **"Information Centre" at the Council**

An information centre was established to improve manual and e-filing of the Council documents. The introduction of proper filing system at the registry facilitates access to

**Table 1**

**Summary of Donor Funding**

Donor Agency/parties	Amount Received	Project
European Union	\$104,793.39	Strengthening consumer rights in Fiji and eliminating unfair trade practices through advocacy and enforcement of consumer protection laws
Consumers International	\$2,622.03	Broadband campaign
Consumers International	\$4,210.15	'Switch and Save' campaign

consumer information and public participation in consumer related matters. A proper system for the Council library, in particular, the indexing of the periodicals, books and documents kept at the registry, has been introduced. Staff at the Council have been trained on indexing/cataloguing of the documents/publications kept in the registry.

- **Symposium on Strengthening Consumer Protection and Redress Mechanisms**

A symposium on “Strengthening Consumer Protection and Redress Mechanisms” was held in collaboration with Fiji National University and Fiji Commerce Commission at Fiji National University, Raiwai Campus on 27 November, 2012. It was opened by Mr. Jerome Pons, Head of the Economic and Social Section, European Union. This educational activity provided a platform to discuss the importance of consumer protection and why there is a need to strengthen redress mechanisms in Fiji. The main objective of the symposium was to ensure that consumers are aware of the various redress mechanisms that are available to deal with consumer grievances and to gauge the effectiveness of these mechanisms.

- **Project 2: Consumer Financial Protection and Building Credit Competency for Vulnerable Groups**

This project was funded by AusAID which started in 2011 and continued in 2012. Its objective was to empower consumers on their rights and obligations including redress when accessing credit. The following activities were launched as part of this project:

- Campaign on “Read Before You Sign”

This campaign aimed to educate and place more responsibility on consumers to read their credit contracts and understand their financial obligations before they enter into credit contracts. The Council ran advertisements on “Read before You Sign” through the following medium:



Council staff at COPOLCO

- Cinema: The advertisements ran from 8th March to 4th April 2012 in 2 cinemas in Village 6 (Suva) and 2 in Village 4 (Lautoka) for 7 days in a week;
- Fiji One Television: The advertisements ran from 11th to 31st March 2012;

- Radio Advertisement: The advertisements ran from 13th to 30th April on FM96, Navtarang, and Viti FM; and
- Dollars and Sense TV Programme

The Council launched its first ever consumer programme on television in 2012 in partnership with AusAID and Fiji TV. It launched a weekly programme on 16th October, 2012. The programme has been designed to educate and empower the general public on their rights and responsibilities when accessing credit such as hire purchase and other forms of consumer finance. This programme highlighted real life experiences of consumers and informed people facing similar situations about their rights and what they need to do to make sure their rights are protected.

- Launch of Reports on “The Hire Purchase Industry in Fiji” & “Review of Consumer Credit Act and Regulations... From Consumers’ Perspective”

These two reports were launched by the Minister for Industry and Trade, Mr. Aiyaz Sayed Khaiyum, on 19 July, 2012 at the Southern Cross Hotel in Suva. The findings and recommendations in the reports were presented by the consultants at the launch. The reports focused on the existing problems faced by consumers and highlighted the unethical practices in the credit sector.

- Workshops/Seminars

In conjunction with the European Union and AusAID, the Council conducted a total of 18 workshops in 2012. They included topics on Debt Management and Consumer Credit Advisory Services, Read before You Sign Campaign, Hire Purchase, Consumer Credit Act, Travel Agents, Redress Mechanisms, Lay-Buy, Consumer Rights and Responsibilities, Stretching Your Dollar, Hygiene Standards in Restaurants, Food and Safety Act, and Commerce Commission Decree 2010. The workshops were held in the central, western, eastern and northern Divisions. A workshop was also conducted in Levuka with support from the Young Women’s Christian Association (YWCA).

