A Budget for Low Income Earners

THE National Budget Speech is a much anticipated event every year where consumers are keen to hear how much more they will pay for goods and services, and other measures that will be announced may increase their revenue base. After all, a country’s budget is no different to our own, budgets with a focus on finding a balance between income and expenses.

So, how will the 2015 Budget affect consumers’ pockets?
Low income earners and the marginalized consumers among the rest of the population will benefit the most from several key Government initiatives. These are:

- Free water up to 9,250 litres per year for households earning less than $30,000
- Power subsidy for low-income families rises from the current 75 kilowatts to 85 kilowatts
- Free prescribed medicines for all Fijians earning less than $20,000
- Free milk to year one students
- Increase in the monthly pension from $90 to $95 per month and reduction of the age of eligibility from 70 to 68 years
- Increase in the national minimum wage rate from $2.30 to $2.32 an hour
- Exemption of resident interest withholding tax on individuals’ savings of $60,000 and below
- Increase of 2% in FNPF employer contributions

Cost of living remains crucial. Government is ensuring that it will continue to control the price of basic food items such as rice, flour, potatoes, oil, cooking oil and pharmaceutical and medical products. Zero VAT is already in place for items such as powdered milk, rice, edible oil, tinned fish, flour, sharpers and medicines.

Not so good!
Excise duties increased on certain goods each year to stimulate economic growth or to deliver necessary services to the public. The 2015 Budget follows this long tradition.

- Excise duty on tobacco and alcohol increased by 10% while an increase of 5 cents per litre excise duty is imposed on sweetened drinks - an initiative to contain NCDs
- Duty increased by 32% on perfume, cosmetics, pre-shave, shaving or after shaving preparations, cameras, camcorders, sunglasses binoculars, video and electronic games, watches, iPods, MP3 and MP4 players and jewellery
- A new import duty of 32% will be introduced on photocopy paper
- Import Duty will also be charged on imported exercise books. (This will be a specific rate of $1 or 22% whichever is greater)
- The Service Tax will be charged on the provision of meals, beverages or any other services in all licensed bars. The scope of the Service Turnover Tax will also be extended to include takeaway meals in restaurants with a gross turnover of $1.5 million dollars.
- The tax will also be extended to include service provided by hired vehicles.

Overall, the budget caters for the interests of all - those falling in the low-income bracket to high income earners to the business community.

Budget for Better Health Services
The Council applauds the Government for striving to implement the much needed reforms in the health sector given the public outcry over the deplorable service provided at some public hospitals around the country.

A number of cases publicly reported re-
CEO’s Message

2014. action-packed year

We have come to the end of yet another eventful year.

Health, cost of living, entertainment, mobile phone services and mobile handsets, housing, online shopping and utility bills were some high priority areas clamouring for Council attention within the last ten and half months.

The Council’s complaints management arm, the Alternative Dispute Resolution Division (ADR) received an overwhelming response from consumers and has recorded a total of 1,829 complaints with a monetary value of $5,031,287. There has not been a single day in the calendar when consumers did not file a complaint or sought advice from the Council.

With advancing technology and more and more consumers becoming technosavvy, I am pleased to state that we experienced the emergence of a trend where more consumers used cyber-space to raise their concerns, filed complaints and created public discussion on pertinent consumer issues. We significantly ramped-up our social media efforts to facilitate the deliberations on these important consumer issues.

We also saw consumer solidarity evolving with consumers coming together to express their views and concerns. The clearest manifestation of this occurred during Fiji Television’s sudden removal of nine Sky Pacific channels. The subscribers indignantly questioned the removal and more than 300 came forward with their complaints demanding the immediate restoration of the channels. The Council strongly believes more subscribers should have come forward. Consumer rights come with an associated responsibility. Concerned consumers must develop the attitude or habit of taking time out to register their complaints for consumer justice.

Talking about consumer solidarity and upholding this spirit, the Council also embarked on launching a special community network for consumers, more particularly for those living in the remote rural areas and maritime zones.

The Council, with the support of the EU, successfully launched the Community Consumer Advisory Group (CCAG) in June 2014. CCAG consists of seven members from Savusavu, Seaqaqa, Taveuni, Navua, Sigatoka, Ba and Raiwai.

This initiative was long overdue because vulnerable consumers living in these remote areas have been preyed on by some unscrupulous traders and service providers.

Health care was another critical area on the Council’s agenda, with a number of complaints over poor service delivery surfacing with quite alarming frequency.

The ongoing problems with service delivery and complaints suggest that some health workers and bureaucrats lack diligence and compassion in service to the public. The lack of commitment and cooperation the Fiji Medical and Dental Secretariat showed in responding to complaints and queries the Council raised was a sore point of contention.

Other important complaints handled by the Council are as follows:

- Unreasonable stamp duty for residential tenants

The Council found the stamp duty of $500 imposed by Fiji Revenue and Customs Authority (FRCA) to be paid by residential tenants across the board to be unreasonable, unjustified and unfair. After Council’s lobbying with the State to reduce the stamp duty on tenancy leases, FRCA agreed to reduce the stamp duty charges to $10 per tenancy agreement if their monthly rental is below $700. Those who pay rent ranging from $700 to $1500 will be required to pay $20 as stamp duty. Residential tenants having rental rates above $1500 will be required to pay $500 for stamp duty. This announcement comes as a big relief to the many consumers who fall in the $700 and below category.

- Second-hand vehicles

The Council published a series of articles in the print media and on social media platforms to create awareness on the Self-Regulating Guidelines (SRG) on the sale of second-hand motor vehicles.

This is a pressing issue as many consumers spend their life-savings to own a vehicle and some barely receive value for their money. Instead, more consumers end up in more debt for fixing vehicles sold by deception.

- Flight information concerns

The Council had highlighted publicly that Airports Fiji Limited (AFL) failed to provide flight information services for Nausori Airport similar to the ones provided at the Nadi International Airport. There are no proper easily-accessible information services provided to travellers and the public. The Council wrote to AFL but three months have lapsed and AFL has not responded, nor even formally acknowledged the Council’s letter on a simple question. We are still waiting for answers!

- Mixing of mobile numbers

The mixing of mobile number ranges between Inkk and Vodafone created confusion amongst subscribers, resulting in loss of purchased credit for many of them.

The overhaul of consumer protection laws in the country is absolutely imperative given that we are in the phase of major economic reforms, more and more businesses are opening up, making the marketplace highly competitive. Consumer education has also become a necessity, to guide and transform consumers to becoming critical when spending their money.

The Council is optimistic that the much awaited Consumer Complaints and Compensation Tribunal will make access to consumer redress speedy, cost effective and simple.

The Government Budget measures for 2015 is forward-looking. Measures announced will ease the financial burden on the low income earners (details, cover story).

Now that we are in the festive season, we encourage consumers to be alert, and avoid impulsive buying.

On behalf of the Council, I wish all consumers a Merry Christmas and a Productive New Year.

Premila Kumar | Chief Executive Officer

Street Talk

Question: As a mobile phone user, were you aware of the mixing of numbers between Vodafone Fiji and Inkk Mobile (Fiji) Limited?

Elesi Fong, Navua

Yes, I am fully aware. The frustrating part is how are we supposed to register in our heads the numbers as they are all mixed up. Can’t we just have one of them to start with Prefix 6X and the other with Prefix 7X so we don’t suffer a rip-off in the process.

Leon Lord, Nadi

Yes, I know the differences in Inkk and Vodafone numbers.

Nafsa, Qaqalai, Labasa

DigiCell is safer with just a Prefix 7X.
Council Breaks Mobile Number Mixing Mystery

This case is a glaring example of a blatant disregard of the duty of care the country’s two leading mobile phone operators owe to their customers. For some time now Inkk Mobile (Fiji) Limited and Vodafone Fiji Limited have been operating without making full disclosure on the number range to its customers. This is one of the reasons why you may have experienced loss of your purchased credit during promotions and would have wondered - why? Well, now the Council has succeeded in breaking that mystery. We have established that there is mixing of mobile numbers between Inkk and Vodafone.

Mobile users (both Inkk and Vodafone) are advised to be cautious when calling mobile numbers starting with 8 and 9, as they may be losing out on their purchased credits. It is widely perceived view that Inkk users carried mobile numbers starting with 8, while Vodafone mobile numbers ranged from prefix 9. But due to mixing of numbers, both Vodafone and Inkk mobile numbers start with 8 and 9.

The Council’s audit on mobile number allocation shows Inkk mobile numbers start with “95, 96, 97, 98, 84 and 87” prefix while Vodafone mobile numbers start with “96, 63, 68, 69, 90, 91, 92, 93, 94, 95 and 99”.

We are concerned that there is no pattern or sequence in the allocation of these numbers, which consumers can remember easily and differentiate Inkk numbers from Vodafone. Inkk mobile numbers appear to be allocated in a broken sequence which is impossible to remember. This is unfair, misleading and a matter of grave concern to the Council as the mixing of numbers is causing confusion among the mobile phone users at large resulting in loss of their money.

A good example is Inkk’s “Real Freedom Pass” promotion. This particular advertisement stated “$250 Real Freedom Free Money. Unlimited Free SMS, Unlimited Free PXT and 3G Video Callings are for INKK to INKK services only.” This means that a consumer will end up using their normal purchased credit if he/she calls a Vodafone customer unknowingly, when the intention is to call on INKK numbers.

The question for Inkk customers is: How can Inkk customers know that the mobile numbers they are calling are correctly Inkk numbers and not Vodafone? The only way consumers will know the Inkk numbers is by memorising, which is not easy. Unlike the Digicel numbers where subscribers are able to differentiate because Digicel mobile numbers start with 7. This makes it crystal clear for all mobile phones users to know that they are calling Digicel network, thus will be paying a different rate.

Another evident example is Vodafone’s Magic Minutes Bundle Packages. ‘Magic Minutes! Get 25 times more Minutes’. This promotion is for only Vodafone pre-pay users. Magic Minutes can only be used for on-net calls, which is Vodafone to Vodafone only. Unfortunately, once again, some Vodafone customers subscribing to this promotion may not know whether they are calling a Vodafone number or Inkk number.

Current practice exposes Inkk and Vodafone customers to the risk of easily losing their purchased credit. As a result, this endorses competition in the market. There needs to be clarity and some form of order in place with number allocation to respective mobile phone operators. This will allow consumers to make an informed decision when making calls knowing precisely how much they will be charged per call.

