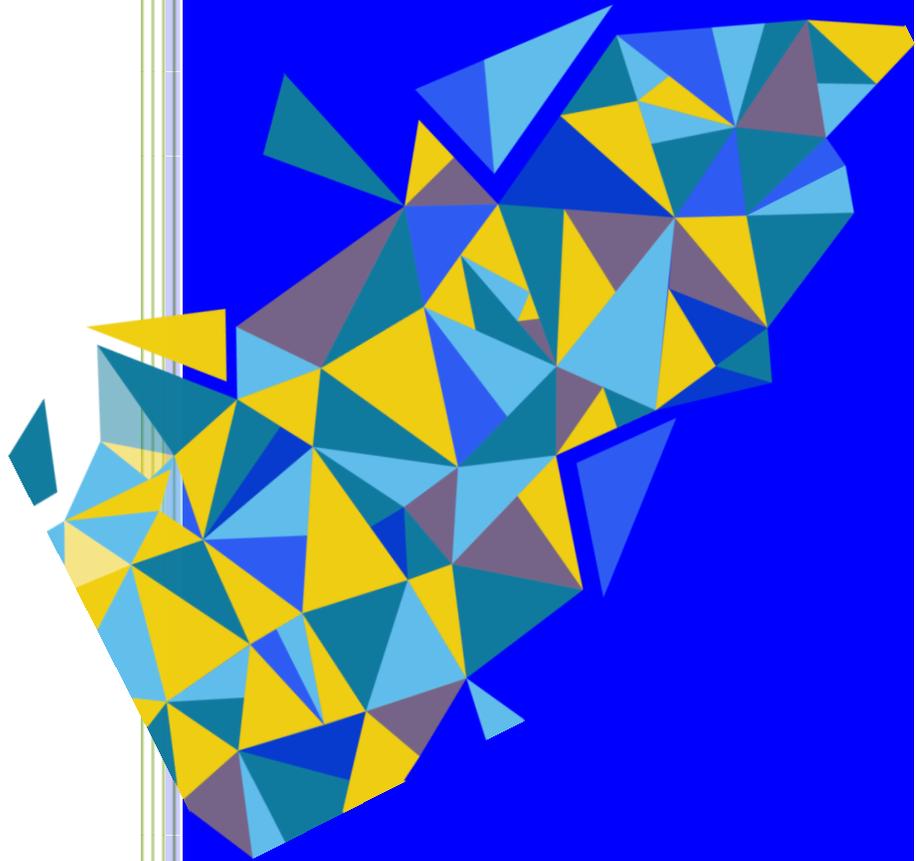




An Agency of the Ministry of Industry, Commerce, Agriculture and Fisheries

*"Protecting your rights, securing our future"*

# Overview



**Kent Gammon, Chairman**

**Press Briefing**

**on**

**Wednesday July 5, 2017 at 10:00 am**

**Ministry of Industry, Commerce, Agriculture and  
Fisheries**

**4 St. Lucia Avenue, Kingston 5**

## **SALUTATION**

Good morning:

- Director-General Vivian Brown
- Board Directors
- Dolsie Allen, CEO and the team
- Other Distinguished Guests; and
- The Media

This Press Briefing has been called to address the following areas:

1. CAC's Performance
2. Annual Textbook Survey
3. Agricultural Prices
4. Bad Gas Update
5. Banking Code
6. World Consumer Rights Day #BetterDigitalWorld
7. New Sugar Standards

## **PERFORMANCE AS AT JUNE 2017**

The Consumer Affairs Commission's Corporate Plan for the 2017 – 2018 Financial Year identifies five (5) strategic themes and outcomes which were developed in support of the Organisation's mandate. They are based on related priority national outcomes outlined in the Vision 2030 National Development Plan, and a review of the current economic environment.

These key priority themes are to:

- Improve public awareness and service delivery,
- Improve the enabling environment,
- Enhance strategic human resource management,
- Strengthen operations and systems support,

- Enhance resource stewardship and accountability.

