



COMMERCE COMMISSION

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Press Statement

Re: Investigation of Restrictive Trade Practices Prohibited by Unfair Trading Decree 1992

The Commerce Commission ("the Commission") today has formally launched its investigative research on retail pricing level and pricing methodology of all the Hardware Outlets in Fiji.

The Commission has written to the Hardware outlets informing them of this investigation, the process involved, the data required, the timeline of the investigation and the powers of the Commission.

The Commission is an independent statutory body that promotes effective competition and informed markets, encourages fair trading, protects consumers and businesses from restrictive practices and controls prices of regulated industries and other markets where competition is lessened or limited.

The Commission has been directed by Minister Aiyaz-Sayed Khaiyum, the Attorney General and Minister for Justice, Commerce, Public Enterprises and Anti-Corruption to investigate the pricing practices of the Hardware shops in Fiji. Two particular aspects that the Commission wishes to investigate is the level of mark-ups and whether there is any price fixing and collusion that occurs amongst the retail outlets.

Noting the Ministers concern and certain features of the primary data on retail prices across the outlets, the Commission is compelled to examine if the Hardware shops are indeed engaging in unfair and undesirable trade practices. The Commission also notes that the abnormal market structure of the Hardware retail industry could be a basis for anti-competitive conduct in Fiji's market.

Unfair and undesirable trade practices are prohibited under the Fair Trading Decree 1992, the operation of which the Commission is tasked to facilitate. It is the duty of the Commission to ensure that competitive markets prevail and that consumers and businesses receive the full benefits of such market.

The Commission informed the Hardware outlets that the time limit for replying to this letter with requested information is **three weeks**.

Dr Mahendra Reddy
Chairman