Fix Your Faulty Billing System

Sky Pacific should upgrade and streamline its billing system by introducing a “buffer period”.

The Consumer Council of Fiji is making this call after receiving complaints from consumers who get their service disconnected despite paying their bills on or well before the due date through Sky Pacific’s third party billing agents.

Sky Pacific should implement a ‘buffer period’ of a minimum 7 days. This buffer period will then allow Sky Pacific to sort out its internal arrangements with third party billing companies without treating their paid customers unfairly.

Third party payments for Sky Pacific are allowed at MH, Post Fiji and through BSP, Westpac and ANZ Banks.

Digicel's very own Unwired confirms on 10-14 days buffer period. Connect all confirmed a 14-day buffer period while Fiji Electricity Authority (FEA), Telecom Fiji Limited and other service providers that also use third party. The Council surveyed their paid customers unfairly.

The complainant received another email on 4 September 2016 (Sunday) stating that the due date for payment was on the 5 September 2016 (Monday). On Monday morning, the complainant received a call from Sky Pacific asking him whether he would be making the payment. The complainant made the payment later the same morning via Digicel retail outlet in MHCC. However, on 9 September 2016, the complainant received another email stating that his account was disconnected. However, the subscriber had paid on that due date.

The complaint then called the Sky Pacific Customer Care to check on his payment. He was advised that his payment made at MHCC retail store was not updated with the main system at Digicel HQ, Kadavu House. He was then given the run around when he wanted to raise the matter with the head of Sky Pacific.

Another frustrated Sky Pacific customer expressed his frustration to the Council on the treatment she received.

She had paid her bill on 11 August 2016 but Sky Pacific disconnected her service on 16 August. Her husband made another payment on the same day. This second payment was not updated and it did not reflect in their September bill. This was confirmed by Digicel representative at Damodar City when the complainant made her payment for September.

When the Council contacted Digicel on 29 September, they confirmed on 5 October 2016 (after 6 days) that “the payment done on September was updated on the same day, however the payment for August, was lost, thus the credit in the system was reversed. This led to the disconnection notice. This was later identified and updated in the system.”

The Council is baffled with such a response - whose fault is it that payments cannot be located? Consumers have made their payment on time and should not be made to suffer because of laxity on the part of Sky Pacific.

The Council is also calling for better internal synchronisation of the billing system so when payments are made at third party outlets (including Digicel Retail Outlets), it is updated to the main system immediately or on regular intervals. Because this does not happen on real time, the introduction of the minimum 7-day buffer period will allow flexibility for Sky Pacific to get its act together instead of staff playing the blame game. It’s also for reconciling payments better so that correct notifications are then made to customers rather than resorting to immediate disconnection despite payments made on time.

If other service providers (including Digicel’s very own Unwired) can provide a buffer period in consideration of updating of payments from third parties – why can’t Sky Pacific do the same?

*This story was not published by any media outlet in the country.
The implementation of pre-shipment inspection by Japan Export Vehicle Inspection Centre (JEVIC) which the Council has been advocating for some time now is a sigh of relief to Japanese second hand car buyers. On 15 August 2016, JEVIC was re-introduced to enable, Fijian consumers to have access to quality Japanese second hand vehicles. All vehicles imported from Japan would pass through the watchful eyes of JEVIC before being shipped to Fiji. JEVIC assessment criteria and requirements cover inspections to identify structurally non-compliant vehicles with significant damage /corrosion/ fire/ flood, odometer verified against vehicle and export certificate, stolen vehicle - verified against vehicle and Export Certificate.

In December, the Council organised a seminar on Third Party Insurance in Fiji – Who Pays, Who Profits and Who Loses? The aim of this event was to understand why timely compensation is not made to the victims of motor vehicle accidents and what reforms are needed to safeguard consumer interests. Third party insurance is compulsory and it was introduced to protect the road users. But when accidents occur, payout becomes an issue. During the seminar, the Attorney General announced the setting up of the Consumer Compensation Tribunal to deal with issues of disputes over compensation.

We also exposed a construction company, namely Melbourne Building Works that had obtained money from consumers promising to provide construction services or office furniture but had failed to honour its commitments after taking money. Some consumers had paid as much as $25,000 to get their property renovated but were given a run around by the company. The Council received 23 complaints against Melbourne Building Works with monetary value of $127,505. A consumer alert was published in the newspaper and a press conference was held to inform Fijians about this unscrupulous service provider.

The Council kept a close tab on Sky Pacific, the country’s only pay-tv channel to get its act together and improve its service delivery. A number of subscribers were crying foul over the services provided under the new owners, Digicel. The complaints against Sky Pacific ranked fifth on our list.

Other complaints received by the Council were related to: electronic goods, mobile products, landlord/tenancy, food and drinks and many more that kept the Council staff on its toes. We registered 2004 complaints between 1 January 2016 and 30 November 2016 worth $5.4 million. Consumers recovered $2.6 million through the Council’s mediation process, which they would have lost.

The other good news is that the Fiji Mediation Centre is now up and running and so far had successfully mediated 45 cases. We remain indebted to our donor partners, the European Union and the Consumers International for their financial support. Our relationship with EU has been a critical success factor for our campaign on debt management service and on mediation and the roles of Fiji Mediation Centre.
CONSUMER CREDIT ACT LEGISLATION

While credit plays a very important role in the functioning of the economy, generally there is an imbalance in the knowledge and bargaining powers of consumers and credit providers. Many consumers do not know how to use credit wisely and many credit providers are so knowledgeable they use credit to their advantage, often unfairly.

Credit contracts come in various forms, such as hire purchase agreements, loan and mortgage documents, consumer leases, guarantees and bills of sale, which are normally technical and legally binding documents. Such documents are often drafted in fine prints with various terms and conditions that purport to give consumers rights and responsibilities. However, in reality, consumers do not fully comprehend the complex legalities within the documents that can be confusing and contradictory, particularly to the average consumer who lacks legal knowledge and understanding. Consequently, consumers fail to realize the serious implications and treat these agreements as mere paperwork to be completed for the transaction. Often bad or unfair market practices are encountered where certain terms and conditions in the credit contracts are drafted in such a manner that it dilutes the consumers’ right to remedy, causing immense ambiguities and lack of protection in instances where there is a breach of contract by the credit provider.

The real problem seems to be that consumers are not motivated to protect their own interests until such time they find themselves in trouble. In addition, the legislation is fraught with complicated finance terms, legal jargon and complex mathematical formulae. Consumers are normally given ‘standard’ contracts to sign, perhaps not much different from the practice that existed prior to the enactment of the Consumer Credit Act in 1999, Consumer Credit (Amendment) Act 2006 and Regulations in 2009.

Nonetheless, the Consumer Credit Act 1999 gives very little protection to the vulnerable consumers and an upper handedness to the credit providers. Despite this legislation, the consumers continue to complain about unfair practices by credit providers.

Therefore, a review of the current legislation has become quite vital. A new legislation would mean better regulation of the law. A fair legislation for Fiji would ensure protection of rights and interests of both consumers and credit providers alike. Consumers and credit providers would comprehend their rights and responsibilities if we have a more clear and proper legislation in place.

The Council is grateful for the efforts of the Ministry of Industry, Trade and Tourism for initiating the much-needed review of the Consumer Credit Act 1999 and its subsidiary legislations.

Misuse of Antibiotics – a worrying trend

Antibiotic resistance is a major public health problem, resulting from overuse of these drugs in both human medicine and in food production. Antibiotic resistant infections could kill as many as 10 million people a year by 2050.

Antibiotic resistant bacteria are bacteria that are not controlled or killed by antibiotics. They are able to survive and even multiply in the presence of an antibiotic.

The spread of antibiotic resistance can be controlled and prevented by only using antibiotics prescribed by a doctor. Consumers should never demand for antibiotics from doctors and pharmacies if it is not specifically prescribed.

Always follow the doctor’s advice when using antibiotics and never share or use leftover antibiotics. It is also important to always finish the antibiotics.

Prevent infections by regularly washing hands, preparing food hygienically and avoiding close contact with sick people.

According to Consumers International, if urgent action is not taken to tackle antibiotic resistance we could face a future where common infections and minor injuries can kill people again because antibiotics will have no effect against resistant bacteria.

Overuse and misuse antibiotics has become a prevalent issue in the farming and agricultural sector.

In the food production area, antibiotics are overused for growth promotion and disease prevention in animals. Almost two-thirds of the world’s antibiotics are administered to farm animals, often to make them grow faster and to offset stressful and unsanitary factory farm conditions, rather than to treat sickness. This dependence on antibiotics has made bacteria and infections resistant to the effects of the antibiotics and as a result could be passed to those consuming the livestock.

The overuse of antimicrobials in agriculture can lead to the appearance of superbugs that are resistant to multiple classes of antibiotics that can sicken people. That’s why CI has a global campaign to ask McDonald’s, Subway, and Kentucky Fried Chicken to eliminate antibiotics in the production of the food they serve.

