



STANDING COMMITTEE ON SOCIAL AFFAIRS

REVIEW OF CONSUMER COUNCIL OF FIJI 2016-2017 ANNUAL REPORT



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TABLE OF CONTENTS

CHAIRPERSON'S FOREWORD	4
LIST OF ACRONYMS	5
RECOMMENDATION	6
INTRODUCTION	6
Committee Members	6
FUNCTIONS OF THE CONSUMER COUNCIL OF FIJI	7
ISSUES RAISED	7
Improving Consumers' Ability to make Informed Decisions	7-8
Recommendations	8
Driving Change to Benefit Consumers	8
Recommendation	8
Solving Consumer Complaints through Alternative Dispute Resolution, Advisory Services and Legal Representation	8
Recommendations	9
Fostering a High-Performance Organisation	9
Recommendation	9
Need to Address Issues Faced by Consumers in the Real Estate Market	9
Recommendation	10
Issues Faced by Consumers when Purchasing Life and Property Insurance Policies.....	10
Recommendations.....	10
SUSTAINABLE DEVELOPMENT GOALS	11-12
Recommendations	12
GENDER ANALYSIS	12

Recommendation	12
CONCLUSION.....	13
COMMITTEE MEMBERS' SIGNATURE	14
APPENDICES	
Witnesses	15
Published Written Evidence	16

CHAIRPERSON'S FOREWORD

I am pleased to present the report of the Standing Committee on Social Affairs on the annual review of the Consumer Council of Fiji 2016-2017 Annual Report.

In accordance with its established Annual Report review process, the Committee examines Annual Reports of agencies, in order to investigate, inquire into, and make recommendations relating to the agencies' administration, legislative or proposed legislative programme, budget, functions, organisational structure and policy formulation. As part of this process, the Committee conducted public hearings to gather additional information.

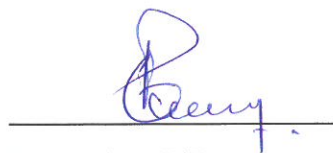
The process has proven to be an effective means of gauging its progress and maintaining a high level of scrutiny of the agencies under review.

This review was made in accordance with Standing Order 109(2)(b) which mandates the committee to look into issues related to health, education, social services, labour, culture and media.

The review looked at nine key areas covering the period from 1 August 2016 to 31 July 2017, conducted into: The Council's administration; structure; budgetary allocation; programmes offered; policies; challenges; highlights; priorities for the coming years; and its implementation of the Sustainable Development Goals.

At this juncture, I also wish to thank the Chief Executive Officer of the Consumer Council, Ms. Seema Shandil, and her staff for their assistance in this inquiry. I also extend my gratitude to my Committee colleagues Hon. George Vegnathan (Deputy Chairperson), Hon. Alipate Nagata, Hon. Salote Radrodoro, and Hon. Dr. Ratu Atonio Lalabalavu for their contributions as well as to Hon. Simione Rasova for availing himself as an alternate member for those Members who were unable to attend the committee meetings. Finally, I thank the Secretariat namely, Ms. Sheron Narayan, Mr. Tevita Tuivanuavou, and Mrs. Atelaite Leba for the assistance provided during the committee's deliberations.

I, on behalf of the Standing Committee on Social Affairs, commend the *Consumer Council of Fiji 2016-2017 Annual Report* to Parliament.



Hon. Viam Pillay
Chairperson

LIST OF ACRONYMS

CCF	-	Consumer Council of Fiji
CI	-	Consumers International
GAF	-	Green Action Fund
kWh	-	kilowatt hour
NCDs	-	Non-Communicable Diseases
REALB	-	Real Estate Licensing Board
SDGs	-	Sustainable Development Goals
SSNC	-	Swedish Society for Nature Conservation

RECOMMENDATION:

The Standing Committee on Social Affairs has conducted a review of the Annual Report of the Consumer Council of Fiji for 2016-2017 and recommends that Parliament take note of its report.