- **Project 3: Sustainable Consumption Project**

The Sustainable Consumption project was funded by Consumer International’s Green Action Fund which is supported by the Swedish Society for Nature Conservation (SSNC). The Council promoted the use of energy saver light bulbs to consumers so they could reduce their electricity bills and contribute to sustainable consumption. An awareness was created in consumers to exercise their social responsibilities towards the environment and get value for money by conserving energy when switching from conventional light bulbs to energy-saver ones. A factsheet on ‘SWITCH& SAVE’ was produced and distributed to the consumers and members of the general public.

**Table 2**

Summary of trainings conducted in 2012.		
Date	Training programs/In house trainings	Details
7May- 15 June	By Australian Business Volunteer (ABV) Ms. Christina Burton	Engaged to setup the Council's registry and complaints database system. Attended by Manager RPA
10 May	EU Log Frame and Result Monitoring Coaching by EU Consultant – Mr Wilco Liebrechts and Ms Eleni Tevi	Held in-house. Attended by Project Manager and Finance Officer
31 May	Information session on call for proposals 2012	Held at the European Union Delegation conference room. Attended by Project Manager
15 June	Training with the EU Delegation for an information session on human rights based approach	Held at the European Union Delegation conference room. Attended by CEO and Project Manager
20 June	Managing Customer Complaints	Held at Prime Vision. Attended by Ashika Singh
20 June	EU Delegation for an information session on EU call for proposals	Held at the European Union Delegation Conference Room. Attended by CEO and Project Manager
16 August	Evaluation of log frame training	Held at the European Union Delegation Conference Room. Attended by Project Manager and Finance Officer
21 September – 11 October	Volunteer from Sweden, Ms Emma Bengtsson	Assisted the Council's Green Action Fund project funded by Swedish Society for Nature Conservation; she conducted a survey for the use of energy saver bulbs.
17-18 October	Business Writing Skills	Held at Prime Vision. Attended by Dorine Narayan and Ranjaline Wati
02 November	Training on investigative journalism by Lea Thompson- American Embassy	Held at the Council. Attended by Dorine Narayan, Josua Namoce, Bindula Prasad
20-21 November	Prime Vision Ltd - 2 days training program on "The Supervisor"	Attended by Asish Kumar at the Friendly North Inn – Labasa

## Human Resources

Staff resources have improved with the recruitment of multi-skilled university graduates and potential candidates judged not only on qualification but commitment to the consumer cause. In 2012, a total of 12 graduates were recruited which enhanced the productivity of the Council. On the other hand, ten staff members resigned which reflect the marketable nature of our staff having worked at the Council. During the year, two staff contracts were terminated.

The Council maintained its policy of 3-year contracts for its executive and senior management staff to ensure stability and continuity in the leadership. It engaged seven interns and three temporary staff who helped in achieving its goals but more importantly, to nurture a new breed of consumer rights advocates. The performance management system in place has resulted in high outputs and boosted morale of staff in the performance of their duties and responsibilities.

## Training

The Council has invested in the skills and expertise of its staff. In 2012, staff attended ten short training programmes, which were held at TPAF, European Union, Prime Vision and in-house, to upgrade their skills and knowledge.



Delegates at the COPOLCO 2012.

## Board Meetings

In 2012, the Council held only one (1) Board meeting with a total of 8 Board papers presented. The Board term expired on 31st January 2012 and the Council operated without a Board for the rest of 2012.

## Staff and Management Meetings

Four (4) staff briefings and five (5) management meetings were held during the year.

## International Conference / Training / Workshops / Seminars

The Council staff attended the following Conference/ Training/Workshops/Seminars:

**Table 3**

International engagements			
Date	Event	Location	Details
5-9 March	CI Regional Members Meeting	Kuala Lumpur, Malaysia	Attended by Josua Namoce. Funded by Consumers International.
14-18 May	34th ISO/COPOLCO Conference and meetings	Sofitel Resort & Spa Nadi, Fiji	Attended by 3 managers, regional coordinator, CEO and other staff. Funded by the Government of Fiji.
3-8 November	Best Bits meeting and Internet Governance Forum	Baku, Azerbaijan	Attended by CEO. Funded by Consumers International
4-5 December	Citi – FT Financial Summit	Manila, Philippines	Attended by Bindula Prasad. Funded by the European Union.