Our Recommendation

The Council is urging Telecommunications Authority of Fiji (TAF) to get Vodafone and Inkk to introduce deep sounds when consumers make calls on alternative platforms. This will signal it as off-net calls i.e., the call is not Inkk to Inkk or Vodafone to Vodafone and therefore, higher charges will apply. Secondly, Vodafone and Inkk mobile numbers can be recalled and re-assigned for clarity purposes. This is very crucial, especially when Vodafone and Inkk are putting out promotions which only apply to their customers.

ON RECORD

Vodafone should get it Right!

Just a day after the Council released its press statement on Mixing of Mobile Phone Numbers, Vodafone Fiji reacted through media mentioning a number of claims. The Council released a second press statement responding to Vodafone Fiji’s claims. We bring you the claim and the rebuttal.

(Vodafone’s comments were published in Mailife Magazine website 12th Nov and The Fiji Times dated 14th Nov)

Vodafone: Why did the Council choose to go to Media to highlight the issue?

Council: The Council had no option because Inkk and Vodafone started advertising the number range in newspapers in fine print without explaining to the public why they must know the significance of these numbers. Obviously, the Council had to raise awareness on these mobile numbers for this reason so that consumers become aware of mixing of mobile numbers to make informed decisions and avoid losing money unknowingly.

Intermixtude of mobile phone number ranges - the Facts

In 2006, the Department of Communication assigned mobile number ranges starting with 95 and 96 to ‘Vodafone reseller’. This is reflected in the table provided by the TAF. The 2014 Fiji - NATIONAL NUMBERING PLAN shows additional allocations of numbers in 2008, as presented in the table below.

<table>
<thead>
<tr>
<th>Date of Assignment</th>
<th>Allocation</th>
<th>Range</th>
<th>Total Assignment</th>
<th>Assigned To</th>
</tr>
</thead>
<tbody>
<tr>
<td>21/08/2006</td>
<td>Mobile Numbers</td>
<td>950000 – 952000</td>
<td>30,000 numbers</td>
<td>Vodafone reseller</td>
</tr>
<tr>
<td>22/08/2006</td>
<td>Mobile Numbers</td>
<td>952000 – 954000</td>
<td>30,000 numbers</td>
<td>Vodafone reseller</td>
</tr>
<tr>
<td>15/05/2008</td>
<td>Mobile Numbers</td>
<td>840000 – 849000</td>
<td>100,000 numbers</td>
<td>Vodafone reseller</td>
</tr>
<tr>
<td>04/07/2008</td>
<td>Mobile Numbers</td>
<td>870000 – 879000</td>
<td>100,000 numbers</td>
<td>Vodafone reseller</td>
</tr>
<tr>
<td>24/01/2008</td>
<td>Mobile Numbers</td>
<td>980000 – 989000</td>
<td>100,000 numbers</td>
<td>Vodafone reseller</td>
</tr>
</tbody>
</table>

All the number ranges shown in this table belong to Inkk and yet the number ranges 840 – 849, 870 – 879 and 980 – 989 are shown as Vodafone, which is incorrect. It implicitly indicates that in 2008 TAF allocated these numbers 840-849, 870-879 and 980-989 to Vodafone, which then assigned these numbers to Inkk. According to the draft National Numbering Plan Fiji 2014, the numbers are allocated to Vodafone. It does not make any mention of Inkk although these numbers belong to Inkk. Unfortunately, this happened under the watchful eye of TAF. This confusion could have been avoided if Vodafone had assigned the numbers with some sense of responsibility, or even common courtesy. Do consumers have no right to know? As a service provider with technical expertise, Vodafone should have anticipated the consequences of allocating numbers in a broken sequence.
ON RECORD | Vodafone should get it Right! Continued

Vodafone: Why did the Council fail to raise the issue of number ranges with Telecommunications Authority of Fiji (TAF) during National Intergroup Working Group (NIWG) meeting?

Council: The numbers that were allocated to Inkk in 2006 and 2008 predate the formation of the NIWG (This group was formed in 2011). The Council would not have known about the mobile number range allocation between Vodafone and Inkk, because Inkk is not a member of NIWG. The draft National Numbering Plan Fiji 2014 has “Vodafone reseller” and Vodafone stated next to Inkk numbers. Why Inkk was not stated next to Inkk numbers?

Vodafone: The administration and issuance of telephone numbers was the authority and responsibility of the Telecommunications Authority of Fiji (TAF). As an operator, Vodafone in turn allocate numbers to their customers based on the number series being allocated to them by TAF. The mixing of the number range has nothing to do with Vodafone.

Council: According to the draft National Numbering Plan Fiji 2014, the numbers are allocated to Vodafone reseller and Vodafone. How can one know that Vodafone “reseller” in this case is Inkk when this is not expressly stated in the Numbering Plan?

Most importantly, Inkk has always been claiming to be a “competitor” of Vodafone and the “monopoly breaker” in the Fijian market. Inkk and its CEO Mr. Paul O’Neil have recently made this assertion in the newspaper (Fiji Sun: 13/09/14: pgs 20-21) on the launch of the 4G services. The CEC states: “We have a proud distinction of being the first mobile brand to break Vodafone’s monopoly position in the Fijian market.”

This clearly shows that Inkk happens to be Vodafone’s competitor in the marketplace and not a “reseller”. Apparently, this results in more confusion amongst the stakeholders and consumers at large. Finally, it is now clear that Inkk is not a Vodafone reseller.

It is now apparent that in 2006, the Department of Communication assigned number range 95 and 96 to Vodafone reseller. In 2008 mobile numbers starting with 84, 87 and 98 was allocated to Vodafone (as stated in the Draft National Numbering Plan Fiji 2014). So if these numbers were Inkk numbers then how come these numbers are with Inkk? Does this mean that in 2008, Vodafone allocated these numbers (84, 87 and 98) to Inkk?

Vodafone, as a corporate and philanthropic institution, owe a duty of care to consumers, particularly the vulnerable, elderly and the ones who are not tech-savvy, who don’t have the knowledge/experience to grasp the current number mix up between Vodafone and Inkk. With the best technical expertise, they should have understood the consequences of mixing the mobile numbers. However, they chose to keep quiet. Why?

Just In: Fiji’s first Gold-Testing Service

Have your gold and diamonds tested for authenticity

At this time of the year we are entering the seasons of festivity and weddings. What better time for many consumers who opt to buy jewellery for adornment or as means of expressing their love.

Buying gold and diamond jewellery is a big investment so buyers are anxious to ensure the pieces they are purchasing are ‘the real thing’.

Gold and diamonds, in today’s climate of innovative technology, are easily imitated. Mistaking fake for real is equally easy, for these clever imitations can look almost identical with the genuine material to the untrained eye.

Consumers are often victims of fraud. For instance, a buyer maybe told that what he/she is buying is 22K gold. Only later, when for some reason he/she comes to exchange or sell the jewellery, he/she may come to know of the deception, discovering to his/her dismay that the gold is of lower karat weight (18K or 14K or just gold plated).

Similarly, a consumer investing in a diamond may be in for a shock when he/she finds out that what has unsuspectingly been purchased is actually Cubic Zirkonia.

Can consumers do anything to guard themselves against fraudulent transactions?

Well, the good news is that consumers in Fiji can now access professional gold and diamond testing services at a minimum charge of $15 and $25 respectively.

This will help consumers know if their jewellery is authentic or not.

Gold Traders Fiji, a division of Jewels Fiji, now owns state-of-the-art technology that enables them to offer professional gold testing services at their Suva and Nadi branches.

GOLD/DIAMOND TESTING, JEWELS FIJI
Head Office
Jewels Fiji Limited, Suite 3, SPR Towers, Ashram Road,
Phone: (679) 6700 435 | (679) 6700 478
Ground Floor, MMCC Thompson Street, Suva | Phone: (679) 3310 016, (679) 3310 119
Email: info@jewelsfiji.com

What’s on offer?

- Testing can be conducted for gold, platinum, silver and other metals, and the mineral diamond
- All tests are carried out in the consumer’s presence, thus eliminating ambiguity and misrepresentation of actual gold content
- A full test report is issued outlining the correct karat and all other metal content present in the jewellery
- Professionally trained test personnel will assist the consumers
Supermarkets taken to task over misleading shelf labels

Misleading labelling of products is a common problem in Fiji

The Council’s market surveillance often finds products mislabelled or instances of labels being modified by retailers. Some unscrupulous traders tamper with product labels to entice consumers so they can clear their old stock or mislead consumers into buying certain products that are nearing expiry dates.

Misleading shelf labelling (rather than product labelling) is another problem, which most often goes unnoticed by ordinary consumers. This comes in various forms such as the shelf label price not matching with the label on the product or the shelf information being very different from the product on the shelf.

In July, the Council found some leading supermarkets having misleading shelf labelling for a particular brand of locally-produced toilet paper. While the label on the toilet paper package did not provide information on the number of sheets, the shelf label read as 5000 sheets. The toilet paper label carried only this information. Each sheet 10cm x 13 cm 2-ply, nothing about the ‘number of sheets was displayed.

No example of misleading shelf labelling could have been plainer; consumers were deliberately misinformed about the product. No doubt, some may have purchased the toilet paper on the basis of this misleading information.

The respective supermarkets, however, amended the misleading information after the Council’s intervention.

Consumer Advice

When shopping at a supermarket, don’t rely solely on the shelf labelling. Check the product itself as this is what you are actually buying and paying for. If you find shelf information is misleading, inform the supermarket staff or contact the Council. You can also help by taking a picture of the shelf label and the product, which will be your evidence in case you decide to seek redress.

‘No refund’ policies are illegal

The Council is once again urging traders to stop imposing illegal exclusionary policies like ‘Goods Once Sold Cannot Be Returned’ on the consumers.

The Council’s market surveillance discovered two traders imposing such policies in Lautoka in July.

In the first case, Fong Hing Store of Lautoka had the in-store exclusionary policy – ‘Once the goods sold money cannot refund, but can be changed’.

In the second case, Jap Part Mart had an exclusionary policy on its receipt – ‘Goods sold cannot be taken back’.

Exclusionary policies are illegal under the Fijian Commerce Commission Decree 2010.

This means that a trader cannot impose a condition that prevents consumers seeking redress if products purchased are not of merchantable quality or if the trader has violated price control, pharmaceutical, safety and other regulations.

Traders cannot impose conditions that deny consumers the right to due process.