INTRODUCTION

The 2016-2017 Annual Report of the Consumer Council of Fiji was tabled in Parliament during the June 2019 meeting and referred to the Standing Committee on Social Affairs, for its scrutiny.

Standing Orders 110(1)(c) authorises the Standing Committee to *scrutinise the government departments with responsibility within the committee's subject area, including by investigating, inquiring into, and making recommendations relating to any aspect of such a department's administration, legislation or proposed legislative program, budget, rationalisation, restructuring, functioning, organisation, structure and policy formulation.*

COMMITTEE MEMBERS

The substantive members of the Standing Committee on Social Affairs are:

- Hon. Viam Pillay (Chairperson)
- Hon. George Vegenathan (Deputy Chairperson)
- Hon. Alipate Nagata (Member)
- Hon. Salote Radrodoro (Member)
- Hon. Dr Ratu Atonio Lalabalavu (Member)

During the Standing Committee's meetings, the following alternate membership arose pursuant to Standing Order 115(5):

- Hon. Simione Rasova

FUNCTIONS OF THE CONSUMER COUNCIL OF FIJI

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.

The Consumer Council is an advocacy organisation that conducts rigorous research and policy analysis on key consumer issues. Section 6 of the Consumer Council 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. These functions include:

- Advise the Minister on matters affecting the interest of the consumers;
- Make representation to the Government or any other organisation on any issues affecting the interest of consumers;
- Collect, collate and disseminate information in respect of matters affecting consumers;
- Conduct research and investigations;
- Advise and assist consumers;
- Give evidence at any investigation or inquiry; and
- Support consumers when they decide to take legal action against any trader or service provider. We cannot initiate but we can support the consumer.

Furthermore, the Council's legal mandate is to:

- Safeguard consumers' interest;
- Educate consumers on their rights and responsibilities; and
- Empower consumers towards a fair and safe market place.

ISSUES RAISED

IMPROVING CONSUMERS' ABILITY TO MAKE INFORMED DECISIONS

The committee was made aware of the lack of solidarity within Fijian consumers resulting in increased burden to the Council. Various instances have been noted where consumers, despite numerous advocacy and awareness conducted by the Council, have lacked engagement in terms of demanding better quality products and services. Consumers need to be empowered to fully and fairly participate in market economies.

The committee is of the view that consumer education is paramount to maximise consumer empowerment, needing new and innovative ways to reach and enhance consumers' knowledge of their rights and obligations in the marketplace. We are appreciative of the Council's efforts in empowering consumers to make better decisions through conducting outreach activities such as

mobile units, community and school visits, workshops, as well as programmes in the mainstream and on social media.

RECOMMENDATIONS

1. That the Council continue to rigorously raise awareness and educate consumers on its role and how to file complaints with the Council in order to hold traders accountable.
2. That the Council look at new forms of advocacy for target groups and ensure that these new forms of advocacy are tailor made for different age groups.
3. That the Council capitalise on existing events such as, Festivals, religious gatherings, etc. to raise its visibility.

DRIVING CHANGE TO BENEFIT CONSUMERS

The committee feels that it is important to change the mindset of the private sector and the policy makers to recognise consumers as equal partners in economic growth and development as consumer confidence is known to stimulate economic activity.

RECOMMENDATION

1. That the Council continue to strengthen its relationship with the Ministry of Industry and Trade, Fijian Competition and Consumer Commission, and other key stakeholders towards improving their visibility and advocacy role.

SOLVING CONSUMER COMPLAINTS THROUGH ALTERNATIVE DISPUTE RESOLUTION, ADVISORY SERVICES AND LEGAL REPRESENTATION

The committee was informed that traders were not forthcoming in providing redress in the form of refund or replacement. Compensation is a major issue because there is no law for compensating consumers. The trader can be charged for unscrupulous behaviour however the consumer will not be given compensation. As such, the consumer will need to take their case to the Small Claims Tribunal in order to be compensated.

