

FIJI REPUBLIC GAZETTE SUPPLEMENT

No.19

FRIDAY, 14th MAY

1993

[LEGAL NOTICE NO. 31]

COUNTER-INFLATION ACT (CHAPTER 73)

COUNTER-INFLATION (PRICE CONTROL) (STATIONERY AND TEXT BOOKS) (NO. 24) ORDER, 1993

IN exercise of the powers conferred upon it by sections 9, 23 and 25 of the Counter-Inflation Act, the Prices and Incomes Board, with the approval of the Minister of Finance and Economic Planning, has made the following Order-

Short title, etc.

1. This Order may be cited as the Counter-Inflation (Price Control) (Stationery and Text Books) (No. 24) Order, 1993 and shall come into force on 14 May 1993.

Interpretation

2. In this Order, unless the context otherwise requires -

"delivery cost" means the actual cost incurred in the delivery of goods to a retailer being an amount that, in the opinion of the Board, is not greater than the cost which would have been incurred had the delivery been carried out by an independent carrier in the provision of the same service under similar conditions in the ordinary course of business;

"total into-store cost for pricing" means the cost calculated in accordance with the formula and provisions set out in Schedule (b).

Maximum prices schedule

3. The prices to be calculated in accordance with the formula set out in the Schedule to this Order, shall be the maximum retail or wholesale prices, as the case may be, at which the goods therein specified may be sold.

Packaging

4. Except where otherwise stated the price referred to in the paragraph 3 includes the cost of packaging.

Records

5. (i) A trader dealing in the items specified in the Schedule shall keep to the satisfaction of the Board such records and accounts, including stock and costing records, as are customary and proper in the type of business carried on by him, and without limiting the generality of the foregoing-
 - (a) a wholesaler shall maintain records -

(iii) containing a record of the receipt of those goods into-store and the cost at which those goods were received into-store; and

(b) any trader, whether selling by wholesale or by retail, shall maintain pricing records showing-

(i) the basis on which the selling prices are arrived at by reference to the total into-store cost for pricing calculations;

(ii) the basis on which all subsequent price variations are calculated by reference to the total into-store cost for pricing calculations; and

(iii) delivery costs.

(2) Where goods are sold by a wholesaler at a price which includes the delivery cost, the delivery cost shall be stated separately in the invoice provided at the time of sale.

Prices to be marked or displayed

6. - (1) Any person having for sale by retail any of the goods specified in the Schedule shall cause the same to be legibly and conspicuously marked with the maximum retail price for the information of the public.

(2) A retailer of the stationery listed in Item I of the Schedule is deemed to comply with the requirements of sub-clause (1) if he displays in a prominent position a legible and conspicuous notice clearly indicating the goods to which the notice relates and the maximum retail price of those goods.

Repeal

7. The Counter-Inflation (Price Control) (Stationery and Text Books) (No. 7) Order, 1992 is repealed.

Dated this 12th day of May 1993.

V P BALDEO
Secretary
Prices and Incomes Board

Approved by me this 12th day of May 1993.

Paul F Manueji
Minister of Finance and Economic Planning

SCHEDULE

(a) PROFIT MARGIN-

Item	Description	Wholesale Price	Retail Price
1.	Stationery and Related Commodities (Imported) described hereunder- Exercise Books; Chalks; Crayons; Coloured Pencils; Pencil Sharpeners; Rubbers/Erasers; Pencils; Ring Binders; Book Keeping-Cash Book- Journal-Ledger; Ball Pens; Compasses; Protractors; Rulers; Ruled Foolscap; Stencils; Mathematical Sets; Set Squares; Dividers; Drawing Books; Note Books; Brown Paper; Vanguard Sheets; Cellotapes; Duplicating Paper; Duplicating Ink; Correcting Fluid; Maps; Gum; and Watercolours.	Total into-store cost for pricing plus 30%	Wholesale price plus 40%
2.	Text Books used by educational institutions in Fiji (Imported)	Total into store cost for pricing plus 25%	Wholesale price plus 35%

(b) APPROVED METHOD OF COSTING -

(1) The method of costing approved by the Prices and Incomes Board for ascertaining the total into-store cost for pricing, maximum wholesale and retail price of imported goods shall be as follows:-

