

MINISTRY PAPER NO. _____

**PERFORMANCE OF THE CONSUMER AFFAIRS COMMISSION (CAC) FOR
FINANCIAL YEAR 2005/2006 AND
FOCUS FOR FINANCIAL YEAR 2006/2007**

1.0 Purpose of Ministry Paper

This Ministry Paper provides information regarding the performance of the Consumer Affairs Commission (CAC) during the 2005/2006 Financial Year and outlines the main targets for the Financial Year 2006/2007.

2.0 Role and Function

Consumer protection and consumer education continue to be the main areas of focus for the Commission with a parallel emphasis on business education, designed to cultivate a business culture that recognises the importance of consumer sovereignty.

The mandate of the Consumer Affairs Commission is to:

- (i) educate and sensitise Jamaicans as to their rights/obligations in their capacity as consumers; and
- (ii) resolve all consumer complaints against providers of goods and services

The Consumer Education Programme of the CAC, is based upon the Charter of Rights of the Consumer and the United Nations Guidelines for Consumer Protection to which Jamaica became signatory in 1985. The programme is predicated upon the following eight (8) basic Consumer Rights:

- (i) The Right to Safety
- (ii) The Right to Choose
- (iii) The Right to be Informed
- (iv) The Right to be Heard
- (v) The Right to Redress
- (vi) The Right to the Satisfaction of Basic Needs
- (vii) The Right to a Healthy Environment
- (viii) The Right to Consumer Education

Consumers are educated on issues that may tend to impinge on these rights, their own responsibilities as consumers and the laws that protect them. The modalities employed include education of the population at large, through the local print and electronic media. The Internet is also used to place information at the consumer's fingertips.

The Commission also makes presentations on consumer issues to school children, adult members of the public and businesspersons by means of workshops, seminars and community meetings. Other available opportunities such as expositions, trade fairs, debates, shows, and discussions with persons in various fora such as clinics, plazas and markets are also used to sensitise consumers.

The Commission liaises with domestic Regulatory agencies whose work impinge on the consumer, such as the Fair Trading Commission (FTC), Bureau of Standards Jamaica (BSJ), Office of Utilities Regulation (OUR) and Departments of Ministry of Health (MOH).

Links are also maintained with regional and international consumer organisations such as Consumers' International. The CAC gathers information, makes contact with and responds to requests from various international consumer organisations largely via the Internet and at international conferences.

The Agency routinely conducts scheduled surveys, for example Petrol and Grocery on a monthly basis; School Textbook annually; but is also engaged in conducting other surveys as the need arises. All the results of these surveys are posted on the CAC's website.

The Commission continues to encourage the development of strong consumer lobby groups and in that regard provides support to Non-Government Organisations (NGOs) such as the National Consumers' League (NCL).

3.0 Priority Programmes and Targets – Financial Year 2005/2006

During the Financial Year 2005/2006, the CAC continued core programmes to educate consumers and businesspersons via the mass media, the Internet and through community outreach activities, coupled with the resolution of consumer complaints.

Surveys were also conducted to determine the prices of specified petroleum products, select grocery items and school textbooks. The hurricanes came upon us quite early, and as a result the CAC became engaged in the survey of those critical items needed to maintain life from early July to November 2005. The items included a number of canned foods, bottled water and selected agricultural products to determine (a) Availability and (b) Prices.

The Consumer Protection Act, 2005 became effective June 1, 2005. It has provided for the establishment of the CAC in its own right and set out the guidelines to be followed by both vendors and consumers.

Various agencies within the Caribbean Region and Latin America continue to rely on Jamaica's CAC for guidance, support and comments on a range of consumer issues of global concern. At the invitation of Consumers' International, the CAC participated in discussions throughout the year on a number of issues via information and communication technologies and by attending international conferences.

In September 2005 the CAC was part of the decision making process that led to the formalization of a regional consumer body known as the Caribbean Consumer Council. This was in the making from 1999 during a regional conference held in Jamaica, when a regional steering committee, the Caribbean Consumer Consultative Committee was established. The Commission also participated in the VI Regional Conference of Consumers International (Latin America & the Caribbean) under the theme "Globalization & Poverty Reduction in the Region".

