



CONSUMER COUNCIL OF FIJI

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The Consumer Council of Fiji (CCF) is an independent statutory body established under the Consumer Council of Fiji Act -1976 (Cap 235). The Council, as a watchdog protects the rights and interests of consumers by promoting a fair and just delivery of goods and services. First and foremost the Consumer Council is an advocacy organisation, conducting rigorous research and policy analysis on key consumer issues. CCF's insight into consumer need is a powerful tool for influencing decision-makers to bring about change. The Council protects vulnerable groups such as rural poor, physically and mentally challenged, children and women by identifying and articulating the policy issues that are of importance to the consumers.

FUNCTIONS OF THE COUNCIL

Section 6 of the Consumer Council of Fiji Act stipulates the functions of the Council. The Council is required to do such acts and things it considers necessary or expedient to ensure that the interests of the consumers of goods and services are promoted and protected.

- Advising the Minister on such matters affecting the interests of the consumers;
- Making representations to the Government or any other person/organisations on any interests of consumers;
- Collecting, collating and disseminating information in respect of matters affecting the interest of consumers;
- Supporting or maintaining legal proceedings initiated by a consumer, where such support is deemed necessary;
- Conducting research and investigations into matters affecting consumers;
- Advising and assisting consumers on matters affecting their interests;
- Co-operating with any person, association or organisation outside Fiji having similar functions and becoming a member of or affiliate to any international organisation concerned with consumer matters; and
- Soliciting and accepting for the purposes of the Council any money, land, or other property from the Government, any local authority, public body, organisation, any person by way of grant, subsidy, donation, gift, or otherwise.

SERVICES

1. Campaigns, Information & Media Division

To empower consumers with knowledge and information to bring about reforms in policy and practice that adversely affect consumer interests.

2. Alternative Dispute Resolution & Consumer Advisory Division

To assist consumers in resolving complaints through alternative dispute resolution, advisory services and legal representation.

3. Research & Policy Analysis Division

To identify and undertake broad-based and complaints driven research on key consumer issues and consumer protection legislations that promote and protect consumer interests through necessary policy changes.

Board Members of 2010



Chairman

Mr. NARENDRA PADARATH

Mr. Narendra Padarath is a Justice of the Peace and a well-known businessman. He is the Managing Director of the Padarath Group of Companies, which amongst other achievements pioneered large scale poultry production in Fiji. He has served in a leadership role on a number of charitable, educational and sporting bodies. Mr. Padarath served as a Member of Parliament for the Ba West Indian Communal Constituency in 2006. He continues to serve the people of Ba and Fiji.

Mr. RAMAN DAHIA

Mr. Dahia is the Chief Operating Officer and Finance Director of Dahia Shoes Operating Entities. An accountant by profession, Mr. Dahia is also an executive member of the Fiji-New Zealand Business Council. He also serves on the board of the Samabula Health Centre.



Dr. SALESI F SAVOU

Dr. Savou is the longest serving board member of the Council since 1989. He was employed by the Ministry of Health as the Acting Director of Primary and Preventative Health Services from 1986 – 1988. After his retirement in January 1988, Dr Savou joined the National Food and Nutrition Council of Fiji Secretariat as the Director; retiring in December 1999.



Mrs. ILISAPECI BOLE

Mrs. Bole is a former Principal Education Officer. She is also a volunteer with women's groups and has served in committees and boards of Government and NGOs, including the United Nations Women's Forum for Heads of Missions Spouses in New York, National Executive Board of the Soqosoqo Vakamarama and the President's College of Honors.



Chairman's Remarks – 2010



Despite the many hurdles faced in 2010, the Council continued to play a positive role in achieving a marketplace of well informed and confident consumers who are protected from unlawful, deceptive, misleading or otherwise, objectionable practices.

I am pleased to present the Consumer Council of Fiji's Annual Report for the year 2010.

2010 was a milestone not only for the Consumer Council but for consumers in Fiji as well. While over the years, the Council has endeavored to efficiently address consumer issues to command the trust of the consumers as their effective and conscientious watchdog; we faced setbacks as well because of the complex and inflexible consumer protection laws of Fiji.

However, through assistance from the European Union, it initiated a review of consumer protection laws and redress mechanisms of Fiji. The ultimate desire of the Council is for a speedy, inexpensive and effective redress system for consumers, which also has an added dimension of appropriate compensation to the aggrieved consumers.

Fiji needs effective consumer protection laws more than ever now to provide adequate protection and redress to the consumers of this country. In 2010, we have seen consumers still reeling from the increasing price of goods and services as a result of the 20% devaluation of the Fiji dollar in 2009 and increase in global prices of food and fuel. With personal incomes remaining stagnant, consumers had to struggle immensely to meet their expenses. They also became an easy prey for unscrupulous and unfair traders who in the name of sales, and low prices usually sold bad or low quality goods.

Despite the many hurdles faced in 2010, the Council continued to play a positive role in achieving a marketplace of well informed and confident consumers who are protected from unlawful, deceptive, misleading or otherwise, objectionable practices. We have become an organization that is more entrepreneurial and looking for opportunities

where they exist in the face of meager financial resources barely sufficient to meet the cost of staff and operational matters.

The Council has also worked hard to give consumers a strong, unified voice to improve dialogue and engagement with government and be the interface between consumer groups and industry.

The outlook for 2011 is an exciting one as we are hopeful of bringing in some major changes particularly in consumer protection laws and the redress system as the new laws are expected to be drafted and submitted to the Cabinet for deliberation next year.

Council's 2010 Annual Report reflects the organization's achievements in building a conscious and assertive consumer movement in Fiji and making the consumer voice heard and be counted. It aims to give you a clear picture of our organization, the culture and values that underpin it and how we have performed in what has been a challenging year for the economy and hence also for our organization, our partners and our consumers.

I unreservedly commend the Chief Executive Officer, Management and the Staff, for their team effort and dedication to their cause. There are many definitions of success but any form of success is dependent on dedication and effort. Consumer Council of Fiji continues to benefit from the daily, ongoing efforts of its 22 employees. It is the sum of these efforts that equals true success.

I would like to encourage the staff to continue championing consumer rights and also to maintain their excellent contribution despite major challenges facing the Council such as attracting and retaining skilled, high calibre and motivated people.

I would like to thank my fellow board members for their dedicated input into taking the Council in the new direction which is more meaningful to consumers. Our thanks also go to the line Minister and the Ministry of Industry and Trade for consultation and policy guidance.

I would be failing in my duty if I do not express my gratitude for the support from our networking partners and national and regional consumer protection agencies. Consumers International (CI), European Union (EU), Government of Australia and Consumers Korea our key donors that have supported and worked together with us in strengthening consumers' rights in Fiji.

Finally, I would like to acknowledge the support from Fiji's consumers for their trust and confidence in the Council's ability to deliver its services. It is imperative that consumers in Fiji understand their rights and responsibilities, and have the skills and confidence necessary to ensure they receive the best quality service for their money. While we have achieved much, we have also learned that the task of changing consumer and trader perceptions is immense and therefore the Council will endeavor to continue to advocate for consumer rights and protection in 2011 for the benefit of consumers in Fiji.

Narendra Padarath

Chairman, Consumer Council of Fiji

Chief Executive Officer's Report – 2010



It is with pleasure that I present the 2010 Annual Report for the Consumer Council of Fiji. Despite many challenges, the Council once again achieved outstanding results by exceeding the targets in the Service Agreement set by the Ministry of Industry and Trade.

Before I present the Council's accomplishments, let me provide highlights on how the year unfolded for the consumers.

In 2010, new challenges emerged in the consumer landscape with another increase in cost of living while personal income remained stagnant. The economic downturn of recent times has thrown up many challenges for consumers in Fiji. Harsher trading conditions and downward pressure on household incomes have meant that consumers are being driven to examine their finances and spending habits more closely as they struggled to stretch their dollar further. The situation was worsened by the deadlock in the proposed increase in the minimum wage which affected the majority of low income earners in the country.

However, the year was also marked by the targeted Government assistance to vulnerable consumers, strengthening of legislations and regulations, merger of consumer protection agencies and introduction of a new Price Order.

Negative Impacts of 2010

Food Prices

In 2010, the Ministry of Health's Food Unit took necessary action on retailers and suppliers of food who did not comply with the Food Safety Regulations. While this is commendable, more work is required as our market surveillance and complaints from consumers continue to find infringements such as expired foods, re-packing, re-labeling and food items sold in unhygienic or unhealthy conditions.

Gas Price

In March, Fiji Gas increased the price of a 12kg cylinder by \$3.00 to a retail price of \$44.50 while Blue Gas increased its price of 13 kg cylinder by \$3.50, which was sold in the market for \$45.00. Determined to get some relief for consumers and to address the lack of competition in this sector, the Council made a submission in July to the Commerce Commission. The Council called on the Commission to intervene and investigate the gas market under the current duopoly.

Electricity rate

In June 2010, the Commerce Commission's price determination saw many consumers fork out nearly 50% more for electricity as the new consumption cap for domestic life line customers dropped from <250KWh to <130KWh. Within 5 months (November 2010) the tariffs changed again where a flat rate of 38.84cents/unit for all domestic life customers with the exception of those using less than 75KWh. The Government subsidized 17.64 cent/unit for consumers using less than 75kWh making these consumers pay only 17.20cents/unit.

Airline Service

The Council has persistently called for improvements in the domestic airline industry following the closure of Air Fiji services in late 2009. Many Air Fiji customers were left without any redress and unable to get refunds as the airline stopped its operations. The situation became worse as Pacific Sun, the domestic subsidiary of Air Pacific overnight became a monopoly. Consequently domestic airline services began to deteriorate as Pacific Sun took advantage of its new found monopoly status to exert its power and dictate terms to consumers without any regard for their rights. The Council, through the media, highlighted Pacific Sun's abuse of consumer rights as flight delays and cancellations virtually became the norm. The Council's continuous pressure through the media saw the Commerce Commission conduct a review of Pacific Sun and eventually declared that it has substantial market power (SMP) where corrective actions were needed. The Commission is yet to make specific determination on such actions and the Council hopes a positive outcome for consumers soon.