Participants At COPOLCO.

# Contents

Independent Audit Report	22
Management Certificate	23
Schedule 1 Balance Sheet	24
Schedule 2 Statement of Income and Expenditure	25
Schedule 3 Statement of Changes In Accumulated Funds	27
Schedule 4 Statement of Cash Flow	28
Schedule 5 Notes to and Forming Part of the Financial Statements	29



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Excellence in Public Sector Auditing

**CONSUMER COUNCIL OF FIJI**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012**

**INDEPENDENT AUDIT REPORT**

**Scope**

I have audited the financial statements of Consumer Council of Fiji for the year ended 31 December 2012. The audit was conducted in accordance with the provisions of section 52 of the Consumer Council Act and Section 13 of the Audit Act. The financial statements consist of the Balance Sheet, Statement of Income and Expenditure, Statement of Changes in Accumulated Funds, Statement of Cash Flows and the accompanying notes. The Consumer Council of Fiji is responsible for the preparation and presentation of the financial statements and the information contained therein.

I have conducted an independent audit of these financial statements in order to express an opinion on them.

My audit has been conducted in accordance with the Fiji Standards on Auditing to provide reasonable assurance as to whether the financial statements are free of material misstatements. My audit procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with the Fiji Accounting Standards and statutory provisions so as to present a view which is consistent with my understanding of the Consumer Council of Fiji's financial position, the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

**Audit Opinion**

In my opinion, the financial statements of Consumer Council of Fiji present fairly in accordance with Fiji Accounting Standards, the financial position as at 31 December 2012 and the result of its operations and its cash flows for the year then ended.

I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit.

Tevita Bolanavanua  
**AUDITOR GENERAL**

5 November 2013  
Suva, Fiji




**CONSUMER COUNCIL OF FIJI  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012**


**MANAGEMENT CERTIFICATE**

We certify that these financial statements:

Have been drawn up so as to give a true and fair view of the state of affairs, operations and cash flows of the Consumer Council of Fiji for the year ended 31 December 2012.

  
\_\_\_\_\_  
Mr. Raman Dahia  
Chairperson

Date: 8/10/13

  
\_\_\_\_\_  
Ms. Premila Devi Kumar  
Chief Executive Officer

Date: 8/10/13

CONSUMER COUNCIL OF FIJI  
BALANCE SHEET AS AT 31 DECEMBER 2012

	Note	31 December 2012 (\$)	31 December 2011 (\$) <i>(Restated)</i>
<b>Current Assets</b>			
Cash on Hand & at Bank	2	165,794	273,211
Other Debtors	3	10,531	10,531
Prepayments		1,339	1,342
<b>Total Current Assets</b>		<b>177,664</b>	<b>285,084</b>
<b>Non Current Assets</b>			
Fixed Assets (Less Depreciation)	4	38,153	40,891
<b>Total Non Current Assets</b>		<b>38,153</b>	<b>40,891</b>
<b>TOTAL ASSETS</b>		<b>215,817</b>	<b>325,975</b>
<b>Current Liabilities</b>			
Accounts Payables & Accruals	6	50,659	47,281
VAT Payable		72,317	73,013
Provision for Annual Leave		11,810	11,663
Deferred Grant		38,153	40,891
<b>Total Current Liabilities</b>		<b>172,939</b>	<b>172,848</b>
<b>NET ASSETS</b>		<b>42,878</b>	<b>153,127</b>
<b>TOTAL ACCUMULATED FUNDS</b>		<b>42,878</b>	<b>153,127</b>

(The accompanying notes are to be read in conjunction with the Financial Statements)



**CONSUMER COUNCIL OF FIJI**  
**STATEMENT OF INCOME AND EXPENDITURE (OPERATING GRANT)**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