Critical awareness programmes have been organised by the Ministry of Health and the Consumer Council of Fiji to educate consumers on the misuse of antibiotics and its impact on human health.
The increase in car accidents in Fiji every year is a sad reality which brings to the fore the issue of child safety. It is becoming a worrying trend that the practice of seat belts and child safety car seat are something not most Fijian parents take seriously. In Fiji, most parents seem to think that holding their children or letting them sit on the lap is sufficient to protect them from the impact of the accident.

The use of child safety seats is mandatory in Fiji as per Regulation 28 (1) of Land Transport (Traffic) Regulation 2000 which provides that “no person may drive or cause or permit to be driven a motor vehicle equipped with rear seat while a child under 8 years is in a front seat position unless the child is properly restrained by a child restraining device”.

The regulation further requires a child under 8 years to be restrained in a child restraining device that must:

- be of a type appropriate to the age, weight and size of the child;
- be approved by the Authority; and
- be properly secured in the vehicle in accordance with the manufacturer’s instructions.

Despite the regulation in place many drivers are ignorant about safety of their child and opt not to invest in child safety car seats.

Australia

In Australia, children up to seven years are required by law to travel in a dedicated child car restraint whether seated in the front or back seat and device must carry the Australian Standard sticker AS/NZS1754.

New Zealand

The New Zealand Transport Agency in 2013 mandated the use of permitted child restraints for children aged 0-6 years.

In Fiji, there are more cars on our roads, driving at faster speeds, covering longer distances which make Fiji roads significantly dangerous. Thus, it is vital that children are restrained in an approved child safety seat to ensure children’s safety.

The Council is calling on parents to adhere to the regulation that is in place and install child restraining devices in their cars.

CONSUMERS in the maritime zones were visited by the Council and made aware of their rights. The trip to Vanuabalavu in the Lau group of islands was in conjunction with the Ministry of Youth and Sports and was to raise awareness on consumer-related issues.

This was the Council’s first visit to the islands where a number of school and community visits were conducted. The Council was extended an invitation to speak to youths of the area.

An important issue raised by the Council was the high prices consumers were being charged by canteen owners in the villages. Consumers were also informed about the Council’s roles, consumer responsibility, price control items and comparative shopping.

They were informed of the Fiji Commerce Commission (FCC) price control items list and the prices of items sold in outer islands that were not to be sold above the prices determined by FCC.

Three schools on Vanuabalavu were visited by the Council. They were Adi Maopa Primary School, Mualevu Village School and Adi Maopa Secondary School. A total of 181 students and 21 teachers benefitted from this awareness session.

Vanuabalavu Island comprises two districts which are Lomaloma and Mualevu.

The Council also conducted an extensive awareness on the National Consumer Helpline toll-free number 155 during its campaigns on the island. The service is especially beneficial to remote consumers as they can lodge their complaints or seek advice using the toll-free line.
 Whilst there is a need for the current Consumer Credit Act (CCA) and its subsidiary legislation to be repealed and replaced, the Council is lobbying for the following major provisions to be included in the new legislation.

Council’s Proposals:

• An independent Financial Commission needs to be established which would be responsible for enforcing and implementing this legislation and regulating the financial institution which are not under the Reserve Bank of Fiji (RBF) radar. Currently under the CCA, an application for breach of the Act has to be instituted in the normal courts which are expensive and time consuming. It is vital to have an Independent Financial Services Authority/Commission that can be housed at the RBF. This Financial Services Authority could then focus on consumer protection whilst RBF could continue with prudential regulation. The Independent Financial Services Authority (IFSA) would also be tasked to deal with consumer financial complaints including overseeing of CCA.

• In some instances, the current law expressly allows credit providers to exploit the consumers. For example, interest charge in all cases is to be determined by applying the daily percentage rate to the unpaid daily balances except for a hire purchase agreement where Rule of 78 applies. Rule of 78 imposes the highest amount of interest charged in the earliest part of the credit term, then diminishes and charges the lowest amount in the last period of the credit term. This unfairly allows credit providers to take bulk of the interest in the early part of the credit term and penalizes consumers if they pay off the debt early. This is grossly unfair and should be abolished forthwith. The same methods of calculating interest as for other credit transactions and loans should be required for hire purchase transactions as well.

• It is important to include responsible lending in the Consumer Credit Act. All businesses engaged in credit business including authorized deposit-taking institutions and registered finance corporations must be registered. The provision on responsible lending will assist consumers to confidently borrow money while limiting the risk of being saddled with unmanageable debts.

• In consumer credit transactions, the creditor is often a dominant party and the terms and conditions of the credit contract are habitually one-sided, unfair and also at times unconscionable. In fact, the existing Consumer Credit Act empowers the Court to annul or reduce the change in annual percentage rate or fees or charge if such change in rates or fees or charge is found to be unconscionable. A provision on ‘Unfair Contract Terms need to be included in the Consumer Credit Act. This will avoid credit providers from using contractual terms which are unfair and unreasonable to the consumers. The provision on Unfair Contract Terms will declare any unfair contract terms to be void and unenforceable.

• The section on acceleration clause creates an imbalance in power where a mortgage lender has legal right to ‘accelerate’ the date (bring forward) on which the entire loan becomes due and payable, and if the debt is not repaid in full, the lender may initiate steps to foreclose the mortgage. The provisions of an acceleration clause in the event of default on mortgage repayments currently does not place any limits on what the credit provider can repossess and sell to recover his/her debt. In this respect the consumers are completely unprotected. The legislation should also be amended accordingly to require banks to enforce acceleration clause only upon a court order.

• Unlike the practice in many other countries, there is no mandatory cooling off period required in Fiji. Consequently, if a consumer realizes he/she made a mistake or understands that a salesperson made a misrepresentation after he/she signed the contract, he/she has no opportunity to get out of the contract. Most consumers lack resources to seek legal advice before signing contracts or seek redress in the event of disputes. Thus, there is a need to include a provision for a cooling-off period within which the buyer has the option to get out of the contract by giving a written notice.

• A regulatory mechanism for the resale of repossessed hire purchase products should be introduced. The following options should be considered for this regulatory mechanism:
  1. No item is to be sold at a price below the depreciated value of the item, with the depreciation rate used being the Fiji Revenue and Customs Authority rate.
  2. The dealer and consumer agree to independent market valuation of the item, and no item is to be sold below the independent market valuation of the item.

  3. The consumer to be refunded the difference between the amount owed and the price fetched. This requirement already exists in the legislation, but is hardly abided by.

  4. The dealer be required to advise the consumer of the process and/or the date of the resale, and be given the option of attending the resale event.

  5. The repossessed item cannot be sold until the dealer has obtained an order from a court or the Small Claims Tribunal on the resale.

• Appropriate provision in the Consumer Credit Act needs to be incorporated to include that once a good is repossessed, all liability on the hirer ends.
Consumers are advised to be cautious when giving personal information such as mobile numbers online. The Consumer Council of Fiji have been made aware of a particular online site which claims to be able to track mobile phones in Fiji and around the world. The website, EMOBILETRACKER (http://www.emobiletracker.com/free-trace-fiji.html) traces mobile number, photo and location in Fiji. It says that there is no need to sign-up to use their service. EMOBILETRACKER is a service specifically designed for people to trace mobile number, photo and location of persons around the world. It provides the ability to track mobile number of over 233 countries worldwide. The website notes that if people are getting missed calls from an unknown number, they should simply put that number on their website to get details of that person. It claims a free service for its user. The website, which the Council is aware of and is under the radar of the police, claims that it instantly tracks mobile numbers in Fiji without any registration required. The Council notes that giving away personal details such as mobile numbers is a possible breach of consumer privacy. The Council is aware of the possibility that this particular website which operates around the world is a possible scam for the purpose of obtaining personal details for financial gains. Consumers are advised not to believe every thing they see on the internet and to be wary of scammers who are out there looking for ways to steal their information, identity and wealth. The Council with the help of Consumers International has read Emobile Trackers Terms of Service.

Emobile Tracker takes no legal responsibility for any negative consequence that could occur as a result of the extraction and procurement of the data, the accuracy or delivery of that data. Regardless of whether they are partially or entirely at fault. Also the Term of Service is between the user who searches for the data, and NOT the individual whose data is being collected and displayed. We expect E-Mobile Tracker to be responsible to those individuals. The website has no limitation on how many mobile numbers it can track however, it advertises on its website that scrapping or hacking is strictly not allowed on the EmobileTracker services. Consumers are advised to be cautious at all times. The page is believed to be affiliated with a particular social networking site, where only the people who upload their numbers and names are shown the results sought. The result will show the country code, telephone number, name, ISO 3166-1 alpha-2 code, telecom provider, network type and the country. The Council has not received any complaints but is calling on consumers to always be cautious of who they give their personal information to, especially if it is not to trusted websites. The Council is aware that there are bogus websites out which may look like they come from a genuine source when in reality are not authentic.