Pacific Sun's monopoly was also challenged by the introduction of another locally-bred domestic carrier – Northern Airways in the

latter half of 2010, which now provides regular services to Labasa and charter services to island destinations. Northern Airways has brought some relief to consumers and this was evident as some, though small form of competition had emerged.

Internet Service

The Commerce Commission provided a phased drop in FINTEL's wholesale prices and allowing domestic operators to directly access the Southern Cross Cable Network landing station at Vatuwaqa. The determination also asked that retail internet rates drop accordingly. The Council's price monitoring on internet products found internet service providers (ISPs) were very slow in dropping their prices and when they did there was very little real benefit to consumers. Most ISPs decided to increase data caps on post-paid services instead of decreasing monthly rentals and dropping set-up costs for consumers. The Council expressed its disappointment and called on the Commission to carefully scrutinise and regulate retail rates if ISPs continue to hinder the flow-on effects of wholesale price drops to consumers.

Positives in 2010

The year saw some positive and pro-consumer policies introduced by the Government. The year 2010 will be best remembered for the implementation of the following decisions:

- The Government's targeted assistance introduced by way of the food voucher system to assist 24,000 low income earners was welcomed. The Government also continued its 2009 programme of providing bus fares for school children from low-income families. However, these efforts are being weakened with the continued overall increase in the cost of living triggered by the hike in electricity tariffs;
- In November the Commission made price determination on the interconnection rates between all telephone and mobile service providers. Consumers hoped to experience drops in telecommunications charges in the early part of 2011. However, the Council will maintain vigilance and not hesitate to publicly highlight any anomaly;
- New price control order was a relief for consumers, who have endured an outdated and meaningless price control system under the Prices & Incomes Board.

The consolidation of price control functions under one roof i.e. Commerce Commission and the use of evidence-based pricing and costing method was welcomed;

- Commerce Commission Decree 2010 was gazetted in September to consolidate consumer protection agencies under one roof. The new law and institutional change saw the Prices and Incomes Board (PIB) and Department of Fair Trading & Consumer Affairs (DFTCA) absorbed into the Commission. This consolidation of jurisdictions and services under one roof is in line with the Consumer Council's long-held hopes of a 'one-stop-shop' for consumer redress;
- The Commission declared Pacific Sun and Fiji International Telecommunications Limited (FINTEL) both having substantial market power (SMP) in their respective sectors and thus warranted corrective action to foster competition, make prices

competitive and improve customer services;

- In December 2010, some positive news was in store for consumers looking at building new homes or renovating existing ones. The Commerce Commission announced a 5.89% decrease in the prices of bagged and bulked cement effective from 10 December 2010. With persistent lobbying to end pricing anomalies, consumers were hopeful for price regulation in the hardware sector in 2011;
- In January 2010, the Government established the Fiji Higher Education Commission (FHEC) as a statutory body responsible for regulating the higher education sector. The consumers can take their grievances against higher education institutions to FHEC;
- A big plus for consumers in 2010 was the establishment of the Medical and Dental Tribunal in January. The tribunal provides remedy to consumers who have griev-

ances against doctors and dentists. The primary role of the Medical Tribunal is to adjudicate on the allegations of professional misconduct, which, if proven, could warrant suspension or de-registration, and acts as an appeal body on decisions made by the Medical Board. The Council believes that medical professionals must be held accountable to the patients because their mistakes and negligence can have serious consequences; and

- The Council's pharmacy survey and consumer concerns over medicine prices and pharmacy trade practices had prompted the Ministry of Health to begin the process of reforms in this sector. A draft Pharmacy Profession Decree was circulated in the fourth quarter of 2010 for comments from stakeholders. This is a positive outcome for the Council and consumers as it is a clear sign of the Government's commitment to change the pharmacy sector to benefit consumers and the country's health needs.

MAJOR HIGHLIGHTS OF 2010

- Council received a total of 2251 complaints with a total monetary value of \$2.8 million dollars. An average of 188 complaints per month;
- Recovered \$949,294 dollars for the consumers through mediation. That is, 60% of the total complaints were solved;
- Attended to 696 consumers' inquiries received by phone, mail, fax and e-mail mainly on tenancy, electronic goods, mobile services, groceries, FEA bills etc;
- 349 traders /service providers rectified the problems/issues raised arising from 562 traders visited across various retail sectors. Issues included expiry dates, improper food labeling, damaged food and non-food items, exclusionary notices such as 'Goods Once Sold Cannot Be Returned'.
- 80 comprehensive investigations were undertaken which were complaint driven;
- 12 submissions were made to ensure consumer interests are taken into consideration;
- Morris Hedstrom was exposed for engaging in unscrupulous trading practices in relation to ALDI products;
- Perfect Choice Soya Bean Oil was removed from the shelves after the Council raised the issue of labeling non-compliance;
- Sanatan Dharam Pratinidhi Sabha joined the Council's call for proper labeling of sausage casing after consumers raised their concerns over sausage casing ingredients in the letters column of the daily newspapers. Fiji Meats had changed label to include ingredients and expiry dates;
- Rewa Dairy recalled a batch of underweight 1 litre blue packet Life Milk and the principal complainant was compensated;
- Nasinu Bread Shop and Pallan Enterprises of Nasole, Nasinu was reprimanded by the Department of Weights & Measures for selling underweight bread and kerosene respectively. Through the Council's intervention the department issued rejection certificates on their weighing machines;
- Motibhai had removed the Dove moisturizer with 'try me free' label and offered it for free in a promotional pack. Complainant was compensated;
- Tappoos agreed to put in a system whereby consumers will be able to redeem gift vouchers at a later date if not utilized fully on the same day. Tappoos also agreed to extend the redemption of gift vouchers by 12 months from 2 months initially;
- Real Estate Agents Licensing Board temporary suspended the license of Ohannah Realtors, whose license was later cancelled;
- Air New Zealand gave air tickets to complainant although the validity date of the ticket had expired in 2009;
- Motibhai recalled the batch of tinned fish which were incorrectly labeled/packed;
- Pacific Broadcasting Services Ltd changed its weekly advertisement in its TV guide to fully disclose the monthly rental fees for their Hindi and English Packages by including administration fees and the bank's direct debit fees;
- Council's radio programme (talk-back shows, live-coverage and current affairs) gained remarkable popularity amongst the Fijian audience and this was gauged from the increased calls/texts for advice and complaints received during our programmes;
- The Consumer Watch has been re-designed with its pages re-organized to enhance Council's work and to inform stakeholders on emerging issues, current market practices and nature of complaints;
- 9374 students benefitted directly from the school visits to understand their consumer rights and responsibilities;
- 42 mobile units were conducted during the year where a total of 2,378 participants benefitted by lodging complaints and seeking advice at their doorstep;
- 46 community visits were made during the year benefitting 1334 participants directly;
- 7146 participants benefitted from 39 workshops Council participated in.
- 237 students were assisted with projects and assignments on consumer protection issues;
- 2,075 unpaid radio programmes were conducted with total of 6,686 minutes of airtime. 587 English, 982 Hindi and 506 Fijian programs based on 487 issues;
- 528 newspaper articles were published with 169 different issues. 386 English, 88 Fijian and 54 Hindi articles were published;
- 62 Consumer Advisory columns published in vernacular;
- 185 TV programmes on consumer issues were shown;
- Research on prices and practices in pharmaceutical sector, banking services from consumers' perspective was conducted; and
- Annual price survey on basic food items was undertaken to understand the issues faced by consumers in the marketplace.

Research, Market Surveillance and Policy Analysis Division



A consumer checking out prices in a supermarket

The Council takes up the issues of relevance and interest to consumers, using research to identify problems while engaging with consumers and organizations to develop policies that help. Research and evidence-based advocacy allows the Council to tackle unfair practices and expose companies, regulators and services that fail consumers. Apart from research and making submissions on consumer issues, the Council also conducts regular market surveillance to keep business practices in check by highlighting cases where traders have breached the laws and compromised consumers' rights.

Market Surveillance

Market surveillance conducted by the Council was to check and detect suspected or alleged market manipulation, price rigging or check on insider trading information (dobbing in) to ensure integrity and fairness are upheld for consumers in the trading environment. Market surveillance strengthens consumer protection along with health and safety issues which is of public interest. In 2010 the Council improved its market surveillance by introducing new market surveillance forms, buying shoddy products, and collecting photographic evidence to justify its cases.

562 traders and service providers were visited to monitor pricing, quality and standards, labeling and hygiene practices. Two major successes for 2010 have been the removal of exclusionary notices by traders and the removal of ALDI products by supermarket chain Morris Hedstrom.

Impacts

349 traders rectified problems through the Council's intervention. Issues included expiry dates, improper food labeling, damaged food and non-food items, exclusionary notices such as 'Goods Once Sold Cannot Be Returned'. Market Surveillance also led to disposal and removal of ALDI products out of Fiji by Morris Hedstrom.

MH to explain sale of ALDI products

The Council surveillance team discovered a large range of ALDI products sold in MH stores around the country that breached Fiji's food safety laws as most of these were either expired and damaged through poor packaging or did not carry expiry dates on them. ALDI confirmed that they do not permit bulk sale of their products for resale purposes as the products are exclusively made for Australian markets. According to ALDI, these products were sold in Fiji without their consent and it may not be a quality fit for consumption. The Council then reported the matter to the Department of Fair Trading and Consumer Affairs which prompted a full scale investigation for illegally selling unauthorized ALDI products.