Notes	31 December 2012 (\$)	31 December 2011 (\$)
<b>Income</b>		
Grant from Government of Fiji	591,949	531,281
Other Grants	120	107,852
Sundry Income	19,039	17,048
Deferred Grant Income	20,937	22,244
<b>Total Income</b>	<b>632,045</b>	<b>678,424</b>
<b>Expenditure</b>		
Advertising	12,852	10,894
Audit Fees	3,908	3,652
Bank Charges	1,033	847
Consultants	1,640	521
Council Expenses	138	10,942
Depreciation	20,937	22,244
Electricity and Water	25,296	24,080
Entertainment	438	208
TPAF	3,512	3,458
Insurance	5,809	5,521
IT Support	5,087	4,741
Labour Disputes	-	4,200
Office Expenses, Stationery & Publication	19,898	19,435
Research	310	98
Rent and Rates	50,061	50,061
Repairs on Office Equipment, Furniture & Fittings	1,680	3,576
Running Expenses - Motor Vehicles	16,903	9,932
Salaries, Wages & Related Payments	379,692	341,233
FNPF Expenses	29,270	26,840
Subscription	2,207	1,991
Sundries	1,482	2,399
Telephone & Postage Charges	15,261	14,879
Training & Workshop Expenses	1,210	455
Travelling Expenses	17,239	21,134
TV, Radio Broadcast	-	3,461
World Consumer Rights Day	2,560	5,586
<b>Total Expenditure</b>	<b>618,423</b>	<b>592,388</b>
<b>Net Surplus for the year</b>	<b>13,622</b>	<b>86,037</b>

# CONSUMER COUNCIL

## STATEMENT OF INCOME AND EXPENDITURE (DONOR FUNDED)

### FOR THE YEAR ENDED 31 DECEMBER 2012

	Note	31 December 2012 (\$)	31 December 2011 (\$)
<b>Income</b>			
Grant from European Union		201,395	313
Grant from AUSAid		-	270,609
Other Grants	8	6,832	2,263
<b>Total Income</b>		<b>208,227</b>	<b>273,185</b>
<b>Expenditure - European Union</b>			
Salaries (Local staff)		33,012	44,467
Salaries (Gross expatriate)		8,025	12,000
Per Diem - Abroad		-	4,363
Per Diem - Local		2,262	3,884
Local Transportation		1,144	1,905
Vehicle cost		908	173
Consumables - office supplies		5,534	3,770
Other Services (tel, fax, electricity)		-	739
Publications		12,825	9,220
Studies, research		5,000	6,400
Translation, interpreters		400	-
Advertisement		9,541	551
Radio Programs/Mass Media		42,763	5,500
Costs of conferences		665	11,070
Training cost		6,513	-
Incidental cost		7,978	836
<b>Expenditure - AUSAid</b>			
Salary of Project Officer		1,104	16,987
Per Diems for travel/activities		825	625
Analysis of Consumer Credit Laws		49,275	29,899
Preparation and dissemination of TV materials		14,800	12,035
Resource materials including radio programs		126,420	-
Workshop/seminar/community visits		912	2,428
Equipment		887	2,145
Audit cost		347	-
Other grant expenses	8	957	415
<b>Total Expenditure</b>		<b>332,098</b>	<b>169,412</b>
<b>Net (Deficit)/Surplus for the year</b>		<b>(123,871)</b>	<b>103,773</b>

CONSUMER COUNCIL OF FIJI  
 STATEMENT OF CHANGES IN ACCUMULATED FUNDS  
 FOR THE YEAR ENDED 31 DECEMBER 2012

	Note	31 December 2012 (\$)	31 December 2011 (\$)
Accumulated funds brought forward (Operating)		(158,132)	(244,169)
Net Surplus for the Year - Operating		13,622	86,037
		<u>(144,510)</u>	<u>(158,132)</u>
Accumulated funds brought forward (Donor Fund)		266,751	162,978
Net (Deficit) for the Year - Donor funds		(123,871)	103,773
		<u>142,880</u>	<u>266,751</u>
<b>Add:</b> Asset Revaluation Reserve		44,508	44,508
Total Accumulated Fund		<u>42,878</u>	<u>153,127</u>