For the Financial Year to Date (April 1, 2017 – June 30, 2017) the total number of complaints handled for the period was five hundred and twenty one **(521)**. For the corresponding period in the 2016/2017 year the number was four hundred and thirty six **(436)**. **This represents a 19.49% increase.**

With respect to refund /compensation for the period April 1 – June 30, 2017, the Commission secured approximately **\$4.3 million** on behalf of aggrieved consumers. For the corresponding period in the 2016/ 2017 year, refund/ compensation was **\$2,182,338.32**, representing an approximate increase of **98%**.

As it relates to requests for advice, there were one hundred and thirty two **(132)** representing an increase of **16.81%** when compared with the corresponding period which reflects a total of one hundred and thirteen **(113)**.

## **2016/17 FINANCIAL YEAR**

\$21.5 million in refunds and compensation was obtained for the 2016/17 Financial Year. Of this amount, \$16.8 million or 78% was secured on behalf of consumers in St. Andrew, St. James and Kingston.

An analysis of the 1,453 complaints handled during the period, showed that the three parishes with the greatest number of complaints were St. Andrew - 27.44 percent followed by St. Catherine - 20.58 percent and Kingston - 16.63 percent.

Overall, the Commission resolved 1,377 complaints which represent a resolution rate of 87.89 percent.

The value of the top three complaints categories which contributed significantly to the total amount of refunds and compensation were: **Automotive** which accounted for **73 percent**; **Appliances and Electronic items** **8 percent**; and, **Hardware and**

### **Household Fixtures 3.97 percent.**

The analysis shows that the highest number of complaints was from the **Electrical Equipment & Appliances** category, which contributed **30.28%** of all the complaints filed with the Commission. It should be noted that this category has always contributed to the highest number of complaints by consumers. This was followed by the **Utilities** category with **14.53%** and **Other Services** with **12.01%**.

In light of the significant amount of refunds and compensation obtained by the Consumer Affairs Commission on behalf of aggrieved consumers, I am using this opportunity to advise consumers to shop around and conduct their due diligence prior to making a purchase. Use the digital space to broaden awareness. Consumers I urge you to act quickly when there is an issue with a product or service by reporting it immediately to the vendor. In so doing, problems or delays will be minimised in instances where requests are made for exchanges or refunds.

Furthermore, the CAC is mandated by law to protect consumers not only when a transaction goes wrong, but consumers need to also utilise the services of the Commission prior to making a purchase.

The CAC is committed to facilitating ethical relations between consumers and vendors in the marketplace, especially in these harsh economic times when value for money is paramount.

### **ANNUAL TEXTBOOK SURVEY 2017**

The CAC will be conducting its Annual School Textbook Survey exercise during the final week of July 2017. In continuation of our partnership with the Ministry of Education, Youth & Information, we will survey a list of approximately **133** popular texts from the Ministry's approved 2017-18 Supplementary Booklists for Infant, Primary, Grades 7-9, CSEC and CAPE. We hope to have the results by the second week of August, in order to provide parents with timely information on prices and availability to guide purchasing decisions throughout the school year. Parents and guardians may use the

Commission's Price Enquiry Tool located on the website to inform their shopping decisions.

## **AGRICULTURAL PRICES**

We will now address the issue of agricultural prices. Between May 15-19, 2017, Jamaica experienced flood rains which resulted in media reports of significant price increases amongst certain agricultural products. Utilising the data posted on the Jamaica Agricultural Market information System website, the CAC conducted analysis on eight (8) local agricultural goods sold locally. These include green cabbage, callaloo (whole), carrot, escallion, Irish potato, sweet potato, lettuce (iceberg) and tomatoes (both plummy and salad).

The results showed that some products (at least four of the 8) experienced increases from 25 – 69% and significant price increases of over 70% in the week following the rains and onward. The CAC has continued and will continue to monitor the prices of these products such as green cabbage, escallion and plummy tomatoes, which have continued a general upward trend. The public will be updated further. However, consumers may also use the Commission's Price Enquiry Tool located on the website to aid in their shopping decisions.

## **BAD GAS UPDATE**

The issue of "bad gas" surfaced in November 2015 when consumers began making complaints to the Commission about petrol bought at service station pumps causing their vehicles to malfunction. These complaints continued into the last quarter of the 2015/16 Financial Year, when consumers were urged to make their complaints to the Commission by April 8, 2016. The reports informed the then Ministry of Science, Technology, Energy and Mining (MSTEM) now Ministry of Science, Energy and Technology (MSET) to spearhead the activities geared towards identifying the contaminant. The Commission was named to the Committee charged with examining

the current processes governing the petrol trade, identifying any loopholes and making recommendations.