For the two traders in Lautoka, Fong Hing Store responded to the Council and amended their policy to be in compliance with the law. For Jap Part Mart, the Council has referred the trader to the Fijian Commerce Commission.

Meanwhile, the Council is encouraging consumers not to be intimidated by such notices but to report such traders to the Council for non-compliance.

The usual places where traders highlight such notices are in-store posters, receipts or invoices.

Get Your Tax back when you cancel your air tickets

Any taxes paid on tickets regardless of the fare rules, are refundable when tickets are cancelled, whether voluntarily or involuntarily.

This is applicable to both domestic and international tickets.

During the time of cancellation, the passengers are advised of the rule, ‘taxes are refundable’. This process is initiated or logged by the agent and the actual refund is processed by the airline’s finance team.

The refund is paid in the form by which the ticket was purchased, except that where a cash payment has been made, the airline will refund by either cheque or credit card.

Normally the process of tax refund takes about 5-10 working days depending on the mode of refund.

Source Fiji Airways
Consumers can cancel a Layby Sale

Layby for Christmas

Javed, a plumber from Nausori, was saving money to buy a dress for his wife for her birthday. However, at that time he did not have enough cash at hand, so he opted to lay-by.

He managed to negotiate the price and the lay-by deal, which amounted to $92, with the staff at Chotubhai & Co. Paying a deposit of $10, he settled to pay the rest when he would collect the dress.

But after two days, he decided to cancel his purchase. So he went to the store to cancel the lay-by. Unfortunately, the salesperson he dealt with refused to cancel the lay-by sale and advised him that he cannot cancel the agreement once he had put the item on lay-by.

Not satisfied with this response, Javed lodged a complaint with the Council. The Council contacted the respondent, who then agreed to cancel the lay-by sale and refunded Javed $6 after deducting $4 to cater for the cost of sale, lay-by negotiation, handling and storage of the item.

This case study highlights the need to clarify the rights and obligations that apply when the convenience of a lay-by commitment is offered and accepted.

Your rights as a buyer

- The right to cancel the lay-by sale—Section 67(1) of the Sale of Goods Act (Cap 230) states: The buyer may, at any time before the purchase price has been paid, cancel the lay-by sale by giving to the seller oral or written notice of his desire to cancel the sale.

- Consumers are entitled to a refund once a lay-by sale is cancelled. However, the consumer may not receive a full refund of the payment made as the trader can deduct ‘selling cost’ (costs incurred in putting the goods on lay-by sale, eg storage and administration costs) and loss of value of the item (this is the difference between the item’s original price and the price the retailer expects to sell it for now) if the cancellation is done after the goods have been set aside on lay-by for more than a month.

- The trader must not deduct for ‘loss of value’ if the consumer cancels within one month of sale.

- The costs deducted should be reasonable in the circumstances and consumer may ask the trader to justify the amount deducted upon cancellation of the lay-by sale.

- The trader can cancel the lay-by sale only if the consumer does not keep to the terms of the contract, eg if you miss out on payments. If the seller does cancel, your entitlement to a refund is the same as if you had cancelled.

Your responsibilities as a buyer

- Avoid being an impulsive buyer. Consumers are advised that if they are not likely to have enough money to make payments for the lay-by sale, they should not enter the transaction. Looking at your personal budget will tell you whether you can afford to meet lay-by payments.

- negotiating a lay-by commitment will stagger the outflow of money but it will not give you any more money than you have or make the goods any cheaper.

- Consider all your other current expenses and decide on purchasing items only if you can afford to and if the lay-by terms are realistic and flexible enough for you.

- Consumers should also look out for exclusionary notices (notices that state consumers do not have any right or remedy available to them) such as 'Once on Lay-by, No cancellation is allowed' and 'No Refunds allowed.' Exclusionary notices are in breach of Section 77(1) (k) of the Commerce Commission Decrees 2010, where these notices are deemed to be a False or Misl leading Representation.
LOOK FOR DISCOUNTS, NOT POINTS!

Retail traders try to use a range of attractive methods to persuade the uninformed shopper to buy. Careful buyers need to find ways to defend themselves against this sustained onslaught of temptation.

Consumers, for instance, should be well advised not to be blinded by the glint of loyalty points as they select their purchases or plan their shopping for December. Rather, they should look for authentic discounts. These are more likely to offer instant savings or deals from which one can reap immediate benefit.

Loyalty programmes are not designed for quick or instant benefits and returns to customers. They are designed to encourage consumers to purchase more or to go for things they would not normally consider buying and do not even have a need for. Furthermore, the benefits of loyalty take time to be realized.

The Council surveys three major loyalty programmes (Tappos Frequent Shopper (TFS), Jack’s Reward Club and Prouds Privilege Card). It has found that the redemption value is relatively small, when compared to the amount spent.

Redemption Rates—The Council has found that the redemption rates of loyalty programmes can vary from 0.75% to 2%, while general discount rates range from 5% to 50%. Generally, though, loyalty card holders are better off than non-card holders because of the rewards and “best customer” service they get. For example, Prouds offers a 10% discount to card holders for certain items outside special promotions and sales.

Earning points—Tappos and Prouds give 1 point per dollar on consumers’ purchase amount while Jacks gives 1 point on every $4 spent.

Redeeming Eligibility—Retailers normally require a certain minimum of accumulated points for redemption eligibility. For example, the minimum eligibility points range from 1000 to 2000 points for redemption. Although, some programmes do allow redeeming points for any item they have, under Jacks’s Reward Club a cash voucher is given for the points redeemed, which consumers can generally use to pick any item worth that amount in the store.

Redeeming Points—When we looked at what consumers will get in dollar value for redeeming points, we found that if a customer spends $2000 on Tappos, he/she will be able to redeem items worth approximately $25 at Taposs, whereas at Jacks the consumer has to spend $2400 (1 point per every $4) to receive $25 worth by redeeming points. Prouds will give items worth $15 for redeeming points after spending $2000.

Similarly, by spending $5000 will enable a consumer to redeem items worth $62.50 at Tappos and $50 at Prouds, though Jacks is ahead of Prouds by awarding $50 (or $4000 spent). Tappos and Prouds will allow a consumer who has 10,000 points to redeem items worth $125 while Jacks gives a $100 redemption value on any item.

Loyalty cards are a good thing for consumers especially when they allow access to discounts or exchange their points for redeemable items from the store. They may also be given preferential discount offers compared to ordinary customers. However, consumers need to weigh loyalty programmes carefully. A consumer can get a better deal simply by comparison shopping rather than believing that he/she will receive a better deal through loyalty programmes. As we said, the redemption rates of loyalty cards are very low.

Consumers are urged to demand information and disclosure of full terms and conditions of loyalty programmes. While some information is available in brochures and online, retailers are also urged to disclose full terms and conditions and helpful information for consumers to make informed choices.

TREAT “EXTENDED WARRANTY” WITH CAUTION

Consumers should treat carefully when deciding to buy extended warranty on electronic goods, furniture and bedding.

The Consumer Council of Fiji is cautioning consumers to fully investigate all aspects of the extended warranty in particular what it is covered under the warranty before making their decision to buy the extended warranty.

The Council’s advice comes in light of the announcement by one of the country’s leading hardware company offering a Smart Care Extended Warranty program that they claim will mean that customers do not have to worry about the costs repair bills after the manufacturer’s warranty expires. (The Fiji Times dated 8th October 2014)

Consumers must not fail for such offers without fully understanding how extended warranty works. Will extended warranty bring peace of mind or nightmare to the consumer?

The common consumer understanding is that the extended warranty carries the same privileges of “free of charge” repair or replacement on a product as a normal warranty would provide.

Unfortunately, this common understanding is nowhere near the truth of how the extended warranty really works. Consumers must know that the extended warranty is sold by retailer. As such, it is the retailer that imposes the terms and conditions of the extended warranty with exclusionary clauses. Use of “exclusionary clauses” denies consumers the right to get a fair return for the money used in buying the extended warranty. For example, some parts of products are often expressed excluded but written in fine print which is not easily seen by the consumer.

Breach of warranty is a real problem. The Council, for instance, from 2012 till date has received more than 200 complaints on hire purchase where majority of the complaints are over warranties.

It is unfortunate that consumers are not advised that the extended warranty is a dollar value warranty. This means that the maximum liability on the dealer is the purchase price of the item. Thus, though a consumer may have an extended warranty for 2 years and if the product requires a number of repairs within the first 10 months of the extended warranty, the cost of which totalled the price of the product, the remaining 14 months of the extended warranty would require consumer to pay for the repair.

Consumers are not aware that each occasion the extended warranty facility is invoked, costs build up. These include cost of inspection, transportation, parts and repairs. Consumers are not provided with any breakdown of the costs of attending to the needs under the warranties.

In 2012, the Council conducted a detailed study of the Hire Purchase industry in Fiji. The report revealed that the “Extended Warranty” is another profit centre for the retailers which generate on estimate of $1.013m revenue annually. This is approximately 4% of the total credit which is extended to consumers.

A potential worrying feature of the extended warranty business revealed in the report is that at least some retailers seem to engage their regular paid employees to sell extended warranties for a commission. The incentives provided to the employees are to go out and above the normal wages compromises the integrity of the employees who then engage in pressure selling.

Consumers must demand disclosures from the salespeople offering extended warranty to ensure they fully understand the terms/conditions offered under that arrangement.

The Council is, therefore, reiterating its call to consumers to weigh the idea of extended warranty before forking out extra money for it.
Launching of the Community Consumer Advisory Group (CCAG)

Meet the CCAG members from the different areas

CCAG Rep – Taveuni
Velau Yavalanavanua

CCAG Rep – Savusavu
Bas Deo Lakhan

CCAG Rep – Sigatoka
Sutha Wati Mani

CCAG Rep – Ba
Mohammed Kazim Yasin

CCAG Rep – Seqaqa
Sakuntsala Singh

CCAG Rep – Labasa
Mahendra Prasad

CCAG Rep – Nabua
David Vimlesh Prasad

The European Union, in June 2014, we launched our Community Consumer Advisory Group (CCAG) initiative. CCAG, a seven-member group based on voluntary membership, has come together to empower and protect consumers, especially those who are disadvantaged and marginalized by their residence in the rural areas and outer islands where the Council’s reach is minimal.

The CCAG representatives can be found in Nabua, Sigatoka, Ba, Savusavu, Seqaqa, Labasa and Taveuni.