RECOMMENDATIONS

While the committee acknowledges that there is no law for compensating consumers, we recommend that:

1. The Council play an active role in promoting awareness on the different mechanisms available for compensation.
2. The Council conduct rigorous research and benchmark with other jurisdictions on ways to effectively and efficiently provide redress to consumers in the form of refunds or replacements.

FOSTERING A HIGH-PERFORMANCE ORGANISATION

Every year, the Council struggles to meet the consumer demand against high staff turnover. Developing and maintaining staff efficiency and productivity is a major challenge for the Council.

RECOMMENDATION

1. That the Council provide attractive incentives and ongoing trainings to retain staff.

NEED TO ADDRESS ISSUES FACED BY CONSUMERS IN THE REAL ESTATE MARKET

The committee notes that certain players in the real estate market in Fiji deliberately employ tactics to manipulate prices for properties by using gimmicks, taglines and not disclosing prices. This contributes to making housing unaffordable for ordinary Fijians.

The committee was informed that the Council will lobby to ensure that the Real Estate Licensing Board (REALB) expands its functions beyond licensing of real estate agents. The idea is to appropriately regulate the industry against misconduct and unfair trade practices by real estate agents. Furthermore, the Council will lobby for policy change where REALB registers all properties listed by the agents and also records the actual price the property was sold in different suburbs or regions that can be made available online to the public.

The committee also commends the Council's recent collaboration with REALB to hold consumer awareness on real estate issues with the public in the Northern Division and anticipates the extension of these awareness sessions to other parts of the country.

RECOMMENDATION

1. That the Council lobby for change so that policies and guidelines are in place for real estate agents to follow, when properties are advertised and sold.

ISSUES FACED BY CONSUMERS WHEN PURCHASING LIFE AND PROPERTY INSURANCE POLICIES

The committee was informed of the problems faced by consumers when purchasing insurance policies, such as, life and property insurance policies. There is a need to deliberate on the importance of appropriate reforms in these sectors.

RECOMMENDATIONS

3. That the Council lobby with policy makers and insurance providers on the problems faced by consumers.
4. That the Insurance Act 1998 be reviewed with the view to strengthen consumer protection in Fiji.

SUSTAINABLE DEVELOPMENT GOALS

The work of the Council is directly aligned to many of the Sustainable Development Goals. Three of the Goals that the Council's work is aligned to are discussed in detail below:

Goal 1: No Poverty

The goal of ending poverty and reducing rising costs for consumers is work that the Council has strived to achieve through Budget submissions that lobby for reductions in the cost of goods and services. The committee notes that the Council has previously lobbied for:

- Removal of 3% credit card levy - *Budget submission 2016*
- Electricity subsidy to low income earners with a combined income of less than \$30,000 for the first 100 kWh; any usage above it to attract normal tariffs. *Budget submission 2016*
- Duty reduced from 5% to 0% on glucometers, testing kits and diabetic strips - *Budget submission 2015*
- Duty reduction on items such as deodorants and antiperspirants from 15% to 5% - *Budget submission 2015*
- Duty reduction from 32% to 15% on perfume, cosmetics, make-up preparations, pre-shave, shaving and after shave preparations - *Budget submission 2015*
- Reduction of duty on sanitary pads from 32% to 0% - *Budget submissions 2010, 2013, 2014 & 2015*
- Reduction of duty on personal garments (underpants and briefs) from 32% to 5% - *Budget submission 2015*

Goal 3: Good Health and Well-being

The Council's work in this area centres around ensuring that products released into the market do not jeopardise the safety of consumers. A most recent example of this is the Council's campaign against Counterfeit Mobile Phones that present significant health risks to consumers because of the heavy metals used in their production. The Council is also lobbying for standards on safety for consumer products to be introduced to Fiji to ensure that all goods entering the country meet minimum safety requirements ensuring that they are safe for consumer use. Furthermore, the Council is closely involved with the Ministry of Health and has conducted campaigns on a number of consumer health topics including:

- Proper use of Antibiotics;
- Safe and Sustainable food for all a Campaign against pesticides in food; and
- Combatting NCDs through Consumer Empowerment.