***Where are we now?***

A specially convened Bad Gas Committee has been formed by the Consumer Affairs Commission to evaluate the complaints that have been made by consumers. Currently, this Committee has evaluated approximately 224 of the 382 bad gas complaints which have been submitted to the Commission with the required documentation. The 382 figure however, does not represent the total number of bad gas claims as not all have submitted the relevant information or may have come in after the April 8, 2016 deadline date.

We are anticipating that the validation exercise will be completed by the end of July, at which time we will provide an update.

***Further, it should be noted that the complaints regarding bad gas is treated separately from the complaints information presented earlier.***

**BANKING CODE: COOLING OFF PERIOD AND DISPLAY OF FEES AT ATMS**

Since 2009, the CAC has been advocating for greater consumer protection in the banking industry due to the many concerns that were raised by consumers about the unfair and non-transparent practices being experienced then and which continues even today.

While the Commission is pleased to have led the charge as it relates to fostering accountability and transparency when conducting business with banks in Jamaica, there are still two outstanding areas that the Commission will continue to champion: the Cooling Off Period and the Display of fees at ATMs.

**a. Cooling-Off Period**

Since 2011, the CAC has been advocating for a cooling off period of 72 hours for all contracts without any penalties, charges or interests being applied. This

period would commence from the time of the customer's signature and should exclude weekends and holidays.

- b. Display of Fees and Charges at ATMs** - ATM's should display to the consumer the transaction fee or fees before the consumer finalises that specific transaction. The consumer should be given the option to discontinue the process or "opt out" of a transaction if the consumer chooses not to incur the displayed fees.

## **WORLD CONSUMER RIGHTS DAY - #BetterDigitalWorld**

World Consumer Rights Day 2017 was observed on March 15 and each year the CAC along with the rest of the global community celebrates this day by focusing on a consumer issue that is of great importance. This year, the issue was consumer rights in the digital age and as per usual, consumer groups highlight the message from this one day throughout the rest of the year. Within this context, consumers should know that the internet is multi-jurisdictional and does not have sufficient global legal protection mechanisms for the consumer. Therefore, consumers must be responsible when using it, so as to reduce the associated risks while engaging in the digital sphere. This is of particular importance in the following areas:

- a. online transactions (banking, shopping – cross border transactions)
- b. data privacy before and after using the internet
- c. Social Media safety
- d. Legislative gaps and consumer exposure; and in the broader context:
  - Service issues related to insufficient high speed wireless technologies;
  - Irregular service; and,
  - Affordability and access to the available technology for consumers.

In light of the recent developments concerning cybersecurity and telecommunications, we use this opportunity to urge consumers to be vigilant when conducting business.

## **NEW SUGAR STANDARDS**

July 1, 2017, saw the Government introducing revised standards for the sale of brown and granulated sugar in the retail trade. Retailers must now adhere to the stipulations for supplying the commodity, which mandate its pre-packaging in bags that are heat sealed, and not tied with a string or knotted.

Additionally, label information must include product and brand names, net content, the manufacturer's name and address, distributors, importers or vendors, storage conditions, country of origin, lot identification number, date markings, and instructions for use. These standards were gazetted on December 30, 2016.

This move by the Government is in recognition of the potential health risks posed to consumers accustomed to buying sugar retailed in transparent unlabelled plastic bags, in the belief that the commodity has been packaged in safe and hygienic conditions.

For public health and safety, consumers are advised to ensure that when purchasing sugar the package should be labelled and packaged at the established standard.

The Consumer Affairs Commission has increased its vigilance in the marketplace and will continue to monitor the retail outlets to ensure that the packaging of sugar being sold meets the established standards. Consumers are therefore urged to examine products carefully before making a purchase. If any deviation is observed in the marketplace, kindly report the locations to the BSJ or the CAC to ensure that they comply with the established standards. Currently, it is too early to give a report, but as soon as a reasonable number of outlets have been monitored over a specific period we will report our findings. We will be collaborating with the Inspectorate Division of the BSJ to ensure an increased level of compliance.

***At this time, are there any questions?***