Under the European Union project, ‘Creating a Fair Marketplace for Consumers through Consumer Information and Redress Mechanisms’, consumers who need immediate assistance will now be able to approach the CCAG as their primary contact group. The help sought in these rural areas is most likely to be in the form of advice or guidance on how to go about seeking redress from traders who engage in bad business practices.

Consumers, particularly those living in remote parts of the country, are at the mercy of traders and dealers who are known to be selling defective, poor quality or expired items. This European Union-supported initiative, to empower consumers living in areas where the Council’s reach is limited, will be invaluable for the Council’s efforts to safeguard consumer interests.

The hope is that the setting up of the CCAG will allow consumers living in isolated areas to access some relief, now that they have the opportunity to voice their concerns collectively to get ‘true value for their money’.

We encourage consumers to take full advantage of CCAG. Their joining in will not just assist the Council, but will work toward the creation of a fair marketplace for all.

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Consumer loses hair after beauty treatment

A tertiary student, Anita, went to a hair salon in Lautoka on 24 May 2014 to have her hair cut in layers and permanently straightened. She paid $70 for this new look.

Four days after receiving the straightening treatment at the salon, Anita noticed that her hair had started falling drastically and she was becoming bald from the middle of her head.

It was not that Anita was tearing her hair out; rather, she was feeling as though her life had come to a standstill. Imagine the trauma for a young woman losing her beautiful hair, her crowning glory.

It took Anita a while for what was happening to her to sink in fully. She went back to the salon on 11 June 2014 to discuss her hair loss. After some discussion, the salon owner accepted that the hair fall was most probably caused by the hair products used on Anita’s hair.

So, the owner apologized and offered $100. Apart from that, the complainant was given a bottle of professional oil and was advised to put it on her hair to stimulate regrowth.

Anita was dismayed. She refused the redress offered and lodged a complaint with the Council as she felt the compensation was ridiculously little in comparison with the damaging consequences of her hair loss.

Life was no longer the same for Anita. Surely, the offer of $100 compensation was a joke!

The Council conducted a mediation session with both parties and the respondent offered $1,500 as compensation. In the end, Anita was satisfied and accepted the respondent’s offer.
Know the security features of your weighing instruments

When buying shrinkable items it is always advisable for consumers actually to weigh the items on the scale and check their weight against the mentioned weight on the pack.

But how will the consumer know whether the weighing instrument being used is accurate and not defective?

Easy! Check the weighing instrument for the stamp the inspectors from the Department of National Trade Measurement and Standards paste there after they have tested the equipment.

Consumers should note the following:
- The stamp sticker is placed on the face of the weighing instrument where the consumer can easily read it. This stamp sticker carries the date (month/year) of the last inspection of the instrument.
- For the mechanical weighing instrument, one security feature apart from a stamp sticker is known as a ‘lead plug’ (type of wire) which is posted on the face of the instrument with the coat of arms stamped on it.
- The scale should always be placed in an open space where consumers can sight the lead plug and consumers should ensure that the scale is at zero before any weighing is done.
- For an electronic weighing instrument, the security features are a sticker stamp, tamper-proof seals plus the sealing lead with the coat of arms (crown).

Consumers Paying More for Less

Do you ever feel that more is less? That more to the cashier or manufacturer nets you less than you used to haul in? This is not an illusion. Some consumer items are being downsized subtly by manufacturers and distributors while consumers are paying more.

The Consumer Council has looked at eight brands of commonly purchased items and has found that manufacturers have downsized these in weight, volume or units per pack. The items are powdered milk, washing soap, toothpaste, matches, LPG cooking gas and detergent.

Most consumers are unlikely to notice in their haste that some of their favourite brands are being downsized, giving them less and less while charging them the same price or more.

This silent downsizing is objectionable and sneaky for the manufacturers to keep their eye firmly fixed on their profits.

For example, Rewa and Red Cow powdered milk packets that used to weigh 500g are now selling as 450g packets. This is a 50g (10% reduction) in weight. Consumers would be right to be disappointed that not only has the weight dropped, the price has increased as well.

A similar trend is observed with washing soap, which used to come in 500g bars. Ocean/Victory brands now come in 800g bars. A 100g (11%) drop in weight; however, consumers are now paying more than 22% more for the bar. Another example is the 13kg LPG gas cylinder which has dropped by 1kg to 12kg. Soon the silver/orange colour distinction will be unnecessary!

All 8 brands analyzed by the Council had weight or units per pack reductions. The downsizing ranged from 76% to 33%. A total of four common items (and brands) had price increases despite a drop in weight. (Ocean/Victory washing soap, Rewa and Red Cow powdered milk and LPG gas).

Manufacturers and suppliers use two tactics, downsizing content and keeping prices the same; or reducing content weight or volume, maintaining the packaging size and look but increasing the prices: They raise prices and keep content weight or volume the same, or reduce quantity in the package but keep the price the same. In the most blatant cases they have no regrets about doing a little of both.

The Council has found some manufacturers downsizing pack content rather than increase the price, hoping that consumers will not notice the effective increase in price per unit of measure (the unit price). For example, Colgate toothpaste dropped from 110g to 100g with no change in price, so that effectively the unit price increased by 9.34%.

Some manufacturers reduce both weight and increase prices. An example of this even-handedness is Red Cow powdered milk which dropped from 500g to 450g at the same time increasing the price per unit (dollars per gram).

Three items dropped in price after downsizing—Hibiscus matches (12- to 10-pack), Cold Power (1.25kg to 500g) and Sudoco (1kg – 900g) laundry detergent. No unit price increases were observed for these detergent brands.

Even if consumers notice a drop in weight and a drop in price for some products, they may not notice that they are actually paying more unless they are considering unit pricing. A good example is the Hibiscus matches gross pack, which now contains 10 rather than 12 boxes. Despite a pack price drop of 74%, the unit price has actually increased by 1% with the new standard 10-pack. Consumers, who used to pay around $0.1792 per matchbox, are now paying around $0.1990 per box.

Manufacturers who downsize often use what consumer organizations have called the optical illusion tactic. This is when there is no difference in the size and look of the packaging, but the weight has changed. A good example in Fiji is the LPG gas cylinder, which has not changed in dimension or look although the weight has dropped from 13kg to 12. Another example is Rewa full cream milk powder, where despite some small changes to the illustrations, the packet dimension and overall look has remained unchanged except for the 500g to 450g weight reduction.

Consumers are actually losing out on their dollar value as they are paying more per unit of items than before.
Complaints received at the Council for the period 01 January - 15 November 2014

Mobile Phone, Electronic Goods, a major concern

The Council’s Alternative Dispute Resolution Division (ADR) continues to receive an overwhelming response from consumers and has so far recorded a total of 1,829 complaints with a monetary value of $3,031,287.

To date, a total of 889 complaints have been successfully resolved saving consumers a total of $2,966,68579 of their money. These figures are inclusive of complaints received from the Council’s 3 regional offices, Suva, Lautoka and Labasa.

The ADR division continues to assist consumers through mediation. It enables all affected parties to come to the table and agree to a way forward. Unfortunately, the Council also comes across unscrupulous traders and service providers that fail to neither comply nor provide redress. In instances like these, the Council refers these cases to the relevant enforcement agencies for further action. The Council also issues consumer alerts on traders and service providers who repeatedly engage in unethical and unfair trade practices.

Television services complaints have come out on top for the first time with 364 complaints registered at the Council for this period. This was due to the backlash consumers expressed at the removal of nine channels from the Sky Pacific Network by Fijii TV Ltd. Fijii TV stated that they had taken on board customer feedback after an extensive review process prior to making changes to the channel lineup. Subscribers cried foul stating that Fijii TV did not consult with them and requested the restoration of popular channels like BBC, Nat Geo Wild and Star Plus. The Council having negotiated with Fijii TV and through rigorous lobbying managed to influence the restoration of 5 channels such as Star Plus, Nat Geo Wild, FX, Fox Crime, BBC and Fox Family Movies.

At second place on the complaints list stands mobile phone products with a total of 214 complaints registered for this period. This is an ongoing concern with the Council given that many shops have been spoiling all over Fijii selling shoddy mobile phones and other electronic products. The Council will continue lobbying with Government for the introduction of appropriate standards to curb the influx of shoddy products into the country.

The Council received 133 complaints against electronic goods at third place, followed by 137 Landlord/Tenancy complaints, 66 Food & Drinks complaints stood at fourth place.

Consumers are advised to lodge complaints to seek redress rather than foregoing their hard earned money.

<table>
<thead>
<tr>
<th>Consumer Complaints Received 01 January - 15 November 2014</th>
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</thead>
<tbody>
<tr>
<td>Types of Complaints</td>
</tr>
<tr>
<td>Registered Cases</td>
</tr>
<tr>
<td>Resolved Cases through Mediation</td>
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<tr>
<td>Cases Referred to Small Claims Tribunal</td>
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<tr>
<td>Cases Referred to Other Authorities</td>
</tr>
<tr>
<td>Cases Pending</td>
</tr>
</tbody>
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<tr>
<th>Monetary Value of Complaints Received 01 January - 15 November 2014</th>
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<tbody>
<tr>
<td>Complaints</td>
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<tr>
<td>Registered Cases</td>
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<tr>
<td>Resolved Cases through Mediation</td>
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<tr>
<td>Cases Referred to Small Claims Tribunal</td>
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<table>
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<tr>
<th>Top 10 Recurring Complaints, 01 January - 15 November 2014</th>
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</thead>
<tbody>
<tr>
<td>Issues</td>
</tr>
<tr>
<td>-------------------------------------------------------------</td>
</tr>
<tr>
<td>1. Television Services</td>
</tr>
<tr>
<td>2. Mobile Products</td>
</tr>
<tr>
<td>3. Electronic Goods (Computers etc.)</td>
</tr>
<tr>
<td>4. Landlord and Tenancy</td>
</tr>
<tr>
<td>5. Food and Drinks</td>
</tr>
<tr>
<td>6. WAF</td>
</tr>
<tr>
<td>7. Hardware</td>
</tr>
<tr>
<td>8. Internet Services</td>
</tr>
<tr>
<td>9. Mobile Services</td>
</tr>
<tr>
<td>10. FEA</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>
The consumers, during 2014, took advantage of the free Debt Management and Consumer Credit Advisory Services offered by the Council. This has been a source of satisfaction to the Council. We were able to assist twenty-four (24) consumers who came forward to seek advice on how to manage their debts better. The Council also came to the aid of nineteen (19) consumers who faced genuine hardship in meeting their repayments repayments; we were able to assist them in restructuring of their debt accounts. These restructured accounts had a total monetary value of $709,319.