**CONSUMER COUNCIL OF FIJI**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

	Note	31 December 2012 (\$)	31 December 2011 (\$)
<b>Cash Flows from Operating Activities</b>			
Receipts from customers		819,335	818,731
Payments to suppliers and employees		(908,553)	741,203
<b>Net cash provided by Operating Activities</b>	5	<u>(89,218)</u>	<u>77,528</u>
<b>Cash flows from Investing Activities</b>			
Payment for property, plant and equipment		(18,199)	(2,420)
<b>Net cash used in Investing Activities</b>		<u>(18,199)</u>	<u>(2,420)</u>
<b>Net Decrease in Cash &amp; Cash Equivalents</b>		(107,417)	75,108
Cash and Cash Equivalent at the Beginning of the Year		273,211	198,103
<b>Cash and Cash Equivalent at the End of the Year</b>	2	<u>165,794</u>	<u>273,211</u>

**CONSUMER COUNCIL OF FIJI**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

**Note 1: Summary of Significant Accounting Policies**

Set out hereunder are the significant accounting policies adopted by the Council in the preparation of the accounts for the year ended 31 December 2012. Unless otherwise stated, similar policies were adopted in the previous year.

**(a) Basis of Accounting**

The accrual basis of accounting has been adopted for all the financial transactions. The accounts have been prepared using the historical cost convention, which permits the revaluation of non-current assets but otherwise has no regards to changes in the price levels.

**(b) Depreciation**

Depreciation has been provided using straight line method to write off the assets over their useful lives. The principal rates adopted are:

Furniture	10-15% per annum
Office equipment	10-25% per annum
Motor vehicle	20% per annum

**(c) Income Tax**

The Council is exempted from income tax in accordance with the provisions of section 8 of the Consumer Council Act (Cap 235).

**(d) Value Added Tax (VAT)**

The statement of financial performance and statement of cash flows have been prepared so that all components are settled exclusive of VAT.

**(e) Cash and cash equivalents**

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of cash flow statement, cash and cash equivalents comprise of cash on hand and cash at bank.

**(f) Employee Benefits**

- (i) All employees who are Fiji Citizens are members of the Fiji National Provident Fund, an independent statutory administered fund. The Council has no liability for current or past activities.
- (ii) The amounts expected to be paid to employees for the pro-rata entitlement to long services, annual and sick leaves are accrued annually at current pay rates having regard to experience of employee's departures and period of service.

**(g) Deferred Grant**

Grants that compensate the Council for expenses incurred are recognized as revenue in the income statement on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Council for the cost of an asset are recognized in the income statement as revenue on a systematic basis over the useful life of the asset.

**(h) Audit Fees**

An amount of \$3,908 provided during the year to account for the 2011 Audit Fees. This has been included in expenses as at balance date.

**(i) Comparative Figures**

Previous years figures have been regrouped where necessary for comparison purposes.

**CONSUMER COUNCIL OF FIJI**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

	<b>31 December 2012 (\$)</b>	<b>31 December 2011 (\$)</b>
<b>Note 2 Cash on Hand &amp; at Bank</b>		
Cash on Hand	600	564
Cash at Bank:	22,314	5,896
	46,827	266,751
	96,053	-
	<u>165,794</u>	<u>273,211</u>
<b>Note 3 Other Debtors</b>		
Debtors	462	462
Refundable Deposits	10,069	10,069
	<u>10,531</u>	<u>10,531</u>
<b>Note 4 Property, Plant and Equipment</b>		
(i) Fixed Assets are stated at cost and have been included in the accounts on the following basis:		
<b>Furniture &amp; Fittings</b>		
<b>Cost :</b>		
At 1 January	14,372	13,617
Additions	10,577	756
Disposals	-	-
At 31 December	<u>24,949</u>	<u>14,372</u>