The Attorney General and Minister for Industry and Trade, Hon Aiyaz Sayed-Khaiyum directed MH to return, donate or dispose the remaining ALDI products after the investigation carried out by the Department of Fair Trading and Consumer Affairs. He warned MH to refrain from any further conduct of this nature as they were now being closely monitored and could face prosecution.

In September 2010, Department officials witnessed the disposal of approximately \$30,000 worth of damaged and expired ALDI products at the Naboro Landfill and MH had to return two container loads of ALDI products out of Fiji worth approximately \$310,000.



MAJOR RESEARCH OF 2010

Three major research projects were carried out for 2010.

These were:

• Prices and Practices: Pharmaceutical Survey 2010

The Council conducted a survey on pharmaceutical prices and practices in response to consumer complaints against exorbitant prices and bad business practices. The Council carried out survey to ascertain prices of commonly used prescription drugs which included medications used for diabetes, hypertension, heart disease and other non communicable diseases. The Council found a number of problems such as not disclosing prices of individual medicines, violation of labeling requirements for medicines set by the Ministry of Health, receipts not issued or issued with limited information, not informing consumers on choice over generic and originator brand medications, dispensing medications in wrong dosage and fraudulent practices.

• Grocery Price Surveys

The Council's monthly grocery price surveys are conducted to ascertain price movements of basic food and non-food items in a bid to gauge the level of difficulties consumers are facing in the marketplace. The surveys are undertaken at the retail level and the

results are indicative of the actual experience that consumers face when purchasing basic goods. Thus, the surveys actually portray a much more accurate picture of what ordinary consumers are facing because prices are taken off the shop shelves. The price surveys are used by the Council in its annual Budget submissions to the Government.

• Survey on banks fees and charges

The survey on bank fees and charges was initiated in 2010 to expose exorbitant level of fees and charges forced on consumers. The survey was conducted to provide fact-based support to the Council's ongoing advocacy for fair financial services. A survey on bank fees and charges was necessary for the World Consumer Rights Day celebration focused on "Consumers for Fair Financial Services".

Impacts

The Pharmaceutical Survey generated widespread publicity and compelled the Commerce Commission to undertake a study and consultations with various stakeholders. The Commission announced in November 2010 that it would impose a new price control regime for medicines.

MINOR RESEARCH ISSUES 2010

The Council conducted 80 minor research which were complaints driven on the following issues.

Back to School Survey	Dove moisturizer with Try Me Free Label was being sold at Prouds and MH's retail outlets for \$8.95.
Labelling of Cosmetic products (Chiadin Brand Hair Gel)	Quality of 1litre Rewa Life Milk (white packet).
Misleading Ingredients Label on Perfect Choice Soya Bean Oil	Faulty Sunflower vacuum flask
Hardware items price survey for a 20 x 19 timber house	Overcharged sea freight charges
Injection of growth hormones in day old chickens	Irregular bus services by Shore Buses Ltd
Conditional selling of Rewa butter around the Suva Area	Change in student boat fares with no notice given to consumers.
Sale of Statutory Declaration Form	Irregular bus services by Shore Buses Ltd
Effect of the 5c/litre excise duty on carbonated drinks.	Housing loan/mortgages monthly fees and charges.
School fees & Levies	EFTPOS machines fees & charges
FEA licensed contractors	Restrictive sale of Kraft Cheddar Cheese due to its special price
Internet services & products	Bamboo Brand Maize Corn Flour packed in bags for toys.
Conditional Selling – Sugar & Rewa Butter in the Suva & Nausori Areas.	No price change for wireless modems.
Cosmetics Labelling	Telephone international rates
Promise Toothpaste Misleading Claims	Ghee Shortage
Rates for Sky Fiji and Sky Pacific	Rice price variance
Survey on ALDI Products	Faulty Morris brand toaster
Internet Service products	Bread Slicing Fees
Duty Free on wireless modems, Laptops and other computer accessories.	Disconnection of services by Fiji TV, Sky Pacific Customer Services despite consumers paying bills on time.
Incorrect calculations on RB Patel Supermarket, Nasinu receipt	Third Party Bill Payments
Company history and where each company imports gas from.	Double labelling of Reshma Gold mackerel
Airline compensation and baggage policies	Fire crackers price analysis
Incorrect calculations on RB Patel Supermarket, Nasinu receipt	Third Party Bill Payments
Company history and where each companies import gas from.	Double labelling of Reshma Gold mackerel
Airline compensation and baggage policies	Fire crackers price analysis
Bank home loans fees & charges	Water Authority of Fiji Fees and charges
Data roaming charges	Fiji Gas Price Analysis



Over-charging on long loaf bread in Elim's Mini Mart	Disclosure of increase in late enrolment for Fiji National University.
Misleading Advertisement and inaccurate website information of Digicel Fiji Limited	Unrestricted sale and distribution of MIRAJ and GUTKHA Tobacco
Price variance of fresh and frozen chicken	Revenues from interest charged and fees and charges.
Cold and Warm Drinks Pricing	Quality of Hibiscus match-sticks
Incorrect price display and calculation on receipt for ham for MHCC.	High Interest Rates Charged on Loans for Finance Pacific Corporation Limited
Food manufacturers not disclosing sausage casing ingredients	Air Pacific credit card surcharge.
Conditional selling of Rewa butter in Nadawa	Service providers quotes on goods and services exclusive of VAT
Re-packed FMF breakfast crackers in clear bags with no product information such as expiry dates, ingredients etc.	Wine & Dine being exempted from smoke free premises provision
Baggage Compensation Policies	Tax issues on remittance advice by ECOLAB
Underweight Rewa life milk blue packet – 1L	Overdue removal of resident bin.
Incorrect measuring of Kerosene	Newspapers classified Advertisement Rates.
Underweight bread	Inkk Txt Advert sent to Vodafone customers.
Overcharging of long loaf bread	Misleading Displayed Tarpaulin Sizes
Recalled KSRAM energy saver bulbs	Misleading label-Indomie Java Spicy Chicken Flavour



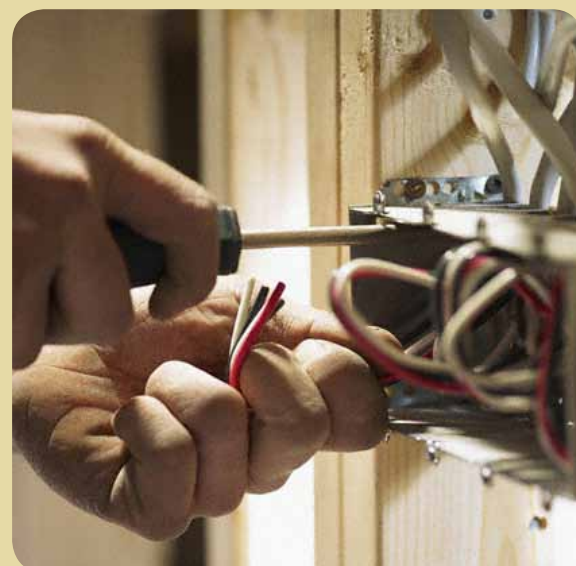
Impacts

Two major successes for 2010 has been the removal of exclusionary notices by traders through the Council's market surveillance work and a long-running campaign against supermarket chain Morris Hedstrom that led to the retailer removing ALDI products from its shelves. The following are some of the impacts resulting from minor research undertaken by the Council's research division.

- Ministry of Health's Food Unit removed 'Perfect Choice Soya Bean Oil' for misleading ingredient label. The product is labeled and called 'Perfect Choice Soya Bean Oil. However the ingredients list has "soya been & palm oil". The product labeling was misleading as it was not soya bean oil but a combination of soya bean oil with palm oil.
- Sausage casing and labeling. Sausage manufacturers responded assuring amendments to labels where the ingredients of the casings were not disclosed. Fiji Meats changed its sausage labels to include ingredients and expiry dates after the Council found their labels did not disclose key information as stipulated under the Food Safety Regulations. The religious organization – Sanatan Dharm Pratinidhi Sabha joined the Council's call for proper labeling of sausage casing. The issue had gained widespread publicity with members of the public raising religious and health concerns over meat products like sausages.

Unlicensed Electrical Contractors feel the heat from the Council.

The Council wants a control on unlicensed electricians advertising in the Yellow Pages of the Fiji Directories and other mediums such as the newspapers. The Council's research on unregistered electrical contractors using the Yellow Pages led to much publicity and forced the Fiji Electricity Authority to publicize a list of licensed contractors. The Council found that out of 64 businesses listed in the Yellow Pages that advertised themselves as electrical contractors for domestic wiring, 12 were not licensed by the FEA to conduct such business. The Council also found 9 refrigeration companies that did not have a FEA license but did electrical wiring work. Fiji Directories Limited, the publishers of the Fiji Yellow Pages was advised to impose a policy whereby they will no longer advertise unlicensed electricians. The National Electrical Contractors Association (NECA) expressed its support for the Council's efforts in ensuring that only FEA licensed contractors were allowed to publicise.



Engaging Internationally - Regional & International Surveys and Research

The Council carried out the following projects in collaboration with Consumers International (CI) and Consumers Korea.

Organisation	Research/Survey
Consumers International	Survey on Access to Knowledge (A2K)
Consumers Korea	Cosmetics Survey on the presence of paraben (an Endocrine Disrupting Chemical or EDC) in colour cosmetics.

Consumer Participation in Standards Development

For building confidence, more meaningful participation by consumer organisation is required for developing standards both at the national and international levels.

- The Council is represented through the CEO in the Trade Standards Advisory Council to represent consumer views in standards development.
- The Council is a member ISO/PC 245 i.e. Technical Committee on Second Hand Goods (SHG) to develop a guidance standard document on cross border trade in SHG's to protect consumers' health, safety and the environment in which they interact.