The Council has observed that most consumers are reluctant to reveal most (if any) information relating to their debt, making it difficult for the Council to gauge the exact level of indebtedness. And if consumers do divulge details, the information is usually released on a piecemeal basis.

This is a pity because the Council can assist in making proper recommendations on how to manage debt only on the basis of a full analysis of the consumer’s financial situation. A full analysis can happen only if all information pertaining to the debt is made known to the Council when the consumer makes the first contact with them. Consumers, unfortunately, tend to wait until such time as when credit-providers have commenced with the recovery action. In some cases, however, we have found it is too late only because the mortgagee sale has been concluded by transfer of the property to new owners.

Let’s look at two cases highlighting the importance of not being complacent about your debt.

Case Study One: Too late to stop mortgagee sale

Jackson, who is currently 60 years of age and married with 4 children, obtained a home loan from the Housing Authority (HA) in 1997. With his home loan, he purchased a piece of land in Nadi, where he later built his home and has lived comfortably with his family ever since.

Now, Jackson has unfortunately lost his home through a mortgagee sale early this year. He had made attempts to repay his arrears with the Housing Authority but because of insufficient commitment on his side, negotiations with HA failed.

Jackson’s home loan account arrears accumulated to approximately $420,000 over 5 years before HA proceeded with the mortgagee sale. By the time he sought the Council’s assistance, it was way too late for the Council to intervene as the house had already been sold to the new owner.

Case Study Two: Just in time to prevent mortgagee sale

Nicolas, a 70-year-old, had a home loan, a farm loan and an overdraft facility with BSP. His fixed monthly repayments for the two loan accounts alone were $3795.

Nicolas was going through a really tough time due to a series of unfortunate events. His brother-in-law had just passed away and he had to shoulder funeral expenses, he was also recovering from a short illness and due to setbacks at work, he faced a temporary reduction in his salary. To add to the financial distress already on his old shoulders, his wife and six of his children were solely dependent on him for financial support.

Because Nicolas had also exceeded the limit of his overdraft facility, he accumulated arrears in this account as he was unable to meet the minimum repayment amount. By now, all three of his accounts had accumulated arrears to the tune of $10,000.

At this stage, given the large amount accumulated in total arrears and because Nicolas was continuously defaulting his loan repayments - BSP issued him with a 14-day Demand Notice to pay off all three accounts, totalling just over half a million dollars.

In an attempt to prevent his property from going on mortgagee sale, Nicolas opted to take another loan worth $65,000 from the bank to remedy the arrears in his existing accounts. He had also planned to use the remainder funds for further investment purposes. This application was, however, declined by the bank, in the light of Nicolas's poor account history and his inability to meet his current account repayments. Unable to find a solution to his problems, he sought the Council's assistance.

In the Council's view, Nicolas's approach - handling the situation by taking more loan - was not a particularly good one. With Council involvement, an alternative approach more satisfactory to both parties was agreed upon.

Way forward

Following the Council's immediate intervention, BSP agreed on the following course of action:

- Nicolas was given time, until 31 December 2014, to nominate a buyer to purchase his home and complete the settlement.
- His 3 accounts were also temporarily consolidated and his repayment until December 2014, was reduced to $3,000 a month (from $3795).

Our Advice

- Consumers should not feel bad if they face financial difficulties. A home loan is for such a long period (20-30 years) that the ability to meet mortgage repayments is likely to change from time to time. The Council encourages consumers to discuss their debt issues sooner rather than later. All information released to the Council will be kept confidential.
- Consumers should not treat their debts lightly. You do not want to wait until it is too late and end up like Jackson. Be proactive; like Nicolas!
- Under Section 66 of the Consumer Credit Act 1999, consumers can opt for an account restructuring on the grounds of financial hardship caused by illness, unemployment or other reasonable cause such as reduction in wages or salaries and bereavement. (Such problems, exactly like inability to meet repayment terms, are not unlikely in such a long loan period.)

- Account restructuring could be carried out through:
  - reducing repayment (weekly or monthly) but take note that this will increase the term of loan.
  - changing of dates on which the payments are due
  - seeking a repayment holiday (taking a break from repayment of the loan for a certain period of time).

However, the credit provider may charge reasonable fees or penalty interest for changes made to a contract.

Remember, a systematic approach will help solve the problem in the long run.
Home Loan Comparison

Buying a home is likely to be the all-time high undertaking for consumers wishing to own such a property. But sometimes the dream can tread a fine line with nightmare. In fact, pumping their savings into a house is perhaps the major step most people take in their life. Since property prices are so high that very few people can afford to buy outright with cash, taking on a home loan of some type is for most the only way to own a property. Thereafter, over a very long period of time, a lot of financial commitment and sacrifice is diverted towards account repayments.

Various financial institutions offer home loan packages like grocery specials on a supermarket shelf waiting to be snapped up. However, in order to do so, consumers must not only be eligible for the loan but they must also be in a position to exercise a large degree of responsibility in comparing fees and charges, interest rates and other costs between various financial institutions, before engaging in any deal.

Aware that the plethora of fees and charges can make such loans very expensive, the Council conducted a home loan survey during August to October 2014 to ascertain the different offers provided by six banks and one housing authority provider. The survey was intended to gather information on the various fees, charges and interest rates, but also to gauge the level of difficulty or hassles that one has to go through when doing home loan comparison.

The basis of the survey was seven assumptions: that each case was a first home purchase; of a single-storey residential property, built on freehold land that the consumer would be eligible for a loan at any given bank; that he/she would be the sole applicant, who would like to utilise part of his/her FNPF savings as equity contribution towards the loan.

On this assumption base, the Council was able to gather important information consumers need to understand fully relating to fees and charges and terms and conditions of home loans.

Number of fees (initial fees or charges)

We found that the number of fees ranged from two to four, as tabled above. These fees or charges form the initial cost of obtaining a loan and exclude other costs that are likely to be incurred by the customer (which include stamp duty, solicitor fees, etc.).

In the survey, we compared the total initial fees/charges imposed by the seven credit providers based on a $200,000 home loan scenario. The total initial fees/charges ranged from $830 (Westpac) to $2,590 (HFC Super Dream Government Grant Home Loan). It is interesting that while the Housing Authority had four different fees, the total fee chargeable was much lower than ANZ, which had only two fees. Also, Westpac’s total initial fees totalled $830 even though it had three different fee types. In other words, the level of fees is more important than the number of types of fees in determining the relative price consumers will be paying.

Compliance with RBF Disclosure Requirements - Reserve Bank of Fiji Banking Supervision Policy Statement No: 9B

All the institutions are complying with the RBF disclosure requirements. However, as our survey has confirmed, the prevailing lack of clarity in the use of terminology makes it difficult for consumers to make meaningful comparisons. For example, for monthly maintenance fees, some banks use the term ‘monthly service fee’ while another uses loan administration charge. Baroda does not charge a monthly fee but it imposes an annual inspection fee.

Establishment of a new home loan account

All banks charge a fee for the establishment of a new home loan account. However, terminology is confusing. Three terms are used: establishment fee, loan approval fee, and facility approval fee. Baroda, BSP, HFC and Westpac use the term establishment fees to reflect this while ANZ uses loan approval fee and BRED Bank uses facility approval fee. Housing Authority uses the term loan application fee. For a $200,000 home loan scenario, the establishment fees ranged from $75 (HA) to $2,000 (ANZ Baroda, HFC, BSP). Only Westpac offers a flat establishment fee ($650) with the other banks’ level of the fee depends on the loan amount.
Security Fees

Only Bank of Baroda charges a security document handling fee of $50 for the handling and keeping of documents in the safe custody of the bank. HFC charges $45 as security documentation fee for handling of all legal documents during the loan processing. Once this fee is charged then the consumer will only have to seek solicitors’ services in the transfer of the title. A consumer who obtains a home loan from Housing Authority need not hire a solicitor to oversee the purchase of his/her property. However, HA charges a fee for this. For example, the preparation of the mortgage and transfer document will cost $150 each while the drafting of the Sale and Purchase Agreement will cost $210, which is a better deal.

FNPF

Consumers who want to use their FNPF as equity contribution towards the loan need to know that banks charge a fee for making their application to FNPF. ANZ, BRED Bank, BSP and Westpac charge $100 per application and this excludes any fees that the FNPF member will be incurring with the Fund. Bank of Baroda charges a lower fee of $50. As of 5 November 2014 the Fund charges members a $43 home loan application processing fee. HFC charges $100 for their Super Dream Home Loan package but charges a higher sum of $200 for their Super Dream Government Grant Home Loan Package.

It seems quite unfair that banks charge you when you try to reduce your loan package with your FNPF housing eligibility fund.

Inspection Fees

Westpac and Bank of Baroda charge a mandatory inspection fee on the property that the customer is seeking a loan for. Westpac charges $80 per inspection, while for Baroda inspection fees will depend on the loan amount. For example, it will be $150 for a loan of $100,000 or $200 for a loan of $200,000.

For BSP this fee is subjective and the bank is left to determine if an inspection fee is needed. This is extremely rare. It is important to note that while Bank of Baroda charges the inspection fee, it does not charge any monthly service or account maintenance fee; they charge the inspection fee annually, which is strange because inspections are not carried out annually. ANZ, BRED Bank, HFC and HA do not charge any inspection fee for purchase of a residential property.

Valuation Fees

HFC and Housing Authority were the only two institutions found to have been providing in-house valuation services. Valuation Fees for Housing Authority depend on the loan amount obtained while for HFC, it will depend on whether the land is vacant or on the type of existing structure that has been built on the land. For example, for a loan of $100,000 HFC will charge $280 while Housing Authority charges $400.

Data Bureau

Bank of Baroda is the only institution that charges $17 for a Data Bureau search. Interestingly, the Fiji Data Bureau charges its members $6.63 for one consumer search (i.e. searching a consumer to pull their credit report). So the level of fee that Baroda is charging appears to be way above cost.

Loan approvals

From the home loan brochures surveyed, it was found that some financial institutions promise that credit approvals can be made within 24 to 48 hours. This may not be true as the Council has found from two of its cases that it may take quite some time before one can enjoy the satisfaction of his/her newly purchased haven. In one case, a consumer waited for about 3 months for the loan to be approved while in another, the consumer’s loan was approved but he waited 10 months for settlement.