4.0 Main Achievements

- I. Resolution of **1,845** or **93%** of a total of **1,982** complaints handled between April 1, 2005 and March 31, 2006. (A total of 1,792 new complaints were received by the CAC during the period and 190 brought forward from the previous period.) The largest number of complaints was in the category of Appliances and Electronic Items accounting for **579** or **31.5%** of the resolved cases and **610** of those handled. Completing the top four were Services, the category comprising Clothing, Food, Pharmaceuticals, and Chemicals, and fourth Automotive. These complaints accounted for **724** or **39.4%** of the cases resolved and **884** handled.
- II. Advice to consumers totalled **2,911** for the Financial Year. This is 616 more than the number received during the same period, FY2004/2005. This brought the total consumer contacts for FY 2005/2006 to **4,893**.
- III. In December and January the Commission did a public recall of faulty baby strollers and bike helmets.
- IV. A total of **\$17.739M** was secured on behalf of aggrieved consumers during the review period, comprising rebates, refunds, payments, and compensation. Of this amount, **\$10.398M** was recovered while dealing with complaints in the Automotive category.
- V. Direct sensitization of over sixty five thousand (**65,981**) consumers at two hundred and twenty (**220**) events including presentations, exhibitions, expositions, debates, shows and other events in all fourteen (14) parishes. These included the CAC participation in twelve sessions organized by the Petroleum Corporation of Jamaica (PCJ) for students of high schools located in the inner city.

- VI. Of note was the participation of the CAC in a five-day session organized by Singer Jamaica Limited to fully apprise their staff members of the requirements of the Consumer Protection Act and how it would impact the way the firm conducted its business. In addition, a workshop was conducted in October 2005, specifically targeting businesspersons. This was expected to be the first of many such sessions organized for businesses.
- VII. There continues to be designated desk days for the presence of CAC Officers in the parishes of St. Thomas and Manchester to facilitate enquiries, settlement of complaints and to access the general services provided by the CAC.
- VIII. The CAC was involved in the distribution of pamphlets to over one thousand three hundred (1,300) persons throughout the island. This activity took place in December 2005 to encourage prudent consumer spending and discourage any excesses that may result in financial difficulties thereafter.
- IX. The media houses regularly provide the avenue through which invaluable information is disseminated to the Jamaican consumer. During the period under review there were eighty **(80)** media interviews which were conducted with officers of the Commission, covering themes such as Personal Financing, Proper Credit Card Management, cost for key products and services and of course of our celebration of World Consumer Rights Day.
- X. In addition to direct contact interviews, three hundred and twenty-five **(325)** indirect media contacts were recorded throughout the year. These included articles generated by the CAC, or articles and other placements where information provided by the CAC had been included or otherwise referenced. The themes included Cosmetic Labelling, Hurricane Safety Tips, Energy Conservation, ATM Security and Identity Theft, Proper Receipting for goods sold or services provided, Christmas shopping tips, and generally any area that was found to be of interest or need to the Jamaican Consumer.
- XI. Conduct of eleven (11) surveys on petrol, six (6) on groceries, five (5) on vegetables and five (5) on critical items needed for survival in the event of a disaster such as hurricane, and one (1) on school textbook prices. Survey results were published on the Commission's Website and in some instances in the print media.
- XII. The CAC continues to be the Secretariat for the Meetings held with key players involved in the Importation, Distribution, and Manufacture of essential foods.
- XIII. The Commission played the lead role in the consultative process that led to the creation of a document titled "Disaster Management Strategic Plan for the Distributive Trade", a disaster response strategy for the Distributive Trade. The

Plan was expected to minimize dislocation and the deleterious impact of any disaster on the distribution of essential goods.

- XIV. Ongoing recognition and commendation of the CAC website which continues to be listed among the top five (5) of forty-nine (49) Government of Jamaica websites.
- XV. Improvements in the CAC's Complaints Database in respect to the standardization of terms used to categorize complaints, and determine the result of the complaint handling process. The Commission also continues to handle and process complaints and other requests received online
- XVI. Improvements in administrative efficiency in respect of staff recruitment and development.
- XVII. Participation in regional and international meetings addressing a range of consumer issues.
- XVIII. Production and publication of one (1) new brochure bringing the total number of in-house brochures prepared by the CAC to fifty-eight (58). Two others were revamped.
- XIX. The Commission is in the process of finalizing the production of a Consumer Studies Handbook to be: (a) Placed in public libraries as a source of information to the general public (b) Used as a guide for teachers and students involved in Social Studies, Principles of Business and other related subjects.