	Foreign Currency (if applicable)	Rate of exchange	Fiji Currency dollars cents
Net value of goods per supplier's invoice			
LESS:			
Cash or bulk discount unless specifically exempted by the Board			
All other allowances or commissions allowed by the supplier to the purchaser, obtained or obtainable			
True cost of goods ex-supplier			
PLUS:			
COMMISSION (actually paid)			
OVERSEAS CHARGES:			
Shipping charges (actually paid)			
Free on Board			
Freight (actually paid)			
Cost and freight			
Marine insurance (actually paid)			
Cost, insurance and freight expressed in Fiji Currency			
PLUS:			
LOCAL CHARGES (see para (1))			
Bank charges for draft and bills (excluding interest)			
Wharfage			
Fiscal Duty (at rate of ...)			
Value Added Tax (VAT) (at rate of ...)			
Import entry charges			
Cartage and labour (actually paid) between wharf and store			
Local shipping freight (actually paid)			
Marine insurance (actually paid)			
Total Cost			
LESS Value Added Tax (VAT) (actually paid) (see para (1))			
Total Into-Store cost for pricing			
PROFIT MARGIN (SEE PARA (c))			
Plus wholesale mark-up (at rate of ...)			
Plus retail mark-up (at rate of ... (if applicable))			
Total Into-store Cost Plus Profit			
Plus Value Added Tax (VAT) (at rate of ... (see para (1))			
*Total - wholesale retail price (*Delete not applicable)			
*Wholesale Retail price per package unit (*Delete not applicable)			

- (2) The Method of Costing approved by the Prices and Incomes Board for ascertaining the total into-store cost for pricing and maximum retail price for locally purchased (Imported) goods shall be as follows -

<u>RETAIL PRICE CALCULATION</u>		\$ c
Value of goods ex-wholesaler		_____
LESS:		
All discounts, allowances or commissions allowed by the wholesaler to the purchaser, obtained or obtainable		=====
Total value of goods ex-wholesaler		_____
Plus cartage and labour (actually paid)		_____
Local Shipping freight (actually paid)		_____
Marine Insurance (actually paid)		=====
LESS Value Added Tax (VAT) (actually paid) (see para (g))		=====
Total into-store cost for pricing		_____
Profit Margin (see para (c))		_____
Plus retail mark-up (at rate of.....)		=====
Total into-store cost plus profit		_____
Plus Value Added Tax (VAT) (at rate of.....) (see para (g))		=====
Total retail price		=====
Retail price per unit		=====

- (c) **PROFIT MARGIN**
The wholesale and retail mark-up shall not exceed those mentioned in paragraph (a) of this schedule.
- (d) **CALCULATION OF UNIT PRICE-**
If the maximum price ascertained in (b) includes a fraction of a cent, an amount of or in excess of one half (1/2) cent shall be reckoned as one cent, and an amount of less than one half (1/2) cent shall be ignored.
- (e) **CONVERSION OF FOREIGN CURRENCIES TO FIJI DOLLARS-**
For the purposes of this calculation, foreign currencies shall be converted to Fiji Dollars at the rate (s) used in the Customs Entry passed by the Comptroller in accordance with section 40 of the Customs Act or the amount actually paid.
- (f) **LOCAL CHARGES-**
Wherever practicable, the amount of the local charges included in the total into-store cost for pricing calculation shall be those actually charged, as evidenced by the supplier's invoice. Where this is not possible, and percentage or other estimations are used in the calculation of the total into-store cost for pricing, it is the responsibility of the importer to maintain such financial records in his books of account as will afford proof of the fairness of the percentage or other estimates used.
- (g) **VALUE ADDED TAX (VAT)**
Wholesalers must state Value Added Tax (VAT) separately in the invoice provided at the time of sale.
- (h) **NON REGISTERED TRADER**
Those traders who are not registered persons under Section 22 of the Value Added Tax Decree 1991 (Decree No.45) are not entitled to refunds of Value Added Tax (VAT) on their purchases and are therefore not entitled to deduct Value Added Tax (VAT) paid on purchases and also are not entitled to charge Value Added Tax (VAT) on their sales.