Service Fees

(for loan of $200,000)

Four of the lending institutions charge monthly service or maintenance fees ranging from $10 to $50.

<table>
<thead>
<tr>
<th>Bank</th>
<th>Monthly Service/Maintenance Fee/Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>ANZ</td>
<td>None</td>
</tr>
<tr>
<td>Baroda</td>
<td>Annual Inspection Fee $200 or approx. $16.67 monthly</td>
</tr>
<tr>
<td>BRED</td>
<td>Service Fees $50 per month</td>
</tr>
<tr>
<td>BSP</td>
<td>None</td>
</tr>
<tr>
<td>HFC</td>
<td>Loan Administration Charge/ Monthly Service Fees $50</td>
</tr>
<tr>
<td>HFC Government Grant</td>
<td>None</td>
</tr>
<tr>
<td>Westpac</td>
<td>None</td>
</tr>
<tr>
<td>Housing Authority</td>
<td>Service Fees $10</td>
</tr>
</tbody>
</table>

Interest Rates

<table>
<thead>
<tr>
<th>INSTITUTIONS</th>
<th>6 MONTHS</th>
<th>1 YEAR</th>
<th>2 YEARS</th>
<th>3 YEARS</th>
<th>VARIABLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>ANZ</td>
<td>-</td>
<td>4.50%</td>
<td>5.45%</td>
<td>-</td>
<td>6.99%</td>
</tr>
<tr>
<td>Baroda</td>
<td>-</td>
<td>4.25%</td>
<td>5.25%</td>
<td>-</td>
<td>6.25%</td>
</tr>
<tr>
<td>BRED Bank</td>
<td>3.25%</td>
<td>4.25%</td>
<td>4.99%</td>
<td>-</td>
<td>6.25%</td>
</tr>
<tr>
<td>BSP</td>
<td>3.95%</td>
<td>4.50%</td>
<td>5.45%</td>
<td>-</td>
<td>6.25%</td>
</tr>
<tr>
<td>HFC</td>
<td>-</td>
<td>4.50%</td>
<td>-</td>
<td>-</td>
<td>7.50%</td>
</tr>
<tr>
<td>HFC Government Grant Loan</td>
<td>-</td>
<td>4.25%</td>
<td>-</td>
<td>-</td>
<td>6.70%</td>
</tr>
<tr>
<td>Westpac</td>
<td>-</td>
<td>4.49%</td>
<td>5.45%</td>
<td>5.99%</td>
<td>6.99%</td>
</tr>
<tr>
<td>HOUSING AUTHORITY Toso Mai Dua</td>
<td>-</td>
<td>3.95%</td>
<td>4.95%</td>
<td>-</td>
<td>7.50%</td>
</tr>
<tr>
<td>Housing Authority Toso Mai Rua</td>
<td>-</td>
<td>3.95%</td>
<td>-</td>
<td>-</td>
<td>7.50%</td>
</tr>
</tbody>
</table>

Disclaimer: The scenario discussed in this article is generally representative of what consumers can expect when applying for a bank home loan. Fees and charges, terms and conditions, interest rates and processes of the various banks are subject to change. Consumers are urged to seek as much information as possible from their banks when applying for home loan.
Data Bureau, an obstacle to Access Credit

The Fiji Data Bureau is an obstacle to consumers who want to access credit to improve their quality of life. As a privately owned company, it operates under a disclaimer that is pushing people into hardship.

It is unfortunate that the Fiji Data Bureau is not taking any responsibility for uploading inaccurate credit information given by its paid members. Data Bureau has stated online: “You must be aware that the information on your credit report is supplied by third parties, therefore the Credit Bureau will not be held liable for its inaccuracy”. Since this company trades in collection and selling of credit information, it should not be allowed to operate under a disclaimer.

This concern comes from the Council in light of the “consumer outcry” over their inability to access credit from the financial institutions and businesses—simply because their names are listed on the Data Bureau database.

The reality is that many consumers purchase goods and services on credit to better their living standards, but with such a draconian system in place, access to credit becomes just impossible for many.

Right to privacy is also enshrined in our Constitution, giving every Fijian consumer that right. According to Section 24 (1) (a) Every person has the right to personal privacy, which includes the right to confidentiality of their personal information.

Apart from invading one’s privacy, the other point of concern is that names of consumers uploaded by Data Bureau on its database are not deleted for 7 years even after they have cleared their arrears. As a result, the consumers continue to live with that stigma. Life almost comes to a standstill for them as no bank or business house wants to give loan given that their names are found in the Data Bureau database.

Of the many cases which the Council has at hand, in one case, the complainant owns a property worth $0.5 million dollars but was unable to access loan of $10,000 simply because his name keeps showing on the Data Bureau.

He defaulted his monthly mortgage repayment when he left the country for some time. In his absence, he had made arrangements with his relative to make monthly repayments to the credit provider, which, however, was not honoured. As a result, he was in arrears of $5000 which he cleared immediately upon his return.

Now, he intends to buy a car worth $10,000 but many banks are showing him the door simply because his name is on Data Bureau database. The irony is that he owns a property of half a million dollars and has a good job with a reputable company, yet no institution wants to give him a loan.

There are many other consumers who cannot access credit to buy household items or to start a small business because of the harsh self-imposed system put in place by the Fiji Data Bureau.

We urge the Government to look into this matter and bring some order in to the operations of Data Bureau for instance, when dealing with consumers’ private and personal information: the time frame in which names of the consumers should be removed from their database, penalising Data Bureau for uploading names incorrectly, and the notification procedure by the Fiji Data Bureau before the names are uploaded.

Data Bureau began its operations in Fiji in 2001 which has been an initiative of a group of financial institutions and insurance companies.

This is a matter of public interest thus needs urgent attention.

A Budget for Low Income Earners

The Budget 2015, presented to Parliament in July, was designed to address economic weaknesses in the management and service delivery of the hospitals. Sick children and the elderly have been asked to wait for long hours the unavailability of medicine at Government pharmacies is almost legendary, and shortages of beds, doctors and nurses have caused havoc in the health sector. Public faith in health services has eroded markedly. So bad has the situation become that Prime Minister Voreqe Bainimarama has called ardently for a change of attitude among those making up the health sector towards their patients.

The Council believes that displays of such an attitude from health professionals will change only once they are held accountable.

Now, the added manpower (150 doctors, 200 nurses and 91 other health workers), will surely fill some of the gaps that presently exists in the system.

The Government has also nominated a 5 cents per litre excise duty on sugar-sweetened drinks in an effort to reduce non-communicable diseases.

Today, 1 in 3 persons in Fiji is diabetic. Our children are exposed to the marketing of junk food. With increasing NCDs, we are losing not just lives, but families breadwinners. It is a sobering thought that every 12.5 hours in Fiji someone is losing part of their lower limbs to diabetes.

The Council believes that this Council’s budget is in its 2015 budget submission, proposed an increase in excise tax based on sugar content for locally produced sugar sweetened beverages (SSBs), which have been linked to the increased risk of obesity (ie, being overweight) and are the biggest contributor to diabetes.

Now, this measure will make sugar-sweetened beverages more expensive and furthermore, it will provide an incentive to manufacturers to reformulate their products towards lower sugar content.

This does not sound like a sugar coated pill but it can fairly be described as a win-win situation!
Change your shopping behaviour, this festive season

We all love to shop, and no time boats the end-of-year when merchants stock shelves, offering incredible discounts and value. All that temptation for you to fall prey to!

But watch out. It is also a reminder to be a little careful when parting with your hard earned cash this holiday season.

The trend is intensifying. It seems that whatever the underlying religious significance, the focus of the celebration in the festive season is now all about shopping, exchanging of presents, special food, entertainment and fashion. However, all this is falling heavy on the pockets of many consumers.

Gone are the days when children could settle with a packet of fruit cake, a bottle of lemonade and a can of fruit. Children now are more likely to expect such gifts as a tablet, a high-tech toy or a mobile phone.

Even with wining and dining, households bust their budgets, catering extravagantly with a sumptuous variety of food and drinks to enjoy the festivity to the full.

Consumers are encouraged to make the most of the ‘specials’, discounts and promotions. But they need to be vigilant and mindful of what they are buying, as some vendors may be wanting to clear their old stock or products that may be nearing expiry.

The following tips will help you monitor your spending:

Plan your shopping: If you are planning to buy gifts, do not include this with your regular and essential weekly shopping. Shop separately, at different times for gifts and essential shopping. You risk losing sight of your priorities if you do both at once.

Prioritise: Group the essential items (your needs) and non-essentials (your wants) separately, with the essential items first. Always buy the essentials first.

Make a shopping list: Always list all items, such as food, gifts and decorations, that you wish to purchase. The list must also include the price range of items, which needs to match your budget, not your wildest dreams.

Monitor the sales: December is always a time of sales but you need to find out for yourself that these are genuine ‘Sales’ and not just company gimmicks to lure customers. Do a bit of window shopping when you have spare time, to verify prices, quality of items and sales conditions.

Ensure Quality: Read the labels of products to ensure that you are aware of the contents, workmanship, durability of the item, any special conditions, date of expiry and suchlike.

Choosing the Right Store: This may mean walking ‘an extra mile’ but it may be cost effective. For example, walking over the road to the fresh food market for cheaper vegetables, instead of buying from the supermarket where you are doing your grocery shopping may yield lower prices and better quality, so you are the winner.

Buy toys with caution: When buying toys, always look for age warnings and safety marks on the packaging.

Be wise when buying electrical items on Hire Purchase (HP): Read the terms and conditions offered thoroughly before signing the HP agreement and demand disclosures on interest rates and the availability of back-up service. DO NOT FALL FOR ZERO DOLLAR DEPOSIT DEALS! If they sound too good to be true, they probably are!

Watch the scanner: When you are queuing up at the counter, always observe the scanner so that prices displayed on the item you are buying are correctly recorded on the cash register.

Check your Receipts: Always check your receipts against the items you paid for. This will ensure that you received all the purchased items.

Keep all your Receipts: In case you need to return any purchases, it is wise to keep your receipts as proof of purchase. If anything you buy – from gifts to a new set of fairy lights – turns out to be faulty, you have the right to claim repair, replacement or refund.