Impact

The cosmetics survey provided much needed evidence for the Council to call for mandatory labeling of cosmetics. Trade Standards Advisory Council (TSAC) accepted Council's proposal to develop a mandatory standard on cosmetic labeling.

Submissions

The Council is obliged to represent consumers' interest in policymaking or pricing issues either with the Government or industry groups to improve consumers' lives. The Council would like to see consumers put at the heart of Government thinking where consumer issues are given priority to ensure a fair deal for all. Numerous submissions were made by the Council to ensure consumers' interest are taken into account during the policy making process. Submissions made to policymakers are based primarily on the Council's research, consumer complaints and results of consultations with consumers.

Impact

The Council made 12 submissions in 2010, which had a positive impact. For instance, there were important determinations by the Commerce Commission of Fiji. It declared that Fiji International Telecommunications Limited (FINTEL) and domestic air carrier Pacific Sun both had substantial market power (SMP) in their respective sectors. The Council, through its submission, also exposed bad governance and lack of accountability and transparency in some committee run schools. The Council's submission against a proposal by the Fiji Taxi Union to increase taxi fares was successful with the proposal being put on hold by the Land Transport Authority till 2011.

SUBMISSIONS MADE IN 2010		
No.	To	About
1	Commerce Commission	Review of the Control of Substantial Market Power for FINTEL's Landing Station
2	Commerce Commission	Review of the Control of Substantial market Power for Pacific Sun and Other Operators in the Domestic Market
3	Commerce Commission	Retail Hardware Sector Prices
4	Fiji National Provident Fund	Review of FPNP Act
5	Minister for Education	School fees & levies imposed by schools
6	Reserve Bank of Fiji	Draft Policy on Accountability & Disclosure Guidelines on Interest Rates, Fees & Changes for Licensed Financial Institutions
7	Commerce Commission	Submission on Gas Prices
8	Ministry of Environment	Importation of GM Vaccine from New Zealand
9	Commerce Commission	Review of FEA Tariff Rates Phase 2
10	Ministry of Finance	2011 Budget Submission
11	Land Transport Authority	Fiji Taxi Union's Proposed Taxi Fare Increase
12	Pharmacy & Poisons Board	Comments on the Draft Pharmacy Profession Decree 2010



Challenges

The Council's market surveillance work continues to face the usual challenges of lack of resources to respond to the ever-changing nature of the Fiji market. As Fiji imports more goods and the local market becomes the dumping ground for sub-standard, fake and non-compliant products, the Council is more hard-pressed to take the necessary actions and highlight these problems. This means having more people on a regular basis on the ground. It means getting the regulator agencies to do their work and enforce their respective consumer protection regulations. Furthermore, as goods and services become more sophisticated and as traders use increasingly hidden product information, the Council is forced to work harder towards decoding advertising and product information to ensure that consumer rights to information are maintained. The Council feels that with the meagre resources it has, more consumer participation in asserting their rights and informing us and other enforcement agencies about market abuses is crucial.

Campaigns, Information and Media Services



Media Officer, Cegu Babana helps a consumer lodge complaints during Council's mobile unit in Laucala Beach

Confident and informed consumers are the first line of defence against unfair trade practices. The Council's campaigns, information and media services equip consumers with the tools they need to exercise their rights, the information they need to realize their responsibilities, and the confidence they need to feel empowered in their decision-making.

The Council conducts mobile units, community and school visits, workshops, radio programmes and other outreach and educational initiatives to empower consumers to make better choices and deals. The Council is helping consumers get better value, better customer service and better support when making choices. Empowered consumers will not only be less likely to suffer but also invigorate competition between traders with all of the flow-on benefits for themselves and the community. Such empowered consumers are a strong agent of growth.

Confident consumers reward the most efficient and responsive businesses, allowing them to prosper at the expense of those offering lower quality products and poor customer service. Active consumers play a critical role in encouraging businesses to provide new products and services and to compete keenly on price, service and quality in order to attract customers.

Community Awareness Programme

Community Visits

The Council's community visits allow local communities to access Council's services in their own setting. The visits provide an

opportunity to rural communities, villages, women's groups, and other groups to seek advice on issues confronting them in their locality. The Council took complaints and provided redress to consumers on the spot.

Community Visits Conducted in 2010

Divisions	No. of Communities	No. of Participants
Central/Eastern	20	701
Western	13	359
Northern	13	250
Total	46	1310

Of these, only 27 were initiated by the Council, while 19 were as a result of direct requests from local community groups. The Council conducted the sessions in an informal environment using vernacular language.

Impact

Council's community visits helped communities to build a relationship with the Council and find solutions to their problems. Communities visited were at ease with the Council staff which prompted them to call Council staff when they needed advice or guidance. Specific issues based on community needs assisted the communities to be knowledgeable to handle any issue. For example, the money lending issue assisted communities to understand their rights when accessing credit from moneylenders.

Workshops

A total of 39 workshops were conducted throughout the year. Staff delivered presentations at the Fiji Pharmaceutical Society

Conference, Northern Head-Teachers and Principal's Conference, Fiji Economic Update, Nadi Chamber of Commerce Annual Seminar, UNDP NICE Leadership Workshop, Pest Control Association of Fiji's workshop etc on consumer related issues.

The Council partnered with the Fiji Disabled People's Association (FDPA), Department of Youth and Sports for the National Youth Service Scheme (NYSS), United Blind Persons of Fiji, Community Education Training Centre (CETC) of the Secretariat of Pacific Community, Fiji National University, Catholic Women's League, Sanatan Dharam Sabha of Fiji, National Road Safety Council (NSRC) and so forth.

EU Funded Workshop

The Council received grant from EU to strengthen consumer rights in Fiji by eliminating unfair trade practices through advocacy. The following activities were undertaken:

Public lecture: A public Lecture was held in Lautoka on 29th March 2010 in collaboration with the Lautoka Chamber of Commerce to maximise the use of international speakers who were invited at the Consumer



Consumer advocates, highlight gaps in Consumer protection laws and redress

Symposium organised in Suva. The Head of Consumers International, CI-KL Office- CI Dato' Indrani Thuraisingham and President of Malaysian Association of Standards Users, Dato Marimuthu Nadason, spoke on "The Call for Corporate Social Responsibility" and mainly emphasized the need for standards in Fiji, whilst Datuk Nadason spoke generally on price control and its pros and cons in modern times;

Another public lecture was held in collaboration with the University of the South Pacific. Two international consumer advocates shared their experience with consumer protection laws, enforcement and redress available to consumers when things go wrong. Mr Shirish Deshpande of Mumbai Grahak Panchayat (MGP) from India, spoke on the topic: 'Consumer Protection Act - An effective instrument of consumer protection in India'. Mr Pretam Singh, the chairman of the Malaysian Consumer Tribunal spoke on the topic: 'Providing Consumers an efficacious, simple, inexpensive and speedy remedy - Malaysian Perspective'.

Consumer Symposium: The Council also partnered with Fiji National University and Commerce Commission to hold a two-day symposium (31st March & 1st April 2010) on Consumerism and Market Economies - "Reconciling Consumer Rights in Market Economies: The Legal, Ethical and Information Technological Framework". The Symposium was facilitated to evoke extensive discussion on how price control, standards, and weakness in the laws and the institutions affect consumer interests and protection in a modern economy. The two international speakers also spoke at the symposium on price control and why standards should be mandatory.

Workshop on the Review & Drafting of Consumer Protection Laws & Consumer Redress System in Fiji: The Council collaborated with the Ministry of Industry & Trade and Commerce Commission to hold workshops in the Western and Central divisions. The overall objective of the workshop was to extract views and discussions on problems with the current laws and the best way forward to formulate effective laws, enforcement and consumer redress for Fiji. To assist in the workshop, the Council procured the services of Mr. Shirish Deshpande, Chairperson of Mumbai Grahak Panchayat (MGP) from India while Mr. Pretam Singh, the Chairman of the Consumers Tribunal, Malaysia assisted on a self funded basis.

Impact

The Council's workshops and public lectures had a huge impact in creating pub-

lic debate on consumer issues. There has been wide-media coverage on these discussions. Several letters to editors in our local dailies appeared asking the regulatory authorities to take constructive steps to stop import of sub-standard products into the country. This sort of public pressure (through open columns in the media) is vital for policy change and improvement. Mass media publicity continued for two weeks after the conclusion of the symposium on various consumer issues, particularly relating to standard, price control, poor enforcement etc. Mr Pretam Singh's visit led to a working relationship between SCT in Fiji and Consumers Tribunal in Malaysia. Based on the Malaysian model, new policies were introduced to make SCT more effective as an institution.

Mobile Units

The mobile unit is a creative and innovative means of providing service to consumers who would otherwise not be able to access the Council's services due to distance or transportation costs. Through these mobile units, 2,378 consumers were assisted with information on the issues they sought. The

Mobile Unit Coverage (2010)	
Division	Number
Central/Eastern	15
Western	14
Northern	13
Total	42

Council also conducted market surveillance and trader visits in the respective areas where information booths were set up.



Council staff involved in Mobile Unit in Navua

Impact

It is expected that the 2378 people who benefitted from the mobile units would in turn share information amongst their family and social networks. Consumers were able to lodge complaints and sought advice at their door step. Through Mobile Units, the consumers accessed the Council's services directly thus increasing its reach and footprint in a cost-effective way.



Council staff Cegu Babana creating awareness through radio programmes

Information Initiatives

Creating awareness and disseminating consumer information is essential to allow consumers to make informed decisions to deal with problems in the marketplace. The Council continues to recognize the power of the media not only to disseminate information but provoke debate on important consumer issues to empower consumers against current and emerging challenges. The Council's media programme is vital when considering the meager human and financial resources at its disposal. Media organizations played a very important part in highlighting key consumer issues, which the Council raised throughout the year.