1. The EmobileTracker shall have no liability for:
   (1) any loss or injury caused, in whole or in part, by its actions, omissions, or negligence, or for contingencies beyond its control, in procuring, compiling, or delivering the Information;
   (2) any errors, omissions, or inaccuracies in the Information regardless of how caused, or delays or interruptions in delivery of the Information; or
   (3) any decision made or action taken or not taken in reliance upon the Information furnished hereunder.
Avikash wanted to purchase LED lights for his new home with the intention to save money from reduced electricity bill. He decided to check the LED lights at R C Manubhai. He was excited when he was given a good deal on LED range with a 2-year warranty on the product package.

Avikash was confident that the LED lights would last long. He was rest assured that if anything happened with the lights he would be provided with a redress. He took a quotation for 25 LED lights because he wanted to fix them at once in his new home. To his surprise, the staff of R C Manubhai did not provide him with any written warranty on the quotation.

When he enquired, he was advised that they do not provide warranty on paper but will honour the warranty should anything happen. Avikash was also advised by the trader that the suppliers were the ones to give warranty to them but they do not give out warranty to their customers. Avikash was not satisfied with their response because he knew that should something happen, no one will assist him as he does not have any document that provides the warranty conditions.

Frustrated Avikash lodged a complaint with the Council. Upon the Council’s investigation and negotiation the trader agreed to provide a written warranty to Avikash.

Your Rights: You have the right to information. The conditions and warranty period must be given in writing.

Your Responsibilities: If the warranty is not given in writing then you do not have to purchase the item. Do not be fooled with verbal warranty, because the salesperson can always deny later on.

Our Advice: You should lodge a complaint immediately on such matters against the Respondent for failing to honor the warranty as per the product description as Avikash did.

Ayesha had purchased a pair of “pearl gold” earrings from Palas for $379. During her purchase, she was advised that the pearl was “real” and that the earring was 9 karat gold. After few months of wearing the earring, she noticed that the gold was fading, turning into a silver shade and the pearl coat was also peeling off.

After having the earring tested at Jewels Fiji, it was found that there was only 11½% gold content in the earring. The testers advised that for gold jewelry to be 9 karat, the content of gold must be 35%. They confirmed that the pearl was not real and it was made of plastic.

She confronted the trader who sold her the plastic pearl. Palas agreed to provide full refund.

Your Rights: You have the right to receive jewelry as described by the trader. Jewelries must be priced in accordance with the quality.

Your Responsibilities: It is your responsibility to inspect jewelry before purchasing them. Gold Traders Fiji, a division of Jewels Fiji, now owns state-of-the-art technology that offers professional gold testing services at their Suva and Nadi branches. So don’t hesitate to pay extra money and have the jewelry tested if you are not sure.

Our Advice: Traders must do business with responsibility. They should not mislead consumers. The Council recommends consumers to access professional gold and diamond testing services at a minimum charge of $15 and $25 respectively from Jewels Fiji. This will help consumers know if their jewelries is authentic or not.

Section 77(1) of the Commerce Commission Decree 2010 stipulates the following:
“False or Misleading Representation.
77. - (1) A person shall not, in trade or commerce, in connexion with the supply or possible supply of goods or services or in connexion with the promotion by any means of the supply or use of goods or services -
(a) Falsely represent that goods are of a particular standard, quality, grade, composition; style or model or have had a particular history or particular previous use which they do not have; and
(e) Represent that goods or services have... characteristics...they do not have…”
Advertisements of products online, especially on social media, often lure people. Social media sites such as Facebook and Twitter are increasingly being used by retailers as a way to easily reach out to their customers.

Sonam, an online buyer, purchased an Indian outfit from Moreen Khan, who operates her Indian wear business via Facebook. She had picked the outfit for one of her wedding nights. Her choice of clothing was based on what had been advertised.

Unfortunately, she received an outfit which was different from what was advertised. The material was puffy making the outfit look untidy and the designs on the outfit were different. An angry Sonam filed a complaint with the Council and upon our intervention, it was established that the outfit was indeed different from what was advertised and what was actually supplied to her.

During mediation, the owner of the online boutique was adamant the outfit delivered was exactly the same. Since the complainant had brought in the outfit, we took opinions from three different people who all stated that the outfit was different.

The owner of the boutique then agreed to refund the money.

Your rights: Consumers are reminded once again they have the right to reject goods if it does not match the product they intended to purchase.

Section 77 (1) (a) of the Commerce Commission Decree 2010 stipulates: “A person shall not, in trade or commerce, in connexion with the supply or possible supply of goods or services or in connexion with the promotion by any means of the supply or use of goods and services falsely represent that goods are of a particular standard, quality, grade, composition, style or model or have had a particular history or particular previous use which they do not have.”

Section 83 (1) of the Decree states: “A person shall not, engage in conduct that is liable to mislead the public as to the nature, the manufacturing process, the characteristics, the suitability for their purpose or the quantity or any goods”.

This means that a trader is required to supply the goods as represented to the consumer and for which the consumer has paid an agreed amount.

Your responsibilities: Check to see if the company you are intending to buy from has an account. In the event, the company has an account then you should check for reviews to see feedback from the consumers who may have purchased items from that site.

Our advice:
1. If you receive goods you did not ask for, you do not have to accept or pay, and
2. Check your contracts or agreements with the seller. This must be clear and comprehensive for your understanding.

NO ‘EXTRA LEG ROOM SEATS’ AS PROMISED

A frequent flyer with Fiji Airways was sold a normal seat with no leg room next to the toilet as ‘Extra Leg room seats’ faced a terrible experience during his flight on Fiji Airways from Hong Kong to Nadi flight in June this year. Mr. Carson, while checking-in in Hong Kong was shown the flyer below by Fiji Airways depicting ‘Extra Leg room seats’ and a ‘quiet zone’ area for FJD380. Satisfied with what he saw in the flyer and the offer that was explained to him by the ground staff, he paid the required amount and boarded the plane.

However, Mr. Carson’s experience on the flight was far from what he expected and had seen on the flyer he was presented at the check-in counter. He found the extra leg room seat to have a bulk over-head and was located near the lavatories. His seat was far from being situated in a ‘quiet area’ as people crowded and lined up to use the lavatories. Having raised the issue with personnel on the flight, his grievance was not addressed.

Deeply aggrieved, the complainant brought his matter to the attention of Fiji Airways and to the Consumer Council of Fiji via email. The Council then liaised with Fiji Airways that explained that the aircraft used that day was a different one, which did not have any extra leg room. The Council reiterated that it was senseless of them to have shown and accepted payment for the advertisement if Fiji Airways was not in a position to provide what they advertised for. The Council also stated that Fiji Airways was in breach of Section 78(b) of the Commerce Commission Decree 2010 that if “any business or trade interest publishes or causes to be published any advertisement containing a false or misleading statement of fact, shall be guilty of an offence.”

Fiji Airways apologized to Mr. Carson for the inconvenience caused and offered:

a) To refund the complainant the amount he had paid for the extra leg room;

b) A discount on his next travel depending on where and when he chooses to travel.
CASE STUDIES

Vehicle Defects and Your Rights:

Zoey bought a Japanese second hand motor vehicle (Toyota Prius) from Carpenters Auto Field for $20,800. She was issued three months warranty or 6000km, whichever comes first.

Over the first month of purchase, Zoey had taken back the vehicle to Carpenters on four different occasions to get mechanical errors rectified.

Zoey then requested for copies of the mechanical service reports on all the repair work conducted after the purchase. But the sales person declined her request saying that they could not issue any report as Carpenters was only liable for fixing the errors for a period of three months or 6000km.

To Zoey’s dismay, the salesperson further advised that they were not responsible for fixing the vehicle after the lapse of the warranty period.

To safeguard her interests for future, Zoey opted to have her vehicle diagnosed for defects to save her from unnecessary run around in future. She had requested GMH Autos, back-up service provider of Carpenters, to provide a written mechanical report which was sent to her via email.

The report was clear that mechanical defects were present hence, Zoey had no interest in getting the vehicle repaired again. Instead, she decided to lodge a complaint with the Council for redress.

After Council’s intervention, Carpenters Auto Field replaced the vehicle. Once the vehicle was replaced, Zoey was asked by her bank to pay the legal costs for the transfer of the replacement vehicle which comprised the Bill of Sale, stamp duty and insurance. This was an additional cost levied to her due to no fault of hers.

She, however, disagreed to pay the extra cost given that the second transfer of the replacement vehicle was made because the vehicle was defective in the first place. Zoey again lodged a complaint with the Council.

After further negotiations by the Council, Carpenters Auto Field agreed to pay the additional costs.