Shopping Online: Be cautious when shopping online. Double-check the background of the online site you intend to shop from. (Check the website address and if you are unsure, don’t enter into the transaction. It is as simple as that.)
A Breakthrough > Council Joins forces to highlight impacts of Sugar-sweetened Beverages and Marketing of Unhealthy Food to children

The Consumer Council of Fiji this year joined hands with the Diabetes Fiji and the National Food and Nutrition Center to fight against the increasing consumption of sugar-sweetened beverages (SSBs) and marketing of unhealthy foods to children.

This initiative was also undertaken in association with the Ministry of Health, Fiji Dental Association, and Pacific Research Centre for the Prevention of Obesity and Non-Communicable Diseases (C-POND).

A total of three workshops were conducted around the country (Suva, Lautoka, and Labasa).

These workshops discussed at length the dangers of the sugar-sweetened beverages and its harmful impact on the health of the children and the nation as a whole.

Representatives, especially the teachers, educators, faith-based groups, community workers, health workers, students, housewives, and members of the public, were key participants in these workshops, bringing to forefront some startling facts regarding consumption of SSBs.

It is notable that the rate of consumption of sugar-sweetened beverages has doubled in the country over the last decade or so (1997-2007) and the intake of these is the highest amongst adolescents.

Some of the participants raised concern on SSB and junk food manufacturers promoting their products by sponsoring major school tournaments where children are directly exposed to their products through such means. Unhealthy diets continue to cost Fiji loss of not just young lives but expertise talent and money through rising NCDs.

Following these workshops, the idea of forming an ‘Alliance’ to tackle this pressing issue was recommended to deal with NCD.

Formation of Alliance for Healthy Living to tackle SSB

The Alliance for Healthy Living (AHL) is a coalition formed by Diabetes Fiji, Consumer Council of Fiji, and the National Food and Nutrition Centre in partnership with various civil society groups and members of the public. AHL is made up of medical and dental practitioners, researchers, consumer advocates, nutritionists, etc. who have come together to advocate for policies on the sale of sugar-sweetened beverages (sugary drinks) to Fijians.

The Alliance is formed as a key outcome of the Sugar-Sweetened Beverages (SSBs) workshops organized in Suva, Lautoka, and Labasa during the period May-August 2014. These workshops were part of national efforts to work towards reducing incidents of non-communicable diseases (NCDs) in Fiji being ‘Fiji’s biggest killer’.

The Alliance was born out of concern for the increased role that SSBs are playing in the prevalence of obesity in our society. Many studies link the intake of sugary drinks with poor health, including obesity, type-2 diabetes, dental decay, guilt, and other risk factors for cardiovascular disease and premature death.

**KEY OBJECTIVES OF THE ALLIANCE**

The key objectives of the Alliance for Healthy Living members are to:

1. Support healthy drink choices
2. Restrict the availability of sugary, low-nutritional value foods in sports and other recreational facilities
3. Restrict sales, sponsorship, and advertising of SSB and nutrient poor food to children
4. Limit children’s intake of SSBs and less healthy foods; and
5. Make healthy food affordable and available to combat NCD.

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Push for consumer protection in UN Sustainable Development Goals

The Council has lobbied the Ministry of Foreign Affairs and International Cooperation for Fiji to support the inclusion of the UN Guideline for Consumer Protection (UN SCP) as a target in the UN Sustainable Development Goals (SDGs).

The Council called on the Ministry to support the global proposal that all UN member countries implement the UN SCP by 2030.

Consumer protection, the Council emphasised, is at the heart of the achievement of sustainable development. It contributes to a fairer society, a more equitable and more efficient economy and a healthier and more prosperous population.

We also expressed our support for the proposed goal of ‘Sustainable Consumption and Production’. Sustainable consumption can be strengthened by addressing all aspects of consumer protection (including consumer redress and consumer representation) that are important to development. After all, the total impact of household consumption is an important contributor to a number of environmental problems, including air and water pollution and climate change. Consumers can play a crucial role in changing their consumption patterns to reduce environmental damage.

Let us all share in caring for the world we live in. It is a precious heritage.

Why do we trash it so thoughtlessly?
Customer Care

Customer Care is a buzz phrase in the business world and it is widely known that the level of customer service a company provides can make all the difference in customer satisfaction. Once you make customers feel truly special, you have built customer loyalty for life—they will keep coming back to you.

We urge businesses to make customer care the norm and we encourage consumers to appreciate such good businesses which value their customers. Below is a list of such businesses that have shown respect and care to our consumers.

Thumbs Up

Sky Pacific - for restoring popular channels

Sky Pacific subscribers were frustrated when 9 channels were removed from the paid TV network without Sky Pacific consulting with or adequately forwarding its subscribers. Given the push in July were Nat Geo Wild, BBC World, Discovery Homes and Health, Star Plus, Star World, Fox Premium, Discovery, Cartoon Network and Fox Crime.

After the Council’s negotiations and intense lobbying with Fiji TV, six of these popular channels were restored.

Unwired FII - Consideration for unforeseen hardship

Rathod requested that his Internet Contract with Unwired FII be terminated as he was unable to afford the monthly service fee due to his recent redundancy from work. After the Council’s intervention, Unwired FII agreed to terminate the contract and waive the billing arrears, the exit fee and other charges, on the condition that the modem was returned in working condition.

Lajub Produce - full refund for non-delivery of grocery shopping online

Solomon, who resides in the UK, paid for groceries worth $213.82 on 29 July 2014 via Lajub Produce Fiji Ltd (an online supermarket operating in Fiji), to be delivered to his family in Lautoka. After a month had passed, Solomon’s family had still not received the groceries. Lajub Produce could not be reached as all phone lines were reported not working and Lajub Produce did not respond to messages left on their Facebook page. Upon the Council’s intervention, the Director of the company was located in Australia. Once contacted and alerted of the problem, the Director agreed to process the complainant’s refund for the purchases.

Hongyun Limited - Selling defective phone and providing unreasonable warranty period

Mr Sunia tendered his phone for repairs at Hongyun Limited and within a month of his getting it back, defects appeared. His phone screen would freeze randomly. Disappointed with what was happening, Mr Sunia returned to Hongyun Limited to seek redress as he had paid $50 for the repair work.

The staff at the repair shop advised Mr Sunia that they would not be able to help him because the company’s one-week repair warranty had lapsed. He was told that further repairs would incur costs and the company was adamant that they will not increase the warranty time frame.

Hongyun Limited also refused to participate in the mediation meeting called by the Council. The case was referred to the Fiji Commerce Commission.

International Wiso Property Development - Failure to deliver kit homes as promised

As part of their retirement plan, Mr and Mrs Johnson paid more than $55,000.00 to a foreign investor company, namely International Wiso Property Developments (Fiji) Limited (IWPD) to construct their low-cost kit home in Navua. The couple engaged this company in May 2013 and they were supposed to move into their new home towards the end of December 2013. Despite having entered into a contract, the company failed to deliver the service that the Johnsons had been promised.

The Council is gravely concerned that this unethical foreign investor—who has in the meantime returned to Australia—has duped vulnerable consumers, placed their hard-earned money at risk and not bothered to provide redress to consumers. In this situation, the Council has sought the intervention of Investment FII, the Immigration Department, Fiji Reverse and Customs Authority, the Fiji Commerce Commission and the Ministry of Industry and Trade.

Ranish Motors - Unsatisfactory works carried out on a vehicle

Mr Faizal had engaged the services of Ranish Motors in Labasa for the repair and painting of his vehicle as well as having its roadworthiness assessment for the LTA registration requirements. He was promised that the total cost for the work would be $850 and he left his vehicle with Ranish Motors for the estimated month the work would require.

But to his surprise, when he went to the garage a month later to collect his vehicle he was given an invoice of $850, though the vehicle had not been fully painted as agreed. A complaint was lodged with the Council. Ranish Motors agreed to complete the unfinished job within four days but when Mr. Faizal went to collect his vehicle, he found unfinished work.
VAT on Medicine

My letter to the editor on pharmacies charging VAT on prescription medicine did not generate any comments and discussions.

I assume that consumers are happy to pay VAT on prescription medicine. FHCA is happy with pharmacies breaking the law, the Consumers Council only acts on issues where they can get publicity and the pharmaceutical society is not waging the talk or the public only reads trivial jokes from warnebes.

Ajay Kumar, Nadi

Council’s response
We refer to Ajay Kumar’s letter ‘VAT on Medicine’ (Fiji Times 14/05/14).

We find Mr. Kumar’s claims that the Council has not cared to raise awareness and act on his concern regarding VAT charges on medicine to be unfounded.

The Council issued a press statement, Pay VAT for Repeat Medications without Prescription on 2 May 2014, which was widely circulated to all media outlets and key stakeholders and is also available on www.consumersfiji.org. Consumers did come forward with their concerns and complaints.

The Council appreciates Mr Kumar’s zeal to raise this important matter in public and it is, however, unfair for him to expect the Council to act on a matter where no evidence was provided.

We call on Mr Kumar to provide us the four receipts (as indicated in his previous letter, dated 25 April 2014), which he has from a pharmacy showing VAT Inclusive Price, and we will certainly investigate the case. But if we have no evidence, we have no case.

The Council is monitoring the pharmacies through its market surveillance but the fact is, we cannot be present everywhere all the time. This is why we rely on vigilant consumers to act as our ‘eyes and ears’. The consumers should report to us of any such breaches and provide us evidence, as we take an evidence-based approach to resolve complaints and to warn other consumers.

It is crystal clear. If you are producing a prescription in a pharmacy to buy medicine, you don’t pay VAT. But if you are charged VAT, get us your receipts!

No Sugar imports

The Fiji Sugar Corporation has stopped importing sugar for local consumption and says sugar on the shelves of local supermarkets should become cleaner.

PSC chairman Abdul Khan said their intention was to produce 210,000 metric tonnes of raw sugar this year.

‘We anticipate the local consumption to be 300,000 metric tonnes and the remaining 180,000 to be exported,’ Mr Khan said. (published in the Fiji Times, 27 June 2014)

Council’s response
Reading the comments of Fiji Sugar Corporation executive chairman, Mr Abdul Khan in The Fiji Times dated 27 June, (No Sugar Imports), makes me wonder if Mr Khan is driven by ‘miracles and magic’.

Can he explain to the Fijian consumers how sugar on the shelves of the local supermarkets will become cleaner?