The Council focused over the year on identifying areas of keen consumer interests/issues as the focus for press release activities. This has involved a steady stream of media interviews across print, broadcast and TV.

Radio Programs:

The paid programmes are dependent on funding available to the Council. The unpaid programmes include scheduled morning

Radio Programs (2010)	
Paid Programs	54
Unpaid Programs	2775
English	587
Hindi	982
Fijian	506

talk, radio talk-back shows and news items. For Fijian programmes, emphasis was placed on having programmes on VITI FM, which is the most popular Fijian station. As a result of this strategy, the Council's radio programme gained remarkable popularity amongst the Fijian and Indian audience. This was measured and concluded from the increased number of calls/texts for advice and complaints received during the programmes.

TV Programs:

In April, Fiji One also aired a TV advertisement on "Goods Once Sold cannot be returned, re-

TV Programs (2010)	
Talk Business	3
Have Your Say	2
Close UP	3
Aaj Kal	1
News	176
Total	185

paired or refunded". These advertisements educated and reminded traders of the laws that protected consumers' right to remedy.

Print Media:

This was a notable achievement considering that the Public Emergency Regulations were in force.

Print Media (2010)	
Newspaper Articles	528
Media Requests	85
Issues Covered	72

Websites:

A total of 724 articles were pasted on various websites.

Website Coverage (2010)	
Articles (on various websites)	724
Issues	309
Website (local/overseas)	223

Publication: To bring to the fore issues affecting consumers and to provoke debate on consumer right, the Council produces Consumer Watch a 6-monthly newsletter. The design and organisation of pages in the newsletter were improved to make the newsletter reflect Council's work better and for consumers to relate their experiences based on the issue raised in the newsletter. The Council also produced a brochure Dealing with Bailiffs to assist consumers to understand the legal authorities of bailiffs. The brochure was published to educate vulnerable consumers who were bullied by bailiffs employed by traders.

Impact

The information initiative of the Council continues to strengthen the trust the consumers have in the organisation. This is evident from the increase in the number of complaints lodged, advice sought on different issues, and an increase in trade-related issues between traders brought to the Council's attention. For example, numerous hair product companies lodged their complaints on competitors selling fake hair products in the country which was injurious to consumer's health and safety.

School Programme

The school visits were mostly in urban areas where the Council responded to requests made by school principals and teachers to share knowledge and information on consumer rights.

An important message advocated during the school visits was "Say No to Junk Food- Making Parents Responsible in Fiji". This message was conveyed through a special DVD made for World Consumer Rights Day celebrations in 2009. The DVD included



Regional Coordinator Dianne Reddy, carries out school awareness programme, in Lautoka

statistics on child obesity and clips on school canteen practices with messages targeting schools, children and parents.

School Programmes (2010)		
Area	No. of Schools	No. of Students benefitted
Central/Eastern	16	3990
Western	23	4151
Northern	15	1256
Total	54	9374

The target was 29 but the Council conducted a total of 54 school visits.

Copies were also distributed to participants in schools and community groups. In addition to campaigning against consumption of junk food, the Council also used school visits to promote implementation of school canteen guidelines outlined by the Ministry of Health. Special sessions were held with principals, teachers, canteen staff and school management on the importance of adhering to the canteen guidelines as well as the importance of selling healthy and nutritious food.

The Council also used the opportunity to distribute brochures on "How to read your electricity and water bills" to parents via their children during these schools visits.

Impact

A major impact was the high level of interest from teachers for the expansion of their knowledge on consumer issues and the need for capacity building in the consumer education curriculum. On numerous occasions, the Council staff were requested to conduct separate sessions on consumer rights and responsibilities and other consumer related issues for teachers. Also a total of 9374 students and hundreds of teachers accessed updated information on consumer issues. The school visits also provided a cost-effective avenue for the Council to distribute information brochures on key consumer issues

Campaigns

In 2010, the Council continued with its campaign on Compulsory Third Party Insurance (CTPI) ie "Insurance in Fiji: who pays, who profits, who loses", which was launched in October 2009. The aim of the campaign is to bring reform in the CTPI sector since the Council's 2008 Insurance Study Report highlighted an unjust and unfair system in the insurance sector where accident victims faced many obstacles when seeking claims. The findings revealed that many accident victims are not receiving fair redress and compensation due to exclusion clauses, legal costs and limitations by the law or ignorance.

Impact

22 complaints against insurance companies refusing CTPI claims were lodged at the Council while 6 people sought advice on CTPI. A major impact has been that the Council assisted a CTPI accident victim Navuniani Leka who received \$8,000 on his CTPI claim.

Council's campaign on CTPI helps Navuniani Leka get back his life



Sixty-six-year-old Navuniani Leka couldn't thank the Consumer Council of Fiji enough for assisting him in

getting \$8,000 on his Compulsory Third Party Insurance (CTPI) claim. The payment could not

have come at a better time for Mr. Leka as he was struggling to make ends meet basically surviving on the income from his small cassava plantation and the meager support his family could offer.

In October 2008, Mr. Leka was hit by a van while hailing a cab for his friend in front of their church in Nasinu. The van, which was reversing, hit him hard on the hip and sent him flying a few yards before hitting the ground.

What made it worse was that the driver did not bother to stay back to help Mr. Leka get to a medical center or a hospital. The driver just peeped out of the window, said sorry and drove off while Mr. Leka was still lying on the road struggling to get up. Finally, his friends and a few pedestrians helped him get off the road and took him the Colonial Memorial War Hospital (CWM) in Suva for medical examination where he was informed by the doctor that he had a bone injury which would stay with him for the rest of his life; making it difficult for him to work.

For almost two years Mr. Leka was given a run around by the police with false promises that his case was being investigated. With his meager income from massaging people and selling cassava from his small backyard plantation due to the accident, Mr. Leka had to scrape for every little penny to survive. His daughters were of very little help financially as they themselves faced financial difficulties and had large families to support.

Frustrated and disappointed with life, Mr. Leka heard about Council's CTPI campaign through an advertisement on the radio and with the help from his priest he lodged a complaint. Council im-

mediately contacted the insurance company and mediated his case. Within weeks he received his cheque of \$8,000. Although this compensation will not replace Mr. Leka's loss of income and have injuries, it will provide some relief from being entirely dependent on his family for financial support.

The Council's campaign also provoked much public debate on the issues and had resulted in the Council being inundated by accident victims who were not aware that third party insurance entitled them to compensation from CTPI holders. The ongoing campaign has also drawn the attention of the regulator- the Reserve Bank of Fiji and the government.

Key Local Engagements: The Council participated in the following events:

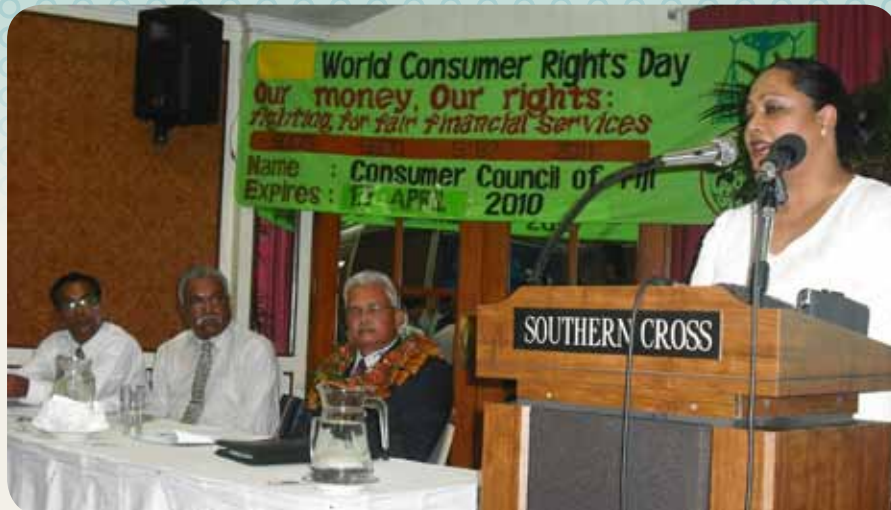
The Council has actively participated in working groups, committees and meetings, as well as given presentations in various fora as highlighted below:

- Build linkages with Ministry of Primary Industry with emphasis on training of rural communities - Sugar Cane Growers Council – Lautoka, 21 January 2010;
- Meeting with ATLB/CAAFI on poor service delivery by the Pacific Sun 2nd February 2010;
- Speaker at the Pacific Food Summit held in Vanuatu from 21-23 April 2010. Topic for presentation was "Opportunities for Consumer Groups to Enhance Food Security";
- Consultation on Buy Fiji Made (Product) at Holiday Inn in Suva – 29 April & 17 May 2010;
- Restaurant Grading meeting at Peninsula Hotel in Suva – 11 –12 May 2010;
- Consultation on Regulatory Impact on Small Enterprises at Southern Cross Hotel in Suva – 12 May 2010;
- Food Inspection System consultation at Holiday Inn – 17 May 2010;
- Participation in the FAO Seminar on CO-DEX Alimentarius System, Tanoa Hotel, Nadi, 19-20 May, 2010;
- Eco-labelling for Environmental Sustainability in the Fiji Islands consultation at USP – 8 June 2010;
- Investors & Investment - Monopolies and Cartels in Fiji consultation with ECREA – 9 June 2010;
- Microfinance and promoting initiatives for achieving greater financial inclusions for Fiji consultation Reserve Bank of Fiji – 15 June 2010; National Food & Nutrition Centre on Salt Reduction Strategy Consultation-follow up on the Food Summit 2009 – Tanoa Plaza, 18 June 2010;
- Consultations on the Development of a National Broadband Policy, Holiday Inn, 14 July 2010;
- Meeting with Pacific Sun on consumer complaints against them, 20th July 2010;
- Annual Seminar Program – Nadi Chamber of Commerce "Consumer Protection in Economic Growth & Development." Novotel Hotel, 7-8 August 2010;
- Speaker at Women in Business Forum on networking and skills exchange 9th September 2010;
- Protecting Consumers of Financial Products and Services, Presentation to RBF in their Workplan preparation, 13 September 2010;
- Pest Control Association of Fiji- "Accountability to Consumers: Pesticides". J.J's on the Park, 22 September 2010;
- Launching of Bus ticketing Campaign 2010 – Guest Speaker- "Bus Ticketing Campaign 2010". LTA Conference Room Valelevu, 6 October 2010;
- Higher Education Consultation on regulating higher education institutions and the qualifications. Holiday Inn, 19 November 2010;
- 9th National Transport Consultative Forum 2010 "Sustainable Transport Integration; a Catalyst for Economic Growth". Novotel Lami Bay Convention Centre, 22-23 November 2010;
- A Round Table Meeting to explore the Links between Human Rights and Trade organized by United Nations Pacific Regional Office of the High Commissioner for Human Rights and the Pacific Islands Forum Secretariat. Pacific Islands Forum Secretariat, 24 November 2010;
- Stakeholder Consultation for the Pharmacy Decree, Fiji Pharmaceutical & Biomedical Supplies Conference Room Suva, 25 November 2010;
- Review of FNPF Act Consultation. FNPF Boulevard Suva, 2 December, 2010;
- RBF Complaints Management Forum, RBF Building Suva, 8 December 2010;
- Legal Aid Commission Awareness Programme, Judicial Conference Training Room Government Building Suva 8 December 2010;
- "Security and Sustainability" – organized by Transparency International, Marine Campus USP, 9 December 2010; and
- Fiji's Trade Policy Framework National consultation –organized by Ministry of Foreign Affairs, Southern Cross Hotel, 17 December 2010.

World Consumer Rights Day 2010

The global theme for World Consumer Rights Day (WCRD) provided an excellent platform for the Consumer Council of Fiji to launch its campaign against the banking services in Fiji. The Council believes that economic growth, poverty reduction and financial inclusion can only be achieved if Fiji has an accessible, affordable and efficient financial services environment where consumers get value for their money, fair returns on savings and fair service delivery. The Council's record of complaints, through the years; consumer research and surveys; and the public debate over bank fees and charges point to an unfair environment where banks have long exploited Fiji consumers. As part of WCRD 2010, the Council drew banks, regulator - the Reserve Bank of Fiji (RBF) and other financial institutions into the debate and discussions on how everyone in Fiji could benefit from fairer banking services.

The Council's efforts to bring consumers, the regulator and the banking industry together under one roof faced a setback when the banks through its umbrella body (Association of Banks in Fiji or ABIF) refused to participate in WCRD 2010 celebrations. Ultimately ABIF came on board for the event and banks submitted and participated in WCRD as they not being at the celebrations would have made them look bad not only in front of the consumers and consumer advocates but



World Consumer Rights Day Celebration focuses on financial services

also the regulator- RBF.

The WCRD 2010 was extremely successful with more than 160 participants at the event. There were intense discussions amongst businesses, panel members and bank representatives on the problems faced by consumers in the banking sector and what should be done to improve these problems.

Impact

The WCRD campaign on financial services had a very positive outcome with the RBF strengthening its policies on consumer redress and protection. RBF introduced:

- Insurance Complaints Management Policy;
- FPNF Complaints Management Policy;

- Complaints Handling Policy for Banks; and
- Draft Policy: Accountability and Disclosure Guidelines on interest rates, fees and charges for licensed financial institutions.

Furthermore, the RBF had established a Complaints Management Forum involving the financial institutions, Commerce Commission and the Council. According to the RBF, the Forum is part of its complaints management environment where all stakeholders including consumer representatives will have the opportunity to "settle issues mutually and in a timely manner without having to involve outside parties".

Consumers International's 50th Anniversary

The Council used the opportunity to celebrate CI's 50th anniversary during the Consumer Symposium to highlight the struggles faced by consumers in protecting their rights. Dato' Indrani Thuraisingham gave a presentation on CI's struggles and achievements in the past 50 years. Head of EU, H.E. Mr Wiepke Van Der Goot delivered a compelling speech honouring the consumer movement in Fiji and indeed the global initiative driven by the CI to enhance and strengthen consumer rights across the regions, nations and all over the world.



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



Council Staff attending complaint

For many vulnerable people the Consumer Council provides a lifeline in resolving problems confronted by consumers during sale of goods and services. ADR Division provides an affordable avenue for consumers who do not have the resources to go to court or who do not want to pay hefty legal fees.

In 2010, the Council received and registered 2251 complaints, 721 complaints more than 2009 with a total monetary value of \$2,814,118.23. An average of around 188 complaints per month. The Council resolved consumer disputes worth \$949,294.26 i.e. 1348 complaints which was 60% of the total complaints solved. The Council also attended 696 consumer inquiries received by phone, mail, fax and e-mail mainly on tenancy, electronic goods, mobile services, groceries, utility bills, financial services and others. These figures are a strong testimony of the success of the Council as well as the support, trust and confidence consumers have in the Council.

A total of 46 complaints were published in the Council's newsletters to raise awareness and to caution consumers.

Impact

The higher number of complaints received from consumers in 2010 (2251) against previous year's (1530), reflecting 47% increase, denotes increased consumer con-

Most Re-occurring Complaints in 2010

Landlord/Tenants	282
FEA	182
Water Authority	147
Groceries	134
Mobile Services	129
Electronic Goods	107
Spare Parts	76
Hire Purchase	75
Hardware	69
Banks & Other Financial Institutes	58

fidence in the councils ability to resolve issues through mediation. Residential tenancy complaints topped the list of registered cases i.e. 282 cases. Other common problems consumers encountered were against FEA, Water Authority of Fiji, groceries, and mobile services to name a few. Residential tenancy continues to record the highest number of complaints over the last four years.

Landlord/Tenancy

In 2010, the Council received 282 complaints relating to landlord and tenancy issues. Major issues with the tenancy complaints were improper notice to vacate, non issuance of receipts, non-refund of bond money, absence of tenancy agreements, unfair terms in the contract, increase in rent and poor condition of the houses or dispute arising from shared amenities such as water or electricity. Unfair treatment by the landlord was

reported by tenants such as locking up the premises, changing locks and interfering with tenants' personal life.

Fiji Electricity Authority

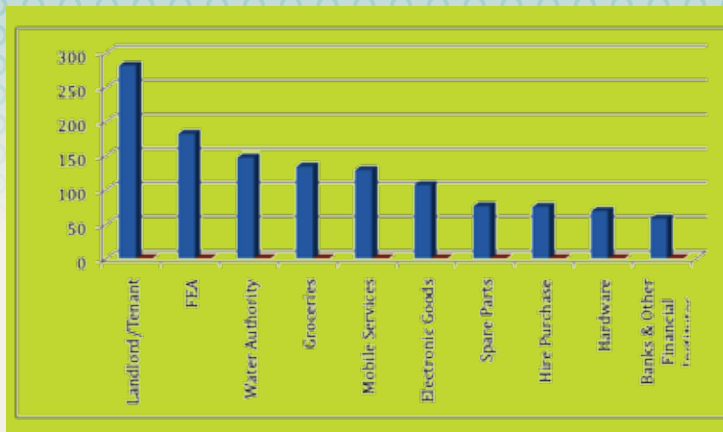
A total of 182 complaints were registered with the Council relating to the Fiji Electricity Authority. The nature of complaints received mainly involved the high bills received by consumers due to the change in tariff rate, billing disputes, overcharge, bad customer service etc.



Tenant evicted by the landlord

Summary of Consumer Complaints for Year 2010

Total number of received and registered complaints	2,251 cases: an average of 188 cases per month
Complaints resolved and closed through Mediation	1,348 cases: an average of 112 cases per month
Cases referred to Small Claims Tribunal (SCT)	172 cases: an average of 14 cases per month
Cases referred to other consumer protection agencies	172 cases: an average of 14 cases per month
Consumer Advice (not registered)	696 cases: an average of 58 cases per month



Water Authority of Fiji

In 2010, the Council received 147 complaints against Water Authority of Fiji (WAF) for exorbitant bills that consumers were forced to pay when new meters were introduced, poor customer service, bulk billing, un-rectified leakages, disconnection without providing the bill, water disruption without any notice, high water bills while water supply was irregular or meter disconnected.



Mobile Services

Mobile services became the fifth top complaint standing at 129. A substantial number of complaints registered involved fake Nokia phones, High termination or exit fees (post-pay); unclear terms/conditions of warranties; repair costs being charged although the phone is on warranty; scams (missed calls, SMS competitions, instruction on free text), poor call quality due to Network issues and peak congestion during promotions; problems with handsets – non-charging batteries and low voice quality.



Groceries

A total of 134 complaints were received and registered with the Council in 2010. The figure almost doubled the 2009 complaints figure of 72. Issues related to groceries involved expired and damaged food products. Consumers complained of



being sold bags of flour and rice infested with worms, insects and weevils, adulterated food, receipts not issued, overcharging, misleading advertisements and lack of information. The Council also received complaints against increase in price of food which is pushing the cost of living up.

Electronic Goods

The Council recorded 107 complaints on electronic goods. Some of the nature of complaints was that the consumers were not provided with warranty on Chinese products sold to them. There was no after sales service provided on the products. The consumers were provided with poor quality or sub-standard products and for which the traders did not provide any warranties. Most of the consumers were not given proper advice on what is covered in the warranties and extended warranties bought by them on the electronic products.



Spare Parts

A total of 76 complaints were received on spare parts which comprised of issues such as wrong parts supplied to consumers, parts were not readily available by the traders, unreasonable warranty period was provided by the traders, consumers were charged exorbitant prices for both brand new and second hand parts, the quality of the products were poor.