Your Rights:

- Vehicles sold must be of merchantable quality - Section 16(2) of the Sales of Goods Act (Cap 230) states that “Where the seller sells goods in the course of a business there is an implied condition that the goods supplied under the contract are of merchantable quality…” Merchantable quality is defined in section 2 of the Sales of Goods Act (Cap 230) as “Goods (of any kind) are of merchantable quality if they are as fit for the purpose or purposes for which goods of that kind are commonly bought as it is reasonable to expect, having regard to any description applied to them, the price and all other relevant circumstances.”

- Second-hand dealers must provide mechanical warranty - Section 31 (1) of the Land Transport (Vehicles Registration and Construction) Regulations 2000 provides that “…the operator of a vehicle dealing business must provide on all vehicles sold, including by auction or tender, a mechanical warranty of not less than 3 months or 6000 kilometers, whichever occurs first…”

Your Responsibilities:

- Act swiftly - Because the statutory warranty provided for in the Land Transport Regulations has a time frame and mileage limitation. It is advisable that if you face mechanical problems soon after the purchase of your vehicle, you must bring this to the attention of the vehicle dealer that you purchased your vehicle from, immediately.

- Independent Advice – Prior to making a purchase of your dream vehicle (brand new or second hand), you can seek advice from independent qualified mechanic and not a back yard mechanic to see if the vehicle has defects/faults such as leaking gear box, worn-out spare parts and other defects

Our Advice:

- Be aware of your rights in terms of the statutory warranties available to you and take a firm approach when negotiating issues that arise with your motor vehicle from the car dealer that you purchased the vehicle.

If the vehicle sold to you is defective from the day of purchase, do not agree to pay additional fees and charges for repairs if it is not caused by you.

HEALTH CARE PRODUCT ISSUE

Every individual’s health and safety is paramount, therefore, no one has the right to put it at risk.

Recently we have been enlightened that there are unscrupulous traders who play with consumers’ health just to pull up profit without realizing the fact that this can cause serious harm to their health.

A consumer who had purchased 3 tubes of Vicco Vajradanti toothpaste from Ahmed & Co Ltd in July, discovered that the said toothpastes had expired. Upon use of the product, the complainant’s husband started to develop severe tooth and gum pain. The complainant checked the date marking on the item and found it had an expiry of “07/15” whereas the expiry on the packet read “EXP: 29/8/17”.

On examining the product, it can be clearly noted that the expiry date on the packet has been tampered. The original markings have been removed and a sticker has been placed above this.

The Council has noticed some traders are still not transparent enough despite continuous pleas to business entities to be so and be accountable for their practices.

An educated consumer is the best consumer. “Full disclosure” and “transparency” have become mantras among regulators and consumers, who require to make more-informed and economical purchases.

Laterly, the Council reviewed the webpage of Big Bula Waterpark, where people rush in numbers to enjoy their weekends and holidays. This company states that “all prices charged are inclusive of 25% government taxes”.

Now, what is this 25% government tax? This is a question that will pop in the minds of many consumers. The breakdown of the 25% is as follows: 9% value added tax, 6% environment levy, and 10% service turnover tax.

However, customers should be aware of what they are paying for.

Consumers should be knowledgeable of the types of receipts they receive from stores for purchases.

A receipt should contain a description and the quantity of the goods.

This follows a case where a local supermarket chair, Lokia’s Supermarket failed to provide itemized receipts, which contravenes Section 55 of Fiji Commerce Commission Decree 2010 and Fiji Commerce Commission Order 1998 that requires the supply of invoice at the time of sale to the purchaser.

In this particular case, the supermarket’s receipts showed items as Vat Groc Retail T1 for which customers have no responsibility. It is essential for consumers to know that the items they have purchased are reflected in the receipts.
The National Consumer Helpline (NCH) is a new initiative launched on 14 July 2016 to promote a fair, healthy and safe trading environment for consumers. With toll-free number, consumers can reach the Council quickly and without any costs, to report against traders and service providers who trade unfairly. The Council received a total of 2553 calls from NCH, since its launch until 30th November 2016.

The aim of the NCH, Division is to provide telephonic advice, information and guidance to empower consumers and to address consumer concerns and grievances experienced in the marketplace.

### SUMMARY OF CONSUMER COMPLAINTS FROM 14th JULY TO 30th NOVEMBER

<table>
<thead>
<tr>
<th>National Consumer Helpline Statistics</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of total calls received</td>
<td>2553</td>
</tr>
<tr>
<td>Number of genuine calls received</td>
<td>955</td>
</tr>
<tr>
<td>Total Number of registered complaints</td>
<td>386</td>
</tr>
<tr>
<td>Complaints resolved</td>
<td>296</td>
</tr>
<tr>
<td>Advice</td>
<td>249</td>
</tr>
<tr>
<td>Weak Cases</td>
<td>292</td>
</tr>
<tr>
<td>Cases referred to Other Authorities</td>
<td>35</td>
</tr>
<tr>
<td>Incomplete (Cases awaiting documentation)</td>
<td>28</td>
</tr>
<tr>
<td>Pending</td>
<td>55</td>
</tr>
</tbody>
</table>

**Analysis of Genuine Calls Received**

- Advice: 25%
- Weak cases: 31%
- Cases Awaiting Documentation: 3%
- Total of registered complaints: 40%

A total of 955 genuine calls have been recorded in the database since the launch of the National Consumer Helpline. Of this, 249 callers received advise from the Helpline. Two hundred and ninety two (292) cases were classified as weak because consumers failed to provide relevant documentation to the Council. Twenty eight (28) cases were incomplete as the Council is awaiting documentation while the remaining three hundred and eighty six (386) cases have been registered by the Council for further investigation and redress.

Of the three hundred and eighty six (386) registered cases, the Council has managed to solve 296 complaints and referred 35 cases to relevant authorities - Fiji Commerce Commission and Fiji Revenue and Customs Authority. The Council is yet to solve 55 complaints.
Complaints regarding food and drinks recorded a total of 137 cases within this period. Consumers have raised their concerns against traders in their locality that charge a higher price for items under price control. The Council has been advising consumers over the phone about price controlled items. Complaints that were in breach of the Commerce Commission Act 2010 have been forwarded to the Commission. This resulted in 7 traders being fined and some traders issued with infringement notices. Complaints received under this category also included damaged milk products, maggots and weevils found in flour and expired products. Landlord/Tenancy is second on the list with a total of 111 complaints. Issues such as landlord not issuing notice to vacate, no receipts given when rent is paid, poor housing condition and refusal of bond money refund are some examples of such complaints. The Council has managed to advise consumers seeking assistance regarding these matters and where necessary the Council has successfully assisted the tenants.

Electronic Goods (Home) has been third with a total of 63 complaints being received under this category. Complaints received in this area included delay in repairing and traders failing to repair or replace goods within the warranty period. For instance, the Council recorded a case where the complainant gave his laptop to Datec Fiji Limited for repairing as it was covered under warranty. The respondent took months and did not provide any updates to the complainant. With Council’s intervention, the complainant was provided a new laptop.

Fourth on the list is Other Services with 60 complaints recorded followed by Hire Purchase having 39 and Hardware with 38 complaints. In the Hardware category, complaints included delay in delivery of item, and unethical and unfair practices by traders such as, favouring consumers who purchased items on cash than those who used their grants to purchase items. One such case is where complainant had purchased item from R C Manubhai and the item was not delivered on time. Complainant’s family suffered a lot because of this delay. Months passed but there was no update from the trader. After the Council’s intervention, R C Manubhai delivered the items within a week at the complainant’s address and apologised for the inconvenience caused.

Complaints against the Water Authority of Fiji was 37 where consumers raised concerns such as delay in reconnection, disconnection of water supply without notice and water leakages. Non-food items and second-hand motor vehicle followed with a total of 36 and 27 complaints respectively.

Services offered by Sky Pacific had been on the top 10 list with consumers raising concerns mostly regarding the delay in installation, disconnection of services despite payment made on time and poor picture quality.
Dissatisfied consumers kept coming to the Council to lodge their complaints. Electronic Goods (Home), Landlord/Tenancy, Mobile Products, Food and Drinks, Television Services, Hardware, Water, Online Shopping, Electricity and Hire Purchase make the top ten complaints in the last eleven months.

The Council registered a total number of 2004 complaints between 1 January 2016 and 30 November 2016 worth $5,369,629.02. The Council through effective mediation managed to resolve 1462 complaints, giving back consumers $2,610,565.08 of their money. There were 81 complaints referred to the Small Claims Tribunal, and 162 referred to other authorities. Another 382 cases remain pending while the Council is committed to resolving these complaints in a fair and just manner to the satisfaction of the parties involved. The Council recorded 28 weak cases whereby the complainants failed to provide evidence to substantiate their claims after lodging their complaints.

