

Consumer Council of Fiji

www.consumersfiji.org



HEAD OFFICE

4 Carnavon Street
Private Mail Bag
GPO, Suva
Phone - General Office: 3300792, 3310183
Chief Executive Officer: 3305864
Fax: 3300115 | Email: complaints@consumersfiji.org

LAUTOKA/West

Suite 4 Popular Building
Vidilo Street
PO Box 5396, Lautoka
Phone: 6664987 | Fax: 6652846
Email: consumerltk@connect.com.fj

LABASA/North

Level 1, Lot 41 Raza Properties Ltd
Nasekula Road
PO Box 64, Labasa
Phone: 8812559 | Fax: 8812559
Email: colbs@connect.com.fj

28 May, 2018.

Mr. Joel Abraham
The Chief Executive Officer
Fijian Competition and Consumer Commission
42 Gorrie Street
SUVA

Dear CEO,

RE: Submission – Review of Commerce (Control of Prices for Postal Services) Order 2015

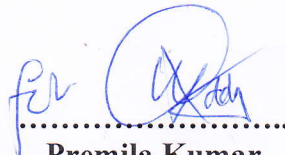
Greetings from the Consumer Council of Fiji.

Please find attached the Council's submission on the Review of Commerce (Control of Prices for Postal Services) Order 2015.

We sincerely hope the issues raised in the submission will be given a favourable response.

We would be happy to provide further clarifications should these be required.

Yours Sincerely,



Premila Kumar
Chief Executive Officer
Consumer Council of Fiji



CONSUMER COUNCIL OF FIJI

A Submission to the
Fiji Competition and Consumer Commission
Review of Commerce (Control of Prices for Postal
Services) Order 2015

May 2018

1.0 INTRODUCTION

1.1 Role of Consumer Council of Fiji

The Council has statutory obligations under *the Consumer Council of Fiji Act (Cap 235)* “to do all such acts and things which it may consider necessary or expedient to ensure that the interests of consumers of goods and services are promoted and protected.” The Council is also obliged to advise and make recommendations to the Minister responsible for consumer affairs in Fiji or any other Minister on issues affecting the interests of consumers. This work extends to providing advice and making submissions to regulatory agencies, policy makers, private sector or industry groups, and international agencies.

The Council welcomes the Fijian Competition and Consumer Commission’s (FCCC) request for our submission on the review of control of prices for postal services in Fiji. The Council sincerely hopes that the issues it raises are given due consideration in the interests of consumer justice and fairness.

2.0 Consumer Council’s Submission

This Submission presents to the FCCC the concerns raised by consumers at the Council regarding the Postal services in Fiji. The Council recommends an extension of the Order given the following considerations:

2.1 Complaints

Consumer complaints against postal services continue to be received at the council. The Council received 44 complaints with a monetary value of \$10,423.43 against Post Fiji from 2012 till May 2018.

Year	No. of registered complaints	Monetary Value
2012	1	\$ 90.00
2013	4	\$ 372.00
2014	10	\$ 6,542.50
2015	4	\$ 11.00
2016	11	\$ 1,375.73
2017	6	\$ 2,006.60
2018	3	\$ 25.60
TOTAL	44	\$ 10,423.43

Source: CCOF complaints database

Some of the most recurring complaints are:

- Misinterpretation and deception of facts concerning parcel sent from overseas.
- Parcel sent but not received by recipient/ Consignment sent overseas still not delivered.
- Complainant told to pay for fixing defective postal box and postal box key
- Slow or late local mail delivery; Mail from overseas is delivered in short
- Loss of registered mail containing expensive items and documents.
- Lock has not been repaired since December 2014.
- Postal box sold to another
- Letters going missing before leaving the original point of postage.

Post Fiji's handling of consumer complaints need improvement. The Council has experienced slow response to complaints that we have raised including queries on products and services.

2.1 Monopoly Status of Post Fiji

The package delivery services market in Fiji has really evolved to a great extent with the entry of multinational companies such as DHL, UPS, and FedEx. However, normal mail postal services in Fiji is under the monopoly of Post Fiji Limited. While there may be competition in the cargo and international postage, Post Fiji has a superior control in the domestic physical mail service area. This is due to the fact that it has the largest and nation-wide reaching network of post offices and distribution centres.

2.2 Postal service as essential for rural and remote communities

Throughout the world, the postal services is on the decline over the last decade due to the shift from physical to digital communication with the use of email, mobile phones, online chat etc, which are more convenient than the traditional paper mail. However, it should be noted that there is still a large section of Fiji's rural and remote island communities who still rely heavily on postal services for communication.

Fiji is committed to ensuring the modernisation of its postal operations by redesigning operations, reinventing and adopting best practices to ensure efficient and timely deliverable of services. There are about 54 postal outlets and postal agencies spread all over the country but located predominantly in rural, isolated communities. There are still many consumers who have limited access to internet or mobile services, and thus continue to rely on traditional postal services¹.

There is still a gap between people and communities that have access to modern information and communications technology, and those that don't or have restricted access [*digital split*]

¹ <http://www.postfiji.com.fj/pages.cfm/about-us/locations.html>

which disadvantages a group of consumers and communities from fully utilising modern information and communication technologies (ITCs).

FCCC should take into consideration that consider that these groups of consumers heavily depend on traditional postal services for communication and exchange of important personal, household and business information. It must be noted that the losses incurred by postal companies are now offset by e-commerce, a new trend in buying goods online. The renewal and extension of *Commerce (Control of Prices for Postal Services) Order 2015* should be maintained in order to safeguard these consumers and underprivileged communities.

2.3 Diversification

FCCC should take into consideration the fact that Post Fiji, Faced with decline in mail volume over the past years, it is fighting back by diversifying services and leveraging technology. Apart from its main business of postal services it has diversified its business in other areas like stationary retailer, utility bill payment and money order service provider. This is a worldwide trend where the postal companies have taken up this strategy in order to generate revenue as measure of survival.

3.0 Recommendation

The council recommends that FCCC reviews and extends the *Commerce (Control of Postal Services) Order 2015*. The following considerations should be taken by FCCC; Monopoly status of Post Fiji., that the rural and remote community rely heavily on postal services for communication due to limited access to mobile and internet access and diversifying its services in order to generate revenue in order to survive the decline in the postal services due shift from physical to digital communication with the use of email, mobile phones, online chat.

=== ENDS ===