SUMMARY OF MAIN ACHIEVEMENTS APRIL 2005 - MARCH 2006

ACTIVITY	TARGET	ACHIEVEMENT	SHORTFALL/ EXCESS	EXPLANATION
Complaints Handled	2,600	1,982	-618 (23.8%)	Less complaints were received than anticipated
Complaints Settled	2,200	1,845	-355 (16%)	
Advice/Information Provided	0n/a	2,911	2,911	616 more received over the comparable period 2005/2006
Monies Secured	0n/a	\$17.739M	+17.739M	
Community Outreach	45,000	65,981	+20,981 (46.6%)	There were new innovations employed in disseminating information to consumers.
Media Exposures (including interviews)	500	405	-95	Insufficient resources (Very few paid advertisements)
Production of New Material	3	2	-1	Brochures on Owning Your Own Home and the CPA, 2005 part II need to be finalized.
Surveys (Grocery, Vegetable, Petrol, School Textbook, Pharmaceutical, Consumer Knowledge)	31	28	-3	Lack of resources led to the suspension of the surveys in December 2005
Consumer Club in Schools	4	1	-3	Work has started in three schools that should shortly lead to the formal establishment of a Club in each institution.
Meeting of the Distributive Trade	12	4	-8	The meetings were held on an 'As Needed Basis'

5.0 Strategic Focus for FY 2006/2007

The strategic focus of the Commission devolves from the policy priorities identified in the corporate plan.

The Commission's policy priorities are listed in that document as follows:

- Legal framework, which offers the best possible protection for final consumers, while facilitating free trade and global competitiveness
- Effective complaint handling systems, which respond promptly to the public's needs and which utilize all available resources and technology as efficiently as possible
- Development and execution of appropriate consumer education programmes tailored to reach school children and adults using all available and practical means
- Commitment of all Officers of the Commission to deliver excellent public service and peak performance.

The programmes to support the policy focus have been designed to:

- (a) Protect Consumers from hazards to their health and safety
- (b) Promote and protect Consumers' economic interests
- (c) Ensure Consumers' access to adequate information to enable them to make informed choices according to their individual wishes and needs
- (d) Provide consumer education
- (e) Ensure effective consumer redress and
- (f) Provide support for the formation of consumer groups and foster the opportunity for such organizations to present their views in decision-making processes, which affect Consumers.

To achieve the overall objective, the groups targeted will continue to be the General Public, Businesses, the Media, Educators, and other Administrators of Consumer Protection legislations. Certain grades from the school population are also being targeted as well as trainers and students in tertiary level educational institutions. Other target groups from the general public include the elderly, motorcar owners and persons who conduct business using credit and debit cards.

6.0 Summary of Main Programmes for FY 2006/2007

The programmes to be pursued over the short term are reflected in the operational plan (2006/07). They may be captured under the broad headings as below:

- (i) Consumer Education through direct / indirect contact
- (ii) Business Education
- (iii) Complaint Resolution Services
- (iv) Support of Consumer Advocacy Groups
- (v) Market Intelligence Services
- (vi) Incorporation of Consumer Protection Act 2005 within operations and management of the Commission and its work programmes.

- (vii) International Cooperation
- (viii) Corporate Services

The activities were proposed with a view to achieving maximum success in the context of the limitations posed by the budget. They are shown below.

- Production and airing of messages aimed at reaching at least 1.6 million consumers through the dissemination of information in the print and electronic media, through expositions, exhibitions, fairs and the provision of information to various groups by direct contact.
- Serving and voicing Consumers' interest at Committee meetings dealing with Standards, the Environment, Food (Security & Distribution), and Utilities.
- Resolution of at least 80% of Complaints received (within 10 working days) for the FY. On average 2,700 complaints are handled each Financial Year.
- Presentations to civic organizations, service clubs and other groupings of consumers on the specifics of redress, development of consumer advocacy skills, etc.

- Provision of Survey and Research Services towards the dissemination of information to consumers in support of their exercise of choice in the market place
- Development of a Consumer Advocacy Kit for NGOs, Community Based Organizations etc.
- Establishment and Maintenance of four (4) In-School Consumer Advocacy Clubs
- Establishment and maintenance of a rudimentary Consumer information and data center using electronic sources to be accessed by Consumer NGOs (and other clients)
- Monitoring of projects supported through the Consumer Alliance initiative/development and testing of monitoring instruments
- Maintaining links with known consumer organizations, electronically and otherwise with a view to obtaining relevant information; participation in International workshops and conferences on consumer issues
- Participation in meetings, workshops and conferences; within the region.
- Dissemination of information gleaned through International and Regional contacts to local policy makers, consumer advocates, and the public at large.
- Launching of the CAC Citizens Charter.