Electronic goods continued to top the list with a total number of 214 complaints. Assistance were mostly sought in terms of faulty or dysfunctional products shortly after purchase. Most of these products are found to be defective and generally of poor quality leaving consumers waiting for months to get the product fixed. Warranty terms and conditions were not clearly explained resulting in consumers getting into disputes with traders demanding repair costs despite extended warranty being intact.

Complaints related to Landlord/Tenancy ranked second on our list with 177 complaints. Issues brought to the Council under this category range from no refund of bond money, landlords not issuing rental receipts to tenants despite several requests, Landlords not giving a month’s written notice to vacate, illegal increase in rent despite the residential rent freeze and poor housing conditions. The Council assisted the tenants by holding mediation with both the parties where an amicable solution is reached.

Issues relating to mobile phone products was third on the list with 162 complaints. Complaints lodged included defective phones, tablets and phablets. Consumers had to wait for months to get their repaired items while the issues persisted.

Food and drinks-related complaints are placed fourth with 97 cases. Complaints received in the Food & Drinks category include dead insects found in the freshly served food, mouldy bread, maggots and weevils in flour, expired products and incorrect packaging.

Frustrated consumers continue to lodge complaints regarding poor television services against Digicel. A total number of 93 complaints had been received by the Council. Issues include: disconnection of services despite making full payments; charging of unnecessary fees for dish alignment and repair costs; poor customer services, delay in installation of system, weak signal or no signal at all. The Council used social and mainstream media to highlight the issues, which resulted consumers coming forward to lodge their complaints.

In the hardware category, complaints received included: items not delivered in a timely manner, traders failed to supply building materials under the Government’s help for home initiative and have gone to the extent of not supplying what is paid for by the Ministry of Finance.

Water (WAF) and Electricity (FEA)-related concerns and complaints regarding the services provided by both utility companies remain a concern. These complaints received against the Water Authority of Fiji and Fiji Electricity Authority consist of high billing, faulty meter, incorrect billing, water supply disruptions and water pipe leakage, quality of customer service, lack of clarity in billing, disruptions to power supply and not receiving bills in a timely manner even though the consumers claim have provided proper addresses, water and electricity disconnection despite paying bills on time.

Online boutiques continue to sell Indian wear whilst failing to supply goods to consumers who have already paid for their goods. The Council received a total of 57 complaints.

Consumers are ending up paying interest on hire Purchase account despite making full payments; also discrepancies in the amount charged to repossessed items without giving proper notice. The Council received a total of 48 complaints against hire purchase Companies.

The Council through numerous awareness programmes increased the willingness among consumers to lodge complaints with the Council. It is quicker, cheaper, and less stressful than going to court. We urge consumers to be more vigilant about their rights and seek advice before approaching traders and service providers.

**Consumer Complaints Received**
01 January - 30 November 2016

<table>
<thead>
<tr>
<th>Types of Complaints</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registered Cases</td>
<td>2004</td>
</tr>
<tr>
<td>Resolved Cases</td>
<td>1462</td>
</tr>
<tr>
<td>Cases Pending</td>
<td>382</td>
</tr>
</tbody>
</table>

**Consumer Complaints Received**
01 January - 30 November 2016

<table>
<thead>
<tr>
<th>Monetary Value of Complaints, 01 January - 30 November 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Complaints</td>
</tr>
<tr>
<td>------------</td>
</tr>
<tr>
<td>Registered Cases</td>
</tr>
<tr>
<td>Resolved Cases through Mediation</td>
</tr>
<tr>
<td>Cases Pending</td>
</tr>
</tbody>
</table>

**Top 10 Recurring Complaints, 01 January - 30 November 2016**

<table>
<thead>
<tr>
<th>No.</th>
<th>Issue</th>
<th>No. of Cases Registered</th>
<th>Percentage of Top 10 Complaints Received</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Electronic Goods (Home)</td>
<td>214</td>
<td>10.67%</td>
</tr>
<tr>
<td>2</td>
<td>Landlord / Tenant</td>
<td>177</td>
<td>8.81%</td>
</tr>
<tr>
<td>3</td>
<td>Mobile Products</td>
<td>162</td>
<td>8.08%</td>
</tr>
<tr>
<td>4</td>
<td>Food &amp; Drinks</td>
<td>97</td>
<td>4.84%</td>
</tr>
<tr>
<td>5</td>
<td>Television Services</td>
<td>93</td>
<td>4.64%</td>
</tr>
<tr>
<td>6</td>
<td>Hardware</td>
<td>71</td>
<td>3.54%</td>
</tr>
<tr>
<td>7</td>
<td>Water - WAF</td>
<td>66</td>
<td>3.29%</td>
</tr>
<tr>
<td>8</td>
<td>Online Shopping</td>
<td>57</td>
<td>2.84%</td>
</tr>
<tr>
<td>9</td>
<td>Electricity - FEA</td>
<td>54</td>
<td>2.69%</td>
</tr>
<tr>
<td>10</td>
<td>Hire Purchase</td>
<td>48</td>
<td>2.59%</td>
</tr>
</tbody>
</table>

**Total** 1039 51.84%
The Council is concerned over the unavailability of medication for kidney transplant patients. Mycophenolate Mofetil is an anti-rejection tablet taken by kidney transplant patients on a daily basis and this was unavailable for those in need of it. Pharmaceutical Services Centre and other private pharmacies were out of stock on this much needed medication.

A Ms Sharma who had recently returned from India following a kidney transplant, requires this medication to aid her in the proper functioning of the transplanted organ. But in May, 2016 when she visited the Fiji Pharmaceutical Service Centre she was informed an order placed two months earlier had yet to arrive. While she was assured by the Chief Pharmacist the medication would arrive on the weekend, this did not happen. The Council was informed on June 15 of its arrival and the medication was available the following day for purchase after the Council informed the Health Minister of the matter in writing.

Mycophenolate Mofetil has a prolonged expiry date and stocking should not be an issue. These patients who have spent a fortune to get a second chance to live are currently faced with pain and misery.

POOR SEAT QUALITY

The Council received a complaint where a man and his partner purchased twin seats at Premium Cinemas but was left disappointed after finding out that the seats they were allocated were the wrong ones as it did not match their ticket numbers. The seats were not twin seats but slip seats instead, which were uncomfortable. They could also feel the spring of the seats.

Following complaints to the company, they were offered free-of-charge tickets. The complainants again had the same experience. The seats were sagging and the foot rest was one-sided.

The Council stepped in and raised the matter with Damodar Cinemas. The Council was assured that new seats were now placed at the Premium Cinemas. Apologies and free tickets were offered to the complainants which they ultimately accepted.

COKE SOUVENIR CAN ISSUE

Mr Khan presented a winning label for the Rio promotion at Coco-Cola Amatil Limited Head Office at Laucala Beach, Nasinu, to claim his prize. The label stated that he had won a 330ml Coca-Cola Rio Souveneir Can Coke. During his visit to the company, he was awarded a normal 330ml coke at the security booth. The complainant refused the can and took back the winning label.

He brought the matter to the Council’s attention where the Council liaised with the soda drink company on the matter. CCAL without any hesitation opted to deliver 6 cans of the same quantity coke inclusive of the Souvenir Can Coke to the complainant’s residence.

However, the Council was notified that the delivery was declined by the complainant, as his understanding of the souvenir can was something else. The Council then asked CCAL to clarify the difference between the normal 330ml coke can and Rio souvenir coke can. After the Council’s explanation, the Complainant accepted the 6 x 330ml Coke Cans.

CONSUMER CHOICE DENIED

The Council is urging traders to incorporate ethical business practices rather than just focusing on profit making.

The call comes after Newworld Supermarkets around the country failed to adhere to the Council’s call to provide consumers with testers on each of their cosmetic products. Cosmetics should always be accompanied with its testers. It basically allows consumers to make informed decisions on their purchases. If this is provided by all cosmetic retailing companies, consumers would not face the circumstances of seeking redresses.

The Council has noted that Newworld Supermarkets retails L.A Girl cosmetics in Fiji in all its outlets. Cosmetics retail include face powder, concealers, lipsticks, lip gloss, eye liners and mascara. However, it fails to provide consumers with a tester on each of its products. Despite the Council’s continuous call to have testers available, the supermarket failed to take it into consideration.

Cosmetics products require comparision on each individual’s skin color, to test whether the make-up worn suits the purchase or not and to verify if there is any allergic reaction when using the cosmetics.

CONSUMER WATCH DECEMBER 2016

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Although essential, taking loan may result in lots of sacrifice

1. Taking credit to build your assets and to improve your quality of life is not a bad idea. Borrowing contributes to economic growth through the investments you make from the borrowed money. The more you borrow, the greater the risk as you have to repay the loan regardless of your inability to pay due to number of reasons. It is, therefore, important that one makes a well-informed decision before entering into any credit agreement. This is whether it is to be an unsecured loan for a short period of time or a home loan that would keep a consumer tied for maybe up to 25 years or more.