Hire Purchase

Seventy Five (75) complaints were registered by the Council on Hire Purchase. Major issues on Hire Purchase were unethical vehicle repossession, defective vehicles, failure to inform hirer of financial obligation, pre - disclosure statement not issued, replacement products were not provided in



a timely manner, no warranty was provided on replacement products and consumers were advised on the terms and conditions of extended warranties.

Hardware

Hardware became the ninth top on the list by recording 69 complaints. The nature of



complaints on the issue were damaged/defective and poor quality products supplied to the consumers, refusal to replace faulty items, delay in delivery, delay in repairing faulty items, refusal to repair items under warranty, items rusted within 6 months of purchasing it, handling fees charged and excessive price on products.

Banks & Other Financial Institutions

A total of 58 complaints were registered against Banks and Financial Institutions. The issues handled by the Council included excessive fees, interest and penalties, hidden charges, problems with ATM machines, unauthorized withdrawal of money, long queue, poor customer service, statements not issued, statements sent to wrong address, money missing from consumer's bank account.



Corporate Services and Project Management

Finance

In January 2010, the Council signed a Service Agreement with the Minister for Industry and Trade, which outlined the targets to be achieved for 2010. To deliver these targets, the Council received a grant of \$601,930.00 (VAT inclusive) from the government. With this grant, the Council operated three offices located in Suva, Lautoka and Labasa with a staff complement of 20. In the last 9 years, the Council received the same level of funding despite the increase in operational costs. Consumer demand for Council services increased over the years to create a fair marketplace for consumers. In 2010, the Council secured F\$116,868.69 from four different sources to meet consumer expectation. The Government of Australia, European Union, Consumers Korea and Consumers International provided assistance to the Council to achieve its corporate goals and strategic objectives. The table below shows the breakdown of funds:

Donor Agency	Amount Received	Project
Consumers International	\$2,373.24	Project on Access to Knowledge
Government of Australia (Aus-Aid)	\$2,990.00	Final payment upon submission of the final report on three year rolling fund for 2009 programme to support the Council's programmes.
Consumers Korea	\$1,964.25	Project on Cosmetic Labeling.
European Union	\$109,541.20	Three year project on "Strengthening Consumer Rights in Fiji and Eliminating Unfair Trade Practices through Advocacy and Enforcement of Consumer Protection Laws"

To meet consumer demand, the Council developed two proposals for AusAID funding in 2010. These were:

- Proposal to AusAID on Financial Literacy under the Human Rights Grants Scheme; and
- Proposal to AusAID on Australian Youth Ambassadors for Development (AYAD);

The Australian Business Volunteer, Kevin Orsman, trained staff in the Finance Department for one month in December, 2010. Through this engagement, the Council is confident it now has a cleaner, efficient, accurate and more accountable method of financial system and reporting. The long term result of this collaboration was a more confident finance staff in the finance system, and more accurate financial reports presented to the Board.

The Council for the first time had Professional Indemnity Insurance with Marsh Limited on 29 March 2010 to safeguard the Council.



Attorney General Aiyaz Sayed-Khaiyum opened the workshop on strengthening Consumer Protection Laws

Human Resources

To be an effective watchdog, the Council must be on top of things. This requires dedicated, motivated, hard-working staff who are able to adapt and learn fast with changing times. In 2010, a total of nine graduates were recruited resulting in enhanced productivity of the Council. On the other hand, eight staff resigned and one staff contract was terminated. Staff turnover is high at the Council. However, despite ongoing staffing difficulties, the Council continued its focus on delivering a fair deal for consumers. The Council engaged eight interns and two temporary staff to assist the Council to achieve its goals but more importantly to nurture and inculcate new breed of consumer advocates.

Staff members were assessed based on their performance throughout the year. The Council maintained the policy of 3-year contracts to its Executive and Senior Management staff to ensure stability and continuity in the leadership of the Council. At the end of 2010, a total of 20 staff were on contract. The performance management system in place has resulted in high output and created a standard procedure to assess staff performances.

The Council revised the five policy manuals introduced in 2009: Induction, Human Resources, Administration and Transport, Fi-



Mr. Pretam Singh, Chairman of Malaysia Consumer Tribunal

nance and Asset Management. The manuals clearly set guidelines and procedures for the effective operation of the Council.

Training

In 2010, staff attended five short training programmes which were held at USP, TPAF and in – house to upgrade their skills and knowledge. Cegu Babana, Josua Namoce, Seini Lagilagi, Devika Narayan and Shelvin Prasad attended training on Translational Research for Obesity Prevention in Communities with FSM (In-house), Cegu Babana attended Advance Writing Skills at USP, Meenakshni Kumari and Caroline Koto on Financial System with the Australia Business Volunteer (In-house), Ranjaline Wati attended Managing Customer Complaints at TPAF and Meenakshni Kumari attended the Levy/ Grants Scheme at TPAF.

Board Meetings

During the year, the Council held seven (7) Board meetings with total of 37 Board Papers presented to the Board. The Board continues to play an integral part in the Council's work, setting policy directions for management and also providing appropriate advice and expertise when needed.

Staff and Management Meetings

Seventeen (17) Staff Briefing and Nine (9) Management meetings were held during the year.

Representational Responsibility: Meetings, Conferences and Seminars

The following 5 overseas engagements were attended to:

- Ms Dianne Reddy attended seminar on Food Safety Management for High Ranking Government Officers and International Organizations Coordinators meeting held in Beijing China from 8–28 April. Funded by the Government of China;
- Ms Joshika Samujh attended CI Regional meeting and A2K project meeting held in Kuala Lumpur, Malaysia from 19–23 April. Funded by Consumers International;
- Ms Premila Kumar made presentation at the Pacific Food Summit held in Port Vila, Vanuatu from the 21–23 April. Funded by WHO and the Secretariat of the Pacific Community;

- Ms Premila Kumar attended ISO workshop on increasing the impact of developing country participation in International Standardization on Social Responsibility (SR) and 8th Plenary Meeting of the ISO/TMB Working Group on SR held in Copenhagen, Denmark from 15 – 21 May. Funded by Danish Standards Foundation; and
- Ms Devika Narayan attended ISO/BPS Regional workshop on Consumer Involvement in Standardization held in Philippines, Manila from 27 to 28 October. Funded by Bureau of Products Standards

Conclusion

2010 was an interesting, challenging and rewarding year for the Council for achieving the targets set out in the Service Agreement. The Government grant was well utilized and the rate of return was much higher. The Council strongly believes that imparting knowledge is the first step towards empowering consumers in Fiji to become aware, critical and responsible to ensure the building of an active consumer society. The Council dealt with a variety of issues and was successful in most of the activities it undertook. The Council used media, mobile units, community visits and workshops to reach out to the people.

More people were aware on what the role of the Council is and this was reflected in an increase in complaints registered for 2010. In 2009 the Council registered a total of 1530 complaints worth \$1.8 million dollars whereas in 2010 the number increased to 2250 complaints worth \$2.8 million dollars. The Council was successful in resolving most of the complaints it registered. The Council will continue to strive for excellence in years to come by working closely with Government, consumer protection agencies, donors and other stakeholders in addressing key consumers issues.

Appreciation

I would like to express my sincere appreciation to the Chairman and members of the Board for their guidance and support.

I also thank the line Minister and his staff, Ministry of Industry and Trade, other government ministries/department and the Commerce Commission for their support to the Council in addressing consumer injustice in the marketplace. I also thank the Government for its continuous support towards the Council with the mandate to serve the consumer interest in Fiji.

My acknowledgment and appreciation goes to the Government of Australia, European Union, Consumers Korea and Consumers International for providing much needed financial assistance in 2010 to help the Council accomplish the achievements outlined in my report. I also extend my gratitude to our sister consumer organization abroad and Consumers International for their commitment to help us throughout the year. I thank the Head of Consumers International, CI-KL Office- CI Dato' Indrani Thuraisingham, President of Malaysian Association of Standards Users, Dato Marimuthu Nadason, Mr Pretam Singh, the chairman of the Malaysian Consumer Tribunal and Chairman of Mumbai Grahak Panchayat, Advocate Shirish Deshpande for participating as international speakers at our Consumer Symposium and Consumer Workshop on Legislative Review of Consumer Laws respectively.

My thanks and appreciation goes to consumers and volunteers who have helped us during the year either through their direct action or words of support in numerous issues on which the Council has advocated.

Finally, I would like to acknowledge my staff for being passionate about the consumers whose interests we champion. It is their dedication, motivation and hard work that led to achieving the best results for consumers. We will continue to focus on delivering excellent outcomes for consumers in 2011.



Premila Kumar

Chief Executive/Executive Secretary



FINANCIAL STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2010

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CONSUMER COUNCIL OF FIJI
FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2010
INDEPENDENT AUDIT REPORT

Scope

I have audited the financial statements of Consumer Council of Fiji for the year ended 31 December 2010 in accordance with 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 Council 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 requirements so as to present a view which is consistent with my understanding of the Council'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 present fairly the financial position of the Consumer Council of Fiji as at 31 December 2010 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 purposes of my audit.

Tevita Bolanavanua
AUDITOR GENERAL

30 August 2011
Suva, Fiji



MANAGEMENT CERTIFICATE

We certify that these financial statements:

Have been drawn up as to give a true and a fair view of the state of affairs, operations and cash flows of the Consumer Council of Fiji for the year ended 31 December 2010.



Mr. Narendra Padarath

Chairman

Date: 29/08/2011.