**CONSUMER COUNCIL OF FIJI**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

	<b>31 December 2012 (\$)</b>	<b>31 December 2011 (\$)</b>
<b>Note 4 Property, Plant and Equipment</b>		
Depreciation and Impairment		
At 1 January	7,718	5,870
Depreciation for the year	2,323	1,848
At 31 December	<u>10,041</u>	<u>7,718</u>
<b>Net Book Value</b>	<b><u>14,908</u></b>	<b><u>6,654</u></b>
<b>Office Equipment</b>		
<b>Cost :</b>		
<i>At 1 January</i>	99,270	97,604
Additions	7,622	1,665
Disposals	-	-
At 31 December	<u>106,892</u>	<u>99,270</u>
Depreciation and Impairment		
At 1 January	86,199	77,802
Depreciation for the year	6,615	8,397
At 31 December	<u>92,814</u>	<u>86,199</u>
<b>Net Book Value</b>	<b><u>14,078</u></b>	<b><u>13,071</u></b>
<b>Motor Vehicle</b>		
<b>Cost :</b>		
<i>At 1 January</i>	60,000	60,000
Additions	-	-
Disposals	-	-
At 31 December	<u>60,000</u>	<u>60,000</u>
Depreciation and Impairment		
At 1 January	38,833	26,833
Depreciation for the year	12,000	12,000
At 31 December	<u>50,833</u>	<u>38,834</u>
<b>Net Book Value</b>	<b><u>9,167</u></b>	<b><u>21,166</u></b>
<b>Total Net Book Value</b>	<b><u>38,153</u></b>	<b><u>40,891</u></b>

**CONSUMER COUNCIL OF FIJI**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

	31 December 2012 (\$)	31 December 2011 (\$)
<b>Note 5 Reconciliation of Net Cash Provided by Operating Activities to Operating Surplus</b>		
Net Surplus/(Deficit) for the Year (operating)	13,622	86,037
Net Surplus/(Deficit) for the Year (Donor)	(123,871)	103,773
Depreciation	20,937	22,244
(Increase)/Decrease in Prepayments	3	200
Increase/(Decrease) in Accounts Payables & Accruals	3,378	3,691
Increase/(Decrease) in VAT Payable	(696)	(119,831)
Increase/(Decrease) in Provision for Annual Leave	148	1,238
Increase/(Decrease) in Deferred Grant Liability	(2,738)	(19,824)
<b>Net Cash Provided by Operating Activities</b>	<b><u>(89,218)</u></b>	<b><u>77,528</u></b>
<b>Note 6 Accounts Payables and Accruals</b>		
Accounts Payable	10,220	10,220
Accruals	40,439	37,061
	<b><u>50,659</u></b>	<b><u>47,281</u></b>
<b>Note 7 Related Parties</b>		
<b>(a) Identity of related parties</b>		

The Council incurs and bears the cost of the Consumer Council of Fiji meetings and provides allowances to non-civil servant and benefits to the members of the Council as determined by the Council with the approval of the Minister in accordance with the Consumer Council Act 1976.

**(b) Transactions with related parties**

Council Expenses	138	10,942
Government Grant	591,949	531,281
	<b><u>592,087</u></b>	<b><u>542,223</u></b>

The Government provided a grant to the Consumer Council of Fiji during the year comprising of operating grants of \$591,949 (2011: \$531,281) in accordance with the Consumer Council Act 1976.



**CONSUMER COUNCIL OF FIJI**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

	<b>31 December 2012 (\$)</b>	<b>31 December 2011 (\$)</b>
<b>Note 8 Other Donor grants:</b>		
Green Action Fund	4,210	-
Consumers International - Broadband Research	2,622	1,265
Consumers Korea	-	998
<b>Total</b>	<u><b>6,832</b></u>	<u><b>2,263</b></u>

**Note 9 Restatement of 2011 accounts**

The 2011 account has been restated as donor funds previously classified under grants payable has been reclassified and correctly disclosed in a separate Statement of Income and Expenditure from 2012 which was not disclosed previously. 2010 closing balance for donor accounts is brought forward in the 2011 accounts.