Our Advice: Before entering into a credit agreement, you must ensure that you have read and fully understood the contents of the credit agreement. This is before signing the documents. Remember that you reserve the right to take a second opinion on the credit agreement before signing.

2. The Task of Obtaining a Home Loan

The dream of owning a home has driven thousands of borrowers in Fiji to take a home loan. This is very likely to be a consumer’s biggest debt after a car loan. If there is an economic downturn, a borrower’s dream of owning a home can turn into a nightmare. Defaults on home loans can cause intense personal hardship to individuals and families, especially in cases of home repossessions. Generally, for home loans, there is a long-term relationship between the borrower and the lender. Home loan is taken at a young age and the repayment continues for the next 20-30 years. During this period, it is expected that a borrower’s ability to meet repayment obligation is likely to change from time to time, which should not come as a surprise to a prudent lender.

Our Advice: From the time that you enter into a credit agreement, it becomes important that repayments are made satisfactorily. If this is not done then poor credit history from the past may become a major hurdle in obtaining a new loan. You must remember that apart from your ability to service the debt repayments based on your debt-to-income ratio, the credit-providers also place great reliance on credit history when processing loan applications.

3. The Aspiration

The aspiration to succeed in obtaining finance for the purchase of a home can be so significant that many may often ignore potential problems that may arise in the future. Such potential problems have been identified in the following areas:

- Failure to take into consideration the effect of the establishment and monthly service/maintenance fees on monthly interest.
- The failure to take into account the sudden hike in the account repayments following the expiry of the fixed interest rate.
- The potential increases of the variable interest rate during the term of the loan period which will consequently increase the burden of the repayment to be made.

Failure to account for any potential financial difficulties that may arise out of predicaments such as unemployment, illness or even retirement.

Our Advice: Before obtaining any credit, it is very important to carefully consider the implications that any unexpected events may have on your ability to repay your debts. While any such shocks are impossible to predict, it is recommended that your debt-to-income ratio always remains within a safe range where only 30% of your income is required to service the debt repayments.

4. The Obligation

One must also remember that once a consumer has entered into the credit contract then he/she must ensure timely monthly repayments before or on the due date to avoid any penalty fees. Any shortfall in the monthly repayment amount by the consumer will provoke the application of default interest rates and other charges.

Consumers must take immediate steps when in hardships in order to avoid the application of unreasonable and unnecessary arrear fees. One must remember that the purpose of the arrear fee is to penalise the consumer for deviating from his/her contractual obligation.

At present, the Reserve Bank of Fiji (RBF) has placed a maximum limit of $25 as arrear fees.

Our Advice: It is important to know that interest is calculated on a daily basis reducing balance method. Incurred penalty fees/charges could mean that your debt will grow. Therefore, failing behind on your repayments will mean that you not only have to catch-up with the repayments being missed, but also fork out extra for the penalty fees. Thus, it is recommended that when faced with hardships, act immediately and prevent penalty fees from being added into your account.

5. Financial Hardships

A consumer who enters into a home loan contract may find themselves in a situation where they have no clue what the future has in store for him or her. Any change in the earning ability, interest rate and in the real estate prices makes the households very vulnerable. These are the inherent features of taking home loan which borrowers cannot foresee. It must be noted that financial hardship can be triggered by fluctuations in interest rate which is not known to the consumer when signing up for home loan.

The Council assisted 43 consumers from 1st January 2016 till to 31st October 2016, with their debt-related issues. 32 consumers were assisted with account restructures.

From the cases handled by the Council, it is of great concern that consumers seek help very late in the process because they are shy and reserved. They normally seek help when their items are repossessed or their home go on mortgagee sale. For mortgagee sale of properties, the situation is even worse and almost impossible to handle when the demand notice has expired. The two case studies reveal such instances:

Case Study One: Jerry obtained a home loan in 2006 from Fiji Development Bank (FDB) for a total sum of $13,900. While his account repayments had been satisfactory for quite some time, Jerry found himself in the worst possible situation as he lost his employment in December 2011. Because of this, Jerry ceased his account repayments for quite some time.

As he had only been able to find employment a few months later, his status was worse off as his arrears increased from $450 in August 2011 to $880 in May 2012. Jerry claimed that he had not been able to make any repayments as his new employment had offered him a lower wage rate when compared to his previous employment.

While Jerry remained unable to clear the amount in arrears, his property was advertised for mortgagee sale later in the same year. The mortgagee action was, however, put on hold following Jerry’s attempts to convince the creditor not to proceed with the recovery actions. Most unfortunately, as Jerry did not honour the commitments made, the Bank accepted an offer in June 2016, whilst providing Jerry with a final chance to salvage his property via the right to redemption.

According to the right to redemption, Jerry would have to pay-off the entire account balance of $18,730.93 in just 14 days to salvage his property. At the time that Jerry attempted to seek the Council’s assistance, the period of the demand notice had expired and he had also been issued with an eviction notice.

Case Study Two: Apenisa obtained a home loan worth $40,000 from Bank of Baroda in 2012. As the sole breadwinner for his family, Apenisa had a very tight budget whilst trying to cater for his family’s need and also making his account repayments.

Unfortunately, Apenisa fell ill and went on leave without pay from June 2014 and ceased his account repayments without informing the credit-provider. When follow-up was made by the Bank of Baroda on the status of the repayments, Apenisa informed them of his illness. However, the Bank of Baroda was quite skeptical about providing any assistance to Apenisa because he had defaulted his repayments prior to his illness. Nonetheless, a mutual understanding between the two parties was to hold onto the recovery action.

Apenisa recovered from his illness and resumed work. However due to some dispute at work, Apenisa decided to resign which meant he could not pay his monthly repayments. Bank of Baroda had to intervene again and Apenisa agreed to meet his normal repayment of $360 a month via cash repayments.

Unfortunately, Apenisa was unable to honour this commitment and the bank threatened to place the property on mortgagee sale in December 2015. By then, the arrears in Apenisa’s account had accumulated to a sum $2,400.

Apenisa was lucky because his property was not advertised for mortgagee sale. He quickly cleared the amount in arrears and started his
Consumer Compensation Tribunal

The Council is looking forward to the formation of the Consumer Compensation Tribunal in the country.

The much-awaited tribunal is believed to provide effective redress to victims of third party insurance and speed-up the process of payment.

This was supported by the Attorney-General and Minister of Economy Aiyaz Sayed-Khaiyum at a seminar last month. The event was organised by the Council to address issues of consumer concern relating to Compulsory Third Party Insurance (CTPI) in Fiji.

Penalists for the discussions included representatives from the Council, the Judiciary, Reserve Bank of Fiji, Ministry of Transport, Private Legal Practitioners, Insurance Council of Fiji and the Fiji Bus Operators Association.

The aim of this seminar was to understand why timely payments of compensation is not made to victims and what reforms are needed to safeguard their interests.

When a person makes a claim as a victim of a car accident or any other claims, there are so many conditions that must be met by the victim before a claim can be paid out. Insurance companies take a long time to process claims subjecting claimants to long delays.

In the rare event that claims are paid out, it is unclear if the amounts paid out were sufficient to cover losses incurred by the insured. In many cases, settlements are of meagre amounts compared to the injuries sustained by the victim.

One would ask what Third Party Insurance is? It is a liability cover purchased by an insured (the first party) from an insurer (the second party) for protection against the claims of another (the third) party. The first party is responsible for its own damages or losses whether caused by itself or the third party.

Penalists at the CTPI Seminar in Suva last December

As stated under the current law, for example, a bus of 40 people for accident cover is either $40,000 for a whole bus or $4,000 for a passenger. When a compensation for a busload of 40 is calculated, each passenger ends up receiving $1000 each. Families of accident victims have to knock on the door of the courts if in their view $4000 per person is not a fair claim.

This places more burden on victims (already aggrieved) to seek justice in Court. Some decisions made by the Court takes years. Can victims who are incapacitated wait that long?

How many more lives have to be lost and how many more passengers to be injured before appropriate reforms are made on Compulsory Third Party Insurance (CTPI) for timely compensation?

CTPI Campaign “Who Pays, Who Profits, Who Loses” was launched by the Council in 2009 in a bid to highlight problems on CTPI laws and seek a fair and just deal for CTPI consumers and accident victims.

Despite efforts by the Council to seek justice for the numerous helpless CTPI victims out there, nothing has changed to date.

The Council organised the seminar on 8 December to address this issue. The Council’s campaign is to draw the attention of the policy makers, victims and vehicle owners on an insurance cover that is compulsory but of no benefit to the consumers.

There are irregularities or limitations in the pay-outs as it is left entirely on the industry to make the decision. Often the accident victims (or the deceased’s family) are left wondering if justice is indeed served under the current systems, policies and laws.

Insurance companies need to be more transparent about the information they provide to consumers concerning its third party policies.

Consumer Rights in Digital Age for WCRD 2017

Consumers International (CI) is pleased to announce the theme for World Consumer Rights Day 2017 will be ‘Consumer Rights in the Digital Age’.