Mr Khan should understand that the only way the shelves in the supermarket could once again be stacked with clean brown sugar is if, and only if, the current stocks of molasses-coated dark brown sugar are recalled and replaced with cleaner grains of sugar.

This is the miracle consumers are waiting for!

Price of Garbage Bags

On my way to work this morning, I decided to go buy a roll of garbage bags for our office use.

I went to the nearest grocery shop. I then went to this small Chinese owned shop situated on Victoria Parade opposite Sulana Park, near the bus stop and beside the Deluxe footwear. I enquired whether they sold garbage bags, the shop assistant said. Yes, they are $1 each: how many do you want? I said. What? $1 each? No, I’m not buying any! So I decided to buy a packet of noodle instead.

This is a complaint to let you know about the exorbitant prices some of these small Chinese shops are charging on such simple items – in this case, a garbage bag.

Kalesi, Suva

Council’s response
Dear Kalesi,

The Council appreciates your vigour to keep the surroundings around you – clean.

It is, however, unfortunate that garbage bags are not on the price control order list, which means that the price of this item is not fixed. The prices may vary at different stores around the country.

In such situations, we can only advise consumers to do comparative shopping to get a reasonable and affordable price.

One can uphold higher civic responsibility by spending on items such as a garbage bag to contribute towards keeping the environment clean. That choice has to come from individual consumers.

You can check the list of items under price control with the Fiji Commerce Commission.

Rooster Giblet

I bought a 500g giblet pack on one Sunday and it had more hearts than giblet so can you please look into it and maybe inform the Rooster Company to change their product name to gibel and heart rather than making people fools. After counting I found out that the pack had 10 giblets and 32 hearts. Hope you’ll do something about it.

Shalvin Presad, Nausori

Council’s response
The Council acknowledges the receipt of your email and would like to advise you that the term ‘gibel’ would normally include the heart of the chicken and other internal organs of a chicken.

Here’s the definition of Giblet in the English Dictionary for some reference:

‘Giblet is a culinary term for the edible offal of a fowl, typically including the heart, gizzard, liver, and other visceral organs. A whole bird from a butcher is often packaged with the giblets (sometimes sealed in a bag in the body cavity).

Our Food Safety Regulations 2009 also recognise giblets (internal visceral organs – inclusive of the heart) as ‘Edible offal’ which means ‘such offal which has been passed as fit for human consumption’.

So in your case, you would generally expect a combination of all edible internal organs (visceral) in your usual pack of giblets from the supermarket / store – ‘heart’ included.

I hope we have clarified your concern. (We do, though, agree that the ratio of 3! for heart, other giblet seems rather unbalanced. Have a heart!)
Mexicans Cut Down on Consumption of Sugary Drinks, Survey Shows

MEXICO CITY - Some 52 percent of Mexicans have reduced their consumption of sugary drinks in 2014 in the wake of the imposition of a new tax on soft drinks, the National Obesity Survey found.

Some 98 percent of respondents said consuming soft drinks contributed to obesity and caused people to get diseases like diabetes, the survey, prepared by the Alliance for Food Health, or ASA, said.

Seventeen percent of respondents said they consumed more than three litres of soft drinks a week this year, down from the 25 percent who drank this amount in 2013.

Some 49 percent of respondents said they rarely drank processed juices or 13 percent more than last year.

Respondents identified lack of exercise as the No. 1 reason people were overweight, followed by eating junk food and consuming soft drinks, the survey found.

"Consumers are becoming aware of the fact that drinking soda and sugary beverages is bad," said the ASA, made up of non-governmental organisations concerned about the number of overweight and obese people in Mexico.

Mexico is the country with the second-largest number of obese adults, trailing just the United States, and has the largest number of overweight children.

The National Obesity Survey polled 1,500 adults across Mexico in early August.

October 14, 2014

source http://laht.com/article.asp?ArticleId=2356466&CategoryId=34081

Coca-Cola in controversy over £20m ‘anti-obesity’ drive

A new programme by Coca-Cola to bring free fitness classes to 70 parks in Britain has come under fire from health campaigners.

The global company says the new programme will mean thousands of free sessions and coaching for families in activities such as tennis, basketball, hula hooping, Zumba, rounders and archery.

But the plans [..] triggered immediate criticism, with nutrition campaigners warning the company of an obscene attempt to distract from its own part in fuelling Britain’s obesity epidemic.

Soft drinks such as Coca-Cola, which has nine teaspoons of sugar per can, amounted to 30 percent of added sugar intake for those aged between 11 and 18 the National Diet and Nutrition Survey found.

Dr Aseem Malhotra, cardiologist and science director for campaign group Action on Sugar, said: ‘I think this is a really disgraceful stunt. They are trying to deflect attention from their own part in creating an obesity epidemic, which has been fuelled almost entirely by rising calorie consumption.

Dr Malhotra said 'obscene' attempts by companies to associate themselves with active lifestyles could encourage the public to consume more unhealthy fare, wrongly assuming that small amounts of activity would be enough to balance it out.

Jon Woods, general manager of Coca-Cola Great Britain said: 'We know that companies get to grow in a market if they stay close to their customers. Obesity is a great concern for our customers. 61 percent of adults are overweight and obese, as are 33 percent of children.'

Mr Woods said the company was trying to play its part in tackling obesity levels, and should not be blamed for the current levels in Britain.

The initiative comes alongside a controversial Public Health Responsibility Deal under which the food and drink industry has pledged to promote a healthier diet and make changes to their own products.

Some campaign groups have criticised the deal, suggesting that it means junk food manufacturers have been too close to Government policy.

Dr Colin Michie, Chairman of the nutrition committee at the Royal College of Paediatrics and Child Health said: ‘Paediatricians would welcome any action by food companies that had the proven effect of increasing exercise among young children and their families, together with a reduced consumption—even incremental—of sugar. However, we have evidence as to the power of advertising to children and young adults.’

He said he was concerned that the marketing by the company would result in greater consumption of sugar and caffeine among those already at risk of obesity and sleep-related problems.

Source http://www.telegraph.co.uk/health/healthnews/10985425/Coca-Cola-in-controversy-over-20m-anti-obesity-drive.html

Apple set to pay $53M in water-damaged iPhone warranty dispute

Apple has a policy against replacing water-damaged iOS devices and now it’s going to pay for it. Wired got its hands on a settlement of a class action lawsuit between the company and iPhone and iPad touch owners in San Francisco who say Apple failed to honour their warranties.

Apple has agreed to pay $53 million, according to the documents.

Anyone who’s had to have an iPhone replaced at an Apple Store Genius Bar is familiar with the process of checking for damage, which includes an employee using a tool to see if the device has ever gotten wet. It turns out that the water-detection method may not have provided totally clear-cut evidence.

According to several lawsuits combined in San Francisco, no matter what the problem, Apple refused to honour warranties if a white indicator tape embedded in the phone near the headphone charging port had turned pink or red, however the tape’s maker, 3M, said humidity, and not water contact, could have caused the colour to turn at least pink.

According to court documents found by Wired, Apple’s method for detecting water damage in iOS devices may not have provided totally clear-cut evidence.

The lawsuit covers older iPhones and iPod touch devices, and the petitioners may get around $200 cash payout each. That might be a somewhat meaningless amount for customers who had to pay for another phone. But the total, $53 million, is a drop in the bucket for a company with about $140 billion on hand.

12 April 2014

We’re Making Change Happen!

Some of our key achievements through advocacy and budget submissions over the years:

2014

- Government imposes five cents per litre excise duty on sugar sweetened drinks in effort to reduce NCDs - Budget Submission 2015.

2013

- Government sets up price-monitoring task force to ensure consumers gain through price drops - Budget Submission 2011 & 2014
- Establishment of Consumer Compensation Tribunal - Budget submission from 2009
- Zero fiscal duty on adult sanitary dispenser to assist the elderly - Budget submission 2010, 2014
- Reduction of stamp duties for residential tenancy from $500 to $10 - Advocacy/lobbying 2014
- Personal income tax threshold increased to $15,000 - Budget submission 2010 & 2013
- Increase in excise duty for ready-to-drink (RTD) alcohol mixtures from $1.03 to $1.13/liter - Budget submissions NCDs advocacy/lobbying from 2012.

2012

- $300,000 allocated for low-income and rural households that cannot afford up-front fee for water meter connections - Budget submission 2012
- Personal income tax reductions: low band reduced from 25% to 7%, middle income band from 31% to 18% - Budget submission 2012
- Fiscal duty on unhealthy palm oil up from 15% to 32% - Budget submission 2010-2012
- RTD alcohol mixtures excise duty increased by $0.03/liter - Budget submission 2012
- Reduction in fiscal duty on imported fruits and vegetables from 32% to 5% Budget submission 2012
- LP6 under price control by Fiji Commerce Commission, with 25-30% drop in cooking gas prices - Submission to FCC requesting price control on gas 2010 and budget submission 2008
- Rolled out debt management and consumer advisory services after additional grant given by the government.
- FCC to underwrite review of boat fares and freight charge Budget submission 2009-2011
- RBF released 6 different fees and placed maximum limits on 5 types of fees. Advocacy on CCF report on Banking Services in Fiji: From Consumers’ Perspective and submission 2010 to FCC
- RBF introduced no surcharge rule for debt and credit card submission to RBF.

2011

- Ministry of Education established a new school fee structure - Budget submission 2011 and advocacy
- E-ticketsing introduced to curb pilferage in bus industry, Budget submission 2009 and advocacy.

2010

- Merger of consumer protection agencies - Advocacy from 2006
- Zero fiscal duty on bottled water - CCF advocacy/lobbying on rise in cost of living.

2009

- FCC removed FEAs fuel surcharge from fueling system - CCF advocacy/lobbying against FEAs fuel surcharge.

2008

- Launch of Council’s website for consumers to lodge complaints online
- Zero VAT on locally produced eggs - submission to Ministry of Finance
- Reduction in duty of basic food items such as rice, tin fish and refined oil - submission to Ministry of Finance.

2007

- FEA fuel surcharge dropped by 43% from 4.97 to 2.68 cents per unit - CCF advocacy/lobbying against FEAs fuel surcharge.

2006

- VAT removed from milk, tea, flour, sharp, rice, edible oil, canned fish and liqueur (households only) - CCF advocacy/lobbying on rise in cost of living after fuel price hikes
- Reduction in FEA fuel surcharge from 5.5 to 4.5 cents per unit - CCF advocacy/lobbying against FEAs fuel surcharge.