**Note 10 Council Members**

There was no Board appointed in 2012. The Board term expired on 31/01/12.

**Note 11 Principal Activities**

The principal purpose of the Council is to provide the protection and promotion of consumer interests, informing consumers of their rights and responsibilities and mobilizing consumers to achieve fairness and safety in the marketplace.

**Note 12 Council Details**

(i) *Registered Office and Located Place of Operation*

The registered office and place of operation of the Council is located at:  
4 Carnarvon Street  
Private Mail Bag  
Suva

(ii) *Staff Establishment*

As at balance date, total of 18 employees were employed by the Council.

# Our Commitment To Consumers For The Year 2013

The Council, after achieving positive results in 2012, is excited to take up more challenges in 2013 to better protect the consumers. It is planning to do the following:

- **Workshop to Sensitise Judges and Magistrates**

In 2013, the Council intends to create a fair marketplace for consumers through consumer information and redress mechanisms by using its donor funds to the sum of FJD\$ 242,402 given by the European Union. It will engage consumer experts to conduct workshops to sensitise judges and magistrates on the new international trends in policies, practices, laws and, in particular, redress mechanisms used in safeguarding consumers in the marketplace. This will assist the judges and magistrates in the decision making processes while handling consumer complaints.

- **Training in Mediation**

Small Claims Tribunal, Fiji Commerce Commission and Consumer Council of Fiji play an important role in solving disputes arising from unfair trade practices. Therefore, resolving consumer complaints by way of mediation is a cost effective, speedy and efficient method. The training of mediators will strengthen legal protection of consumers which will act as a deterrent to consumer abuse. The business community or traders and service providers will also be certain that complaints against them will be handled professionally and impartially.

- **Formation of community consumer advisory group (CCAG)**

To better protect consumers in rural and outer islands, the Council will set up groups which will be made up of volunteers who will actively participate in promoting consumer rights and protecting consumers' from unfair trade practices by being the "eyes" and "ears" of the Consumer Council of Fiji.

- **Campaign**

Furthermore, the Council will launch a broadband campaign titled "Holding Broadband Providers to Account". This campaign will focus on broadband nutrition labeling which is about lobbying ISPs to have fair and accurate disclosures that include: reliability, service limits & conditions, pricing, speed variation and other information.

- **World Consumer Rights Day**

The Council will mark world consumer rights day on the theme- Consumer Justice Now: Call for Reforms. With this theme, the Council will seek major policy reforms in the financial sector targeting six key areas where consumers are poorly protected These are: Hire Purchase ; Mortgagee Sale; Fiji Data Bureau Operations; Insurance; Money lending and Consumer Credit Act.

WCRD 2013 theme will inspire Fijian consumers to demand for a more concerted, intensive and aggressive effort towards new consumer protection measures against unfair and deceptive practices in the financial sector. For far too long, our consumers have suffered in silence and it is now appropriate to call for real action towards protecting the consumers from financial service providers.



**The right to satisfaction of basic needs:**

The right to basic goods and services which guarantee survival;adequate food, clothing, shelter, health care, education and sanitation.

**The right to safety:**

The right to be protected against the marketing of goods or the provision of services which are hazardous to health and life.

**The right to be informed:**

The right to be protected against honest or misleading advertising or labelling. And the right to be given the facts and information needed to make an informed choice.

**The right to choose:**

The right to choose products and services at competitive prices with an assurance of satisfactory quality.

**The right to be heard:**

The right to express consumer interest in the making and execution of government policies.

**The right to redress:**

The right to be compensated for misrepresentation, shoddy goods or unsatisfactory services.

**The right to consumer education:**

The right to acquire the knowledge and skills necessary to be an informed consumer.

**The right to a healthy environment:**

The right to live and work in an environment which is neither threatening nor dangerous and which permits a life of dignity and well-being.

**The right to service:**

The right to receive the highest possible standard of service from public and private sector service providers regardless of consumers income and irrespective of whether they live in an urban or rural area.