Ms. Premila Devi Kumar

Chief Executive Officer

Date: 26/08/11

CONSUMER COUNCIL OF FIJI
BALANCE SHEET
AS AT 31 DECEMBER 2010

Schedule 1

	Note	31 December 2010 (\$)	31 December 2009 (\$)
<u>Current Assets</u>			
Cash on Hand	2	198,103	255,498
Other Debtors	3	7,531	11,709
Prepayments		1,542	731
Total Current Assets		207,176	267,938
<u>Non Current Assets</u>			
Fixed Assets (Less Depreciation)	4	54,008	69,582
Total Non Current Assets		54,008	69,582
TOTAL ASSETS		261,184	337,520
<u>Current Liabilities</u>			
Accounts Payables & Accruals	6	43,590	46,029
VAT Payable		172,556	36,200
Provision for Annual Leave		10,425	4,853
Grants Payable		180,266	213,967
Deferred Grant		54,008	69,582
Total Current Liabilities		460,845	370,631
NET ASSETS		(199,661)	(33,111)
Represented By :			
Reserves and Accumulated Funds			
Asset Revaluation Reserve		44,508	44,508
Accumulated Funds		(244,169)	(77,619)
TOTAL ACCUMULATED FUNDS		(199,661)	(33,111)

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

CONSUMER COUNCIL OF FIJI
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2010

Schedule 2

Note	31 December 2010 (\$)	31 December 2009 (\$)
Income		
Fiji National Training Council Grant	-	2,516
Grant from Government of Fiji	517,578	512,167
Other Grants	-	1,480
Sundry Income	11,534	57,905
Deferred Grant Income	29,632	21,178
Gain/(Loss on Sale of Assets)	-	540
Total Income	558,744	595,787
Expenditure		
Advertising	4,775	3,772
Audit Fees	3,305	3,273
Bank Charges	772	637
Consultants	1,000	1,500
Council Expenses	11,253	12,816
Depreciation	29,632	21,178
Electricity and Water	15,278	9,803
Entertainment	298	464
TPAF	5,072	3,367
Insurance	4,242	5,361
Interest	-	12,038
IT Support	3,581	-
Labour Disputes	6,800	-
Office Expenses, Stationery & Publication	29,079	13,517
Research	427	93
Rent and Rates	49,800	50,200
Repairs on Office Equipment, Furniture & Fittings	6,171	8,521
Running Expenses - Motor Vehicles	9,370	7,156
Salaries, Wages & Related Payments	342,934	341,306
FNPF Expenses	26,642	26,545
Subscription	2,837	2,696
Sundries	2,147	2,348
Telephone & Postage Charges	12,130	14,060
Training & Workshop Expenses	1,981	1,300
Travelling Expenses	19,353	40,973
TV, Radio Broadcast	1,093	2,684
World Consumer Rights Day	733	3,470
Total Expenditure	590,705	589,080
Net (Deficit)/Surplus for the year	(31,961)	6,707

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

CONSUMER COUNCIL OF FIJI
STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2010

Schedule 3

	Note	31 December 2010 (\$)	31 December 2009 (\$)
Accumulated funds brought forward		(77,619)	(78,011)
Less: Correction of Fundamental Errors	8	(134,589)	(6,315)
Net Surplus/(Deficit) for the Year		(31,961)	6,707
Accumulated Funds carried forward		(244,169)	(77,619)

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

CONSUMER COUNCIL OF FIJI
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2010

Schedule 4

	Note	31 December 2010 (\$)	31 December 2009 (\$)
Cash Flows from Operating Activities			
Receipts from customers		649,191	856,113
Payments to suppliers and employees		(692,529)	(698,765)
Net cash provided by Operating Activities	5	(43,338)	157,347
Cash flows from Investing Activities			
Payment for property, plant and equipment		(14,057)	(3,470)
Net cash used in Investing Activities		(14,057)	(3,470)
Cash flows from Financing Activities			
Repayment of Loan		-	(17,010)
Payments for lease finance		-	(525)
Net cash provided by Financing Activities		-	(17,535)
Net Decrease in Cash & Cash Equivalents		(57,395)	136,342
Cash and Cash Equivalent at the Beginning of the Year		255,498	119,156
Cash and Cash Equivalent at the End of the Year	2	198,103	255,498

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

CONSUMER COUNCIL OF FIJI

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Schedule 5

FOR THE YEAR ENDED 31 DECEMBER 2010

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 2010. 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 & Fittings	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 cashflows 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 recognised 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 recognised in the income statement as revenue on a systematic basis over the useful life of the asset.

(h) Audit Fees

An amount of \$3,305 were provided during the year to account for the 2009 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

Schedule 5

FOR THE YEAR ENDED 31 DECEMBER 2010

	31 December 2010 (\$)	31 December 2009 (\$)
Note 2 Cash on Hand & at Bank		
Cash on Hand	564	564
Cash at Bank: - Operating Account No 1462895	34,561	53,777
- Trust Account No 1462884	162,978	201,157
	198,103	255,498
Note 3 Other Debtors		
Accountable Advances	-	3,611
Debtors	462	3,707
Refundable Deposits	7,069	4,390
	7,531	11,709
Note 4 Property, Plant and Equipment		
(i) Fixed Assets are stated at cost and have been included in the accounts on the following basis:		
Furniture & Fittings	13,617	11,833
Less: provision for depreciation	(7,145)	(5,409)
	6,472	6,424
Office Equipment	97,604	85,331
Less: provision for depreciation	(83,235)	(67,339)
	14,369	17,992
Motor Vehicles	60,000	60,000
Less: provision for depreciation	(26,833)	(14,833)
	33,167	45,166
Total Carrying Value	54,008	69,582

(ii) **Reconciliation of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current financial year is set as follows:**

	Furniture & Fittings	Office Equipment	Motor Vehicle	Total
Cost	11,833	85,331	60,000	157,164
Additions	3,920	13,551	-	17,471
Disposal	(2,136)	(1,278)	-	(3,414)
Revaluation	-	-	-	-
Balance as at 31 December 2010	13,617	97,604	60,000	171,221
Depreciation				
Accumulated Depreciation - 1 January	(5,409)	(67,339)	(14,833)	(87,581)
Depreciation for the year	(1,736)	(15,896)	(12,000)	(29,632)
Accumulated Depreciation as at 31/12/2010	(7,145)	(83,235)	(26,833)	(117,213)
Carrying Amount as at 31/12/10	6,472	14,369	33,167	54,008

CONSUMER COUNCIL OF FIJI

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Schedule 5

FOR THE YEAR ENDED 31 DECEMBER 2010

	31 December 2010 (\$)	31 December 2009 (\$)
Note 5 Reconciliation of Net Cash Provided by Operating Activities to Operating Surplus		
Net Surplus/(Deficit) for the Year	(31,961)	6,707
Depreciation	29,632	21,178
Disposal of assets	-	6,500
(Gain)/Loss on Sale of Assets	-	(540)
Provision for Employee entitlements	-	1,863
Deferred Grant Income	-	(21,178)
<i>Prior Year Adjustments:</i>		
(Increase)/Decrease in Other Debtors	4,178	364
(Increase)/Decrease in Prepayments	(811)	1,813
Increase/(Decrease) in Accounts Payables & Accruals	(2,439)	2,056
Increase/(Decrease) in VAT Payable	136,356	37,035
Increase/(Decrease) in Fundamental Error	(134,589)	-
Increase/(Decrease) in Reimbursable Deposit	-	(2,758)
Increase/(Decrease) in Lease Liability	-	(525)
Increase/(Decrease) in Deferred Grant Liability	-	-
Increase/(Decrease) in Grant - Grants payable	(43,704)	107,333
Net Cash Provided by Operating Activities	(43,338)	159,847
Note 6 Accounts Payables and Accruals		
Accounts Payable	10,400	13,134
Accruals	33,191	32,895
	43,591	46,029

Note 7 Related Parties

(a) Identity of related parties

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

	31 December 2010 (\$)	31 December 2009 (\$)
Council Expenses	11,253	12,816
Government Grant	517,578	512,167
	528,831	524,983

The Government provided a grant to the Consumer Council of Fiji during the year comprising of operating grants of \$517,578 (2009: \$512,167) in accordance with the Consumer Council Act 1976.

CONSUMER COUNCIL OF FIJI

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Schedule 5

FOR THE YEAR ENDED 31 DECEMBER 2010

Note 8 Fundamental Errors

The Council incurred Late Payment Penalties (LPP) for late payment of VAT to FRCA since 2005. In addition the Council did not pay VAT on Grants received prior to 2010. Detail are as follows:

Particulars	Amount (\$)
VAT Penalty	
Dec-05	2,958
Dec-07	40
Dec-07	32
Dec-08	10,332
Nov-09	709
Dec-09	8,774
Jan-10	695
Feb-10	892
Mar-10	831
Total VAT Penalty	25,263
VAT on Government Grants prior to 2010	109,326
Total VAT Penalty and VAT on Grant	134,589

Note 9 Council Members

The names of the Council Members as at 31 December 2010 were:

Mr. Narendra Padarath	Chairman
Dr. Salesi F Savou	Member
Mr. Raman Dahia	Member
Mrs. Ilisapeci Bole	Member

Note 10 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 mobilising consumers to achieve fairness and safety in the marketplace.

Note 11 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 20 employees were employed by the Council.

CONSUMER RIGHTS

- **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.

CONSUMER RESPONSIBILITIES

Critical Awareness

The responsibility to be more alert and questioning about the price and quality of goods and services we use.

Action

The responsibility to assert ourselves and act to ensure that we get a fair deal. As long as we remain passive consumers we will be exploited.

Social Concern

The responsibility to be aware of the impact of our consumption on other citizens, especially disadvantaged or powerless groups whether in the local, national or international community.

Environmental Awareness

The responsibility to understand the environmental and other consequences of our consumption. We should recognise our individual and social responsibility to conserve natural resources and protect the earth for future generations.

Solidarity

To responsibility to organize together as consumers to develop the strength and influence to promote and protect our interest.