Over the coming weeks CI will be working with its members to develop campaign and advocacy ideas that will form the basis for our World Consumer Rights Day activities. The Consumer Council of Fiji is a member of CI.

Well, over 3 billion, or 40% of the world’s population is online now, compared with just 1% in 1995, with all projections suggesting this number will continue to rise. The figure, which was revealed by CI is an evidence that there is a rapid change around the globe.

Although this still leaves many consumers who are struggling to access these technologies, CI highlights the rapid growth of the internet, mobile phones and other digital technologies has created opportunities and challenges for millions of consumers around the world.

Whilst consumers undoubtedly benefit from the increased access, choice and convenience that these technologies deliver, questions remain about how to improve the quality of services, which online services consumers can trust, what happens to the data they share online and what consumers’ rights are in relation to digital products.

The sheer pace of change is also a challenge. Whereas the telephone took 75 years to reach an audience of 50 million, Facebook took one year, and Instagram took just 6 months. A 2015 poll of CI members suggested that in many countries regulation was failing to respond fast enough.

The Council is gearing towards World Consumer Rights Day on March 15, 2017.

WCRD was established in 1983 to promote the basic rights of consumers everywhere. Every year on 15 March, the global consumer movement unites around a common theme to deliver an exciting array of campaigning activities.

WCRD is an opportunity to promote the basic rights of all consumers, for demanding that those rights are respected, protected, and for protesting the market abuses and social injustices which undermine them.
The Council's assistance in determining the allergic reaction of a Revlon cosmetic product on a consumer has prompted the company to introduce a return policy.

The company, Blush Fiji, also recommends customers to test the product before purchasing, especially if the product is new and is unknown to consumers. Consumers were also advised to check the product ingredients thoroughly before purchasing.

Tina, purchased Revlon's nearly naked foundation, age defying powder and color correcting primer, which, after applying caused allergic reactions.

She immediately sought the assistance of the Council.

The Council visited the Nadi Company with the product to enquire who the supplier was. According to Blush Fiji the supplier of the cosmetic was Brand Source.

Further investigation revealed that Tappoos is a registered Revlon dealer in Fiji. By comparing Blush Fiji products with Tappoos products, it was found the product was authentic.

The Council further requested a doctor's report to confirm if there was an allergic reaction.

With Blush Fiji's new return policy, Tina was refunded $82 in cash.

Mr. Namosimalu purchased a Lenovo Thinkpad Yoga laptop at the cost of $3,429 from Datec (Fiji) Ltd. Within a few months the laptop started giving problems.

He took the monitor back to Datec for repairs, as it was still under warranty. Mr Namosimalu was not provided with any updates on the repairs for several months, so he decided to seek assistance from the Council.

With Council's intervention Datec revealed that they will not be able to repair the laptop because the parts were unavailable. The complaint was informed of this and he requested the Council to assist him in seeking a replacement Laptop.

The Council assisted Mr Namosimalu and requested the IT solution company for the replacement for which the company agreed. The Company also apologized for the inconvenience caused.

Lemeki's family was one of the victims of Tropical Cyclone Winston, which had struck Fiji in February, this year.

The cyclone destroyed the roof of his family house at Nabouwalu in Bua. Like many Fijians, Lemeki received $3000 assistance from the Government, which he utilised to purchase building materials to repair his house. Patiently waiting for materials to be delivered, his house was further damaged without a roof for months. He made numerous calls and visits to RC Manubhai at its Labasa branch but no one seemed to care about his family's welfare. When all doors closed on him, Lemeki visited our office in Labasa and also called the National Consumer Helpline to raise his concerns.

The Council urgently raised this issue with the company which delivered the materials to Lemeki's house within a week. RC Manubhai also apologized to the complainant for the inconvenience caused.

Being a customer of Rups Investment Ltd for many years, Arti decided to use her savings to purchase a brand new sofa set. But to her surprise, fabric started coming out of the sofa within a month of usage.

Arti quickly alerted Rups Investment Ltd. Unfortunately, she was advised by the trader that it was an imported sofa which cannot be repaired. Instead, she could get a replacement sofa for which she had to pay an additional $150.

Arti disagreed and decided to approach the Council. Afterwards, she was given a replacement sofa without having to pay the extra money.

Elina Matalauwale's complaint was against her landlord who increased her rent from $500 to $600 without conducting any repairs or extension.

The Council contacted the Respondent and informed him about the Rent Freeze Order placed by the Fiji Commerce Commission. That it was against the Order, to increase without the Ministers approval. After the Council's intervention, Respondent reduced the rent from $600 to $500. Extra amount paid by complainant was passed as credit for overdue rents.

After passing the credit, the Complainant only owed $1200 in rent. Respondent provided the complainant 3 months' time to clear her rent dues.

Respondent provided the Complainant a new tenancy agreement from 1 October 2016 for one year. All repair works was carried out.
ATM creates problems for consumers

Out of order ATM machines tend to become a matter of inconvenience for many consumers around the country. Even if the machine is working, long queues can be seen as people are waiting to withdraw money.

This issue is frequently observed at the BSP Bank ATMs around Lautoka. Most of the time, the ATMs remain out of order or their link is down.

When the officials concerned were contacted to trace the reason behind the machine failure, they often do not have any satisfactory reply.

Unprofessionalism at its best!

Aryan contracted Shahil’s Plumbing Construction and Welding Works’ services to build a driveway, which was terminated due to the unsatisfactory quality of work, leaving the work incomplete.

The Respondent paid a total sum of $7,600.00 in advance and works done was calculated to be in the sum of $4,340.00. Mr. Roshan had decided to pay for the work that was already done and sought refund of the excess amount in the sum of $3,260.00 that was paid in advance to the Respondent.

Mediation was arranged on several occasions, which was cancelled by the Respondent at the last minute each time. Due to the fact that the Respondent was difficult to correspond with, the Council referred the matter to the Small Claims Tribunal.

“The Run-Away Company”

Ashika tendered her TV for repair to Alex Electronics and paid a total sum of $130.00. However, after repairs, the TV stopped working again and the Respondent was hesitant in providing the refund.

The Council found that the complainant had agreed to have $45.00 deducted for labour fee and refund the remaining $85.00. Later, the Council was informed that the Respondent had in fact refunded $50.00 and promised to refund an additional $35.00 the following week.

Unfortunately, upon trying to call their mobile numbers, the Respondent was nowhere to be contacted or located.

Ashika had also visited their place of business and was advised that they no longer operate their business from that location. This matter was closed.

Council has requested the complainant to inform the Council once the Respondent has been located.

“A voucher worthless”

Jerry purchased a Modyl Fridge on hire purchase from MH Homemaker (Valelevu) which has been repaired 3 times but the fault persisted because the cooler on the fridge was faulty.

Jerry returned the defective item and requested for a replacement.

The Respondent refused to provide him with a replacement item, hence Jerry sought redress through the Council. The Respondent’s Service Centre informed the Council that the defective item has been repaired as it was covered under warranty and they advised Jerry to pick up the item.

Jerry later informed the Council that he did not wish to accept the repaired item. Jerry requested for a refund instead. The Council intervened once again and the Respondent provided a gift voucher of $999.00.

Jerry accepted the gift voucher on the assumption that the Respondent has paid him the full amount of $1999.00. Jerry requested for a referral to Small Claims Tribunal to claim for the difference.

Thawed meat on sale at Shop N Save

Shop N Save supermarkets in Lautoka continue to sell thawed meat.

The Council has written to the supermarket and also the Health Department highlighting the issue. As a result, the Health Department issued an Order of Closure after two abatement notices were issued in May, this year.

Despite the order, the supermarket’s Tukani Street Branch is still displaying thawed and deteriorated meat for sale.

Flies On Uncovered Bread

A complainant called Council’s toll free number 155 to raise his concerns regarding the poor quality brown bread sold by Kings Investment Limited (Top Shop) in Yalalevu Ba. This shop was selling whole meal bread with less wheat in it.

When the Council visited the shop, they found flies on uncovered bread on the racks. There were dead flies inside the bread display rack as well.

The Council questioned respondent as to why they were not covering the bread. In response, respondent confirmed that in past they used plastic to cover bread but now they do not cover. The Council referred the case to the Town Council.

Business ethics, fair practice, responsibility and honesty should be the buzz words for all traders.

At the end of the day, all consumers deserve a fair deal in exchange for their hard earned cash and if that’s not given to them, consumers have all the right to seek redress.

Thumbs Down

It is unfortunate that some businesses/traders do not believe in “Customer Care” or show no importance to consumer protection; they forget that they owe a duty of care to those giving them business.
Consumer Protection

We were out shopping on Saturday (September 24, 2016) for curtain materials and after going through few shops, finally found the right quality and colour to suit the interior paint work of our house.