Goal 12: Responsible Consumption and Production

In 1999, a new Section was added to the United Nations Guidelines to address sustainable consumption. Consumers International (CI) welcomes and supports the inclusion of Sustainable Consumption and Production in the Sustainable Development Goals. Ensuring consumers are supported, informed and educated to consume sustainably is central to achieving the SDGs.

In 2012, the Council was able to secure funding for the CI initiated campaign, funded by the CI's Green Action Fund (GAF) 2012 and the Swedish Society for Nature Conservation (SSNC) on sustainable consumption, focusing on promoting energy-saver bulbs under the campaign slogan "Switch and Save". The Council also carried out an extensive research on the Energy Saver light bulbs. A Factsheet was designed and 10,000 copies were printed for distribution. The "Switch and Save" campaign was also covered in the Fiji Times on 17th December, 2012.

RECOMMENDATIONS

1. The Annual Report does not specify which SDG each of CCF's programmes and activities relate to. The Committee recommends that the Consumer Council of Fiji:
 - Change the format/layout of the Report to facilitate understanding of SDG information.
 - Explicitly link results with relevant/priority SDG goals and targets.
 - Include a section explaining how the Council is prioritising action on the SDGs.
 - Report on the challenges faced with the implementation of the SDGs.
2. That the Council work in collaboration with the Ministry of Economy for capacity building of staff to enable a better understanding of issues relating to the Sustainable Development Goals and its linkages to the Council's work.

GENDER ANALYSIS

The Council has Human Resource policies that dictate the processes to be followed in recruitment, training, hiring and promotion. The policy sets out the Council's guidelines to provide equal employment opportunities and treatment and preventing discrimination at the work place.

RECOMMENDATION

1. That future Annual Reports present a breakdown of gender equality and participation in the positions held within the Consumer Council of Fiji.

CONCLUSION

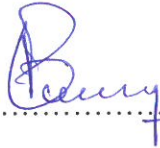
The principal purpose of the Consumer Council of Fiji is to provide the protection and promotion of consumer interests, informing consumers of their rights and responsibilities and mobilising consumers to achieve fairness and safety in the marketplace. To this end, the Council continues to strive for excellence by closely working with Government, consumer protection agencies, donors and other stakeholders.

The Council is faced with the challenge of improving consumers' ability to make informed decisions, changing the mind-set of the private sector and policy makers to recognise consumers as equal partners in economic growth and development, assisting consumers in receiving compensation for damaged or faulty goods, and fostering a high-performance organisation. In addition, the Council needs to more assertively lobby for policy change to address various problems faced by consumers when purchasing insurance policies.

The review of the Consumer Council of Fiji's 2016-2017 Annual Report was conducted in a very tactful and comprehensive manner. This has enabled the committee for Social Affairs to submit to Parliament a more reliable and a cohesive report.

COMMITTEE MEMBERS' SIGNATURE

We, the Members of the Standing Committee on Social Affairs, hereby agree with the contents of this report:



Hon. Viam Pillay
(Chairperson)



Hon. George Vegnathan
(Deputy Chairperson)



Hon. Alipate Nagata
(Member)



Hon. Salote Radrodro
(Member)



Hon. Dr. Ratu Atonio Lalabalavu
(Member)

APPENDICES

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the Parliament website at the following link: <http://www.parliament.gov.fj/committees/standing-committee-on-social-affairs/>

Wednesday 17 July 2019

Consumer Council of Fiji

Seema Shandil, Chief Executive Officer, **Tevita Vuibau**, Manager Campaigns, Information and Media, and **Kavitesh Pal**, Finance Officer.

Published written evidence

Written evidence and supplementary information was received from the Consumer Council of Fiji and can be viewed on the Parliament website at the following link:
<http://www.parliament.gov.fj/committees/standing-committee-on-social-affairs/>