SUMMARY OF MAIN PROGRAMMES FOR FY 2006/2007

ACTIVITY	TARGET QUARTER1	TARGET QUARTER2	TARGET QUARTER3	TARGET QUARTER4
Resolution of consumer complaints	Ongoing. Resolve in 10 working days 80% of complaints handled	Ongoing Resolve in 10 working days 80% of complaints handled	Ongoing. Resolve in 10 working days 80% of complaints handled	Ongoing. Resolve in 10 working days 80% of complaints handled
Advice/Information to consumers	Ongoing Minimum of 600	Ongoing Minimum of 600	Ongoing Minimum of 600	Ongoing Minimum of 600
Monies secured	Ongoing	Ongoing	Ongoing	Ongoing
Community Outreach	8,000 adults 12,000 students	3,000 adults 2,000 students	2000 adults 3,000 students	5,000 adults 10,000 students
Presentation to groups of business persons	2	2	2	2
Meeting with providers of basic consumer items	3	3	3	3
Media Exposures – Advertisements	25	25	25	25
Advisories, Releases, interview	As need arises	As need arises	As need arises	As need arises
Production of new material	As need arises	As need arises	As need arises	As need arises
Formation and maintenance of regional consumer Advocacy Groups	1	1	2	1
Newsletter	1	1	1	1
Grocery Survey	3	3	3	3
Petrol Survey	3	3	3	3
School Textbook Survey	0	1	0	0
Pharmaceutical Survey				1
Consumer Knowledge,	As need arises	As need arises	As need arises	As need arises

Behaviour, and Attitude Survey				
Launch of the Citizen's Charter		1		

7.0 Corporate Plan-Summary of Main Programmes 2006/2009 – Consumer Affairs Commission

Estimated Expenditure: \$ excluding grants and project expenditure independently funded

Priority Policy Issues	Objectives/ Policy Outcomes	Strategies	Performance Measures/ Outcome Indicators	Major Tasks, Resources and Cost		
				Year 1 2006/07	Year 2 2007/08	Year 3 2008/09
<p>Measures aimed at</p> <p>-Developing a more proactive and responsive consumer movement</p> <p>-Protecting the rights of final consumers through effective regulation</p>	<p>Consumers that are receptive to positive intervention programmes regarding consumerism</p> <p>-Able to act as discriminating individuals in the local, regional and global market place</p> <p>-Capable of making informed choices</p> <p>-Knowledgeable in available redress procedures</p>	<p>Consumer Education-school and non-school population</p> <p>Conduct of Surveys</p> <p>Complaints Resolution</p> <p>Publication and distribution of the Consumer Protection Act 2005</p> <p>Presentations, Seminars and Meetings, (activities) with Community Based Organisations and other groups</p>	<p>Preparation of pamphlets and brochures etc. on the CPA.</p> <p>Mass Media presentations Radio, TV etc</p> <p>Provision of inputs for an ongoing publicity campaign.</p> <p>Activities to impact 20,000 persons per annum</p>	<p>Approved budget: \$43.348M All Programmes</p> <p>Radio-300 placements</p> <p>TV-150 placements</p> <p>Cable-60 postings</p>	<p>Estimated budget: \$54.7 M All Programmes</p> <p>Radio-350 placements</p> <p>TV-200 placements</p> <p>Cable-80 postings</p>	<p>Estimated budget: \$60.2 M All Programmes</p> <p>Radio-350 placements</p> <p>TV-200 placements</p> <p>Cable-100 postings</p>

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<p>Measures aimed at</p> <p>-Developing a more proactive and responsive consumer movement</p> <p>-Protecting the rights of final consumers through effective regulation</p>	<p>Consumers that are receptive to positive intervention programmes regarding consumerism</p> <p>-Able to act as discriminating individuals in the local, regional and global market place</p> <p>-Capable of making informed choices</p> <p>-Knowledgeable in available redress procedures</p>	<p>Consumer Education-school and non-school population</p> <p>Conduct of Surveys</p> <p>Complaints Resolution</p> <p>Publication and distribution of the Consumer Protection Act 2005</p> <p>Presentations, Seminars and Meetings, (activities) with Community Based Organisations and other groups</p>	<p>Preparation of pamphlets and brochures etc. on the CPA.</p> <p>Mass Media presentations Radio, TV etc</p> <p>Provision of inputs for an ongoing publicity campaign.</p> <p>Activities to impact 20,000 persons per annum</p>	<p>Approved budget: \$43.348M All Programmes</p> <p>Radio-300 placements</p> <p>TV-150 placements</p> <p>Cable-60 postings</p>	<p>Measures aimed at</p> <p>-Developing a more proactive and responsive consumer movement</p> <p>-Protecting the rights of final consumers through effective regulation</p>	<p>Estimated budget: \$60.2 M All Programmes</p> <p>Radio-350 placements</p> <p>TV-200 placements</p> <p>Cable-100 postings</p>

8.0 Budgetary Allocation

The budgetary allocation to the CAC for the Financial Year 2006/2007 is \$43.348M. \$36.406M was allocated for the Financial Year 2005/2006.

Phillip Paulwell
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Ministry of Industry, Technology, Energy, and Commerce
June 20, 2006,