Our requirement was 11 metres only and after measuring the fabric, one-and-half metres of the material remained on the roll and we were asked to purchase the total 12-and-half metres or they will not sell that to us.

We told the shop assistant that we did not require the extra 1.5 metres but they did not listen and started to show body signs they were not interested in serving us.

We finally gave in to their demand and bought the whole lot and on repeated negotiations on a discount, we had to pay $1.85 less on the cost of 12.5 metres of material.

I am not sure whether there is a consumer protection that deals with unfair practice in the Commerce Commission Decree 2010 which is aimed to promote ethical standards in the retail sector?

Satish Nakched

Council's Response


The Council commends the writer for sharing his experience in this open column, highlight-
ing the incident while buying curtain material. Traders cannot impose conditions on consum-
ners over what length of material they can buy as done in Mr Nakched’s case. He should have
been sold 11 metres of fabric and not 12.5 metres just because 1.5 metre of fabric would
have been left on the roll.

Such business practice is unlawful. The Com-
merce Commission Act 2010 is loud and
clear. As per Section 87(2) — “A person who
offers goods for sale by retail must not refuse
or fail, on demand of a quantity or number of
the goods and tender of the appropriate price,
to supply the goods in the quantity or number
demanded.”

Traders cannot impose conditions which are
not in accordance with the consumer protec-
tion laws.

Many other consumers in the past have also
raised concern over refusal by some traders
to sell them half a metre of fabric. The Council
had written to these traders to highlight the
law and to warn them from engaging in unfair
trade practices.

High Price for High Mileage

The Government in its budget had announced
that hybrid vehicles will have a fair price but
nothing has come to it. There are some car
dealers charging a high price for vehicles that
have a high mileage.

Junior Naivivi

Council’s Response

The landed cost of second hand cars will be
revealed by the Fiji Revenue and Customs
Authority (FRCA) as announced by the Minis-
ter for Economy Aiyaz Sayed-Khaiyum in the
2016/2017 National Budget. Consumers will
be aware of the landing costs for each type of
vehicle which will assist them negotiate a price
with car dealers. The Council followed up with
the Fiji Revenue and Customs Authority to re-
lease the information. This information will
be made available from 2017.

Consumers are to note that second-hand
hybrid cars are duty-free until the end of De-
cember, this year. Duty charges will apply from
2017.

Rent Bond Issue

My Partner and I moved into a Flat in Martin-
tar, Nadi at the end of November, 2014. We
paid $940 as bond with two months’ rent.
We were given a notice to move out during
the first week of May, this year. We were told
that by 31 May, all of our belongings should
be moved out. We were then advised that our
bond will be refunded in 2 weeks. Despite
weeks of follow up, the landlord called and
advised us that we would only receive $408
out of the $940 we paid.

I really do not know what the landlord had
done with our bond money and now passing
it off as ‘fixing damages to the flat’

What I would like to know is: Do we have the
right to ask the landlord to produce receipts
and breakdown of the $532 he took away
from our bond? Or is this at his prerogative?
Hope to hear from you soon.

Colleen Rokocakau

Council’s Response

Yes, you can rightfully demand a receipt and
a breakdown of all the costs to repair the dam-
ages that were sustained to the flat while you
were there. However, if the landlord fails to do
so, you can lodge a formal complaint with the
Council.
Kellogg's Pringles Shrank the Tube

The reduction in the shelf price of Pringles chips, from $4.10 to $4.00 also meant the reduction and increase in some aspects of the product.

And while the price-drop was welcomed by chips enthusiasts they were left rather disappointed to discover that along with the cheaper cost for Pringles came a smaller size packaging tube and chip size. The increase, however, was 60 per cent more in saturated fat.

Kellogg's had shrunk the tube. The old packs had a diameter of 75.5mm. By contracting this to 69mm, Kellogg's reduced the width of the tubes by an astounding 8.0 per cent.

And once you've popped, you're in for yet another disappointment. Taking a completely scientific sample size of three chips per packet, Choice Australia found the average Pringle length had dropped by a staggering 9.7 per cent, from 62mm to a measly 56mm.

And if that wasn't bad enough, the new Pringles contain nearly 60 per cent more saturated fat than before, with a whopping 15.1g/100g.

But at least the shelf price had dropped as well. Back in January 2017 all businesses will have to disclose and charge reasonable surcharges to all customers.

It is expected to be a fair and transparent system that reflects the costs to businesses. Some may say it may be hard to argue with that, unless you're charging some of the highest card fees in the market.

There are three major credit card providers. They are Visa, Master card and American Express and of these Amex charges the highest fees. In fact, their average merchant fees are twice that of Visa and Master card, and the extra windfall from the fees goes to paying for Amex's generous cardholder rewards programs.

Now here's the problem with the "surcharge free" campaign, whichever way you look at it, you would not really be free of the surcharges. The fact is credit card companies will keep charging businesses for transactions.

So if businesses stopped charging fair, cost-reflective surcharges, they would probably pass on the card fees to their customers by increasing prices on everything in store. Even people who pay with low-cost options like cash or eftpos would end up paying for someone else to use their blase Amex.

https://www.google.com/search?q=choice+shonky+awards+amex

Supermarkets join forces to fight obesity

Supermarkets are cutting confectionery from checkpoints, giving away free fruit, and rolling out a healthy star rating for products in a bid to combat childhood obesity.

The changes are just some of a number proposed by giants Foodstuffs New Zealand and Progressive Enterprises, with one of the more radical being the reformulation of products.

Both companies have committed to reviewing home-brand products and where necessary, reducing sugar, salt and saturated fat to provide healthier options for consumers.

Last year, the Ministry of Health launched its obesity action plan aimed at preventing and managing obesity in children under 18, which included a focus on the food industry and moves to change food labelling, marketing and advertising.

In response, the two main supermarkets along with Moore Wilson and Bin Inn Retail Group have outlined new health and nutrition targets, and signed a collective pledge to support the plan, with Foodstuffs New Zealand managing director Steve Anderson saying the industry had to play its part.

"As the largest food retailer in New Zealand, we have a role to play in helping support the Government's Childhood Obesity Plan and create healthier options for sugar, salt and saturated fat to and where necessary, reducing".

Both companies have committed to reviewing home-brand products and where necessary, reducing sugar, salt and saturated fat to provide healthier options for consumers.
Shopping for “Back to School” does not have to be a financial burden. It does not take a branded expensive backpack or a $100 pencil case for a child that guaranteed him or her to graduate from school. Instead of thinking of buying expensive school supplies for your children, get smart. A child with a simple backpack or non-branded stationeries can still achieve his or her dream job.

What is the best strategy for back to school shopping? Get organized, stock up on the basics, and look for sales and promotions.

Start your shopping with a game plan. Even if your child’s teacher has not provided a list of school supplies, you cannot go wrong by sticking with the basics and taking advantage of back to school sales. The following hints will help you to monitor your spending, so that you stay within your budget and not indulge in unwise spending:

1. **Making A Shopping List:** Always list everything such as stationeries, bags and uniforms that you wish to purchase. The list must also include the price range of items which matches your budget.

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

3. **Check Budget:** You need to set your financial boundaries or limits. This eliminates any form of impulse buying which you may regret later.

4. **Check Sales:** January is always a time of sales for back to school but you need to find out for yourself if these are really ‘sales’ and not just gimmicks by companies to lure customers. Do a bit of “window shopping” when you have the spare time, to verify prices, quality of items and sales conditions.

5. **Head to the Supermarket for Basic Supplies:** Check weekly guides for great deals on exercise books, stationeries, lunch boxes, juice bottles, etc and get your weekly grocery shopping done at the same time. Bonus: buying everything in one place will save time and fuel money.

6. **Ensure Quality:** Read the labels of products to ensure you are aware of the contents, durability of the item, any special conditions, etc. Also, be careful of “Buy One and Get One Free” promotions. Sometimes such promotions are used to get rid of inferior quality products or products that are not fast moving.

7. **Choosing the Right Shop:** This may mean traveling the extra mile, but it may save money. You need to know which shops offer you best prices and good quality uniforms, books, stationeries and other essential items.

8. **Shopping Around:** Do not buy all your supplies from one store. You must shop around. Certain stores will price match or have better prices.

9. **Watch that Scanner:** When you are queuing up at the counter always observe the scanner so that prices displayed on the items you are buying are correctly recorded on the cash register. Many have been duped into paying more because of incorrect advertisements or scanning error of cashiers. Calculate your bill before you reach the counter, so that if it does not tally with the cashier’s figure, you will be quickly alerted.

10. **Reuse or recycle stationeries:** It is not necessary to buy stationeries that you have at hand. A cheaper option is to stick to your list and dig into those drawers, closets and rooms for pens, text books and uniforms. If you have uniforms that does not fit your children, donate it or toss it away. This will help you to lessen your financial burden.

The Council would like to wish parents, guardians and children on their preparation for the new school term, this year.