

MEDIA RELEASE**REDUCTION IN WHEAT PRODUCT PRICES –FIJIANS BENEFIT FROM VAT
REDUCTION**

The Minister for Industry, Trade and Tourism, Hon. Faiyaz Siddiq Koya today announced reduction in prices for the price control items of sharp, flour, baker's flour, bread and breakfast crackers based on the recent price review undertaken by the Fiji Commerce Commission. The price reduction has been triggered by the reduction in VAT rate from 15% to 9% as announced by the 2016 budget and international price movement of wheat.

The price reductions, which will come into effect from 1 January 2016, are as follows:

1. Wheat Products (Flour and Sharp)

The prices for wheat products, namely normal flour, sharp and baker's flour has decreased by an average of 5% across the board. The price reductions for the selected common product are as follows:

Table 1: Wheat Product prices to be effective from 1 January 2016

Item Description	Unit	Current Price	Revised Prices 1 Jan 2016	Price Change (\$)	% Change
Flour	50kg bag	\$63.89	\$60.75	(3.14)	-4.92%
(Normal)	25kg bag	\$32.30	\$30.76	(1.54)	-4.76%
(Factory	10kg bag	\$13.35	\$12.73	(0.62)	-4.66%
Pre-packed)	5kg bag	\$6.63	\$6.31	(0.32)	-4.81%
	4kg pack	\$5.45	\$5.21	(0.24)	-4.35%
	2kg pack	\$2.68	\$2.56	(0.12)	-4.49%
	1kg pack	\$1.42	\$1.36	(0.06)	-4.09%
Sharp	50kg bag	\$65.68	\$62.12	(3.56)	-5.42%
(Factory pre-	25kg bag	\$33.20	\$31.45	(1.75)	-5.27%
packed)	10kg bag	\$13.71	\$13.01	(0.70)	-5.11%
Sharps	5kg bag	\$6.81	\$6.45	(0.36)	-5.26%
	4kg pack	\$5.60	\$5.33	(0.27)	-4.90%
	2kg pack	\$2.76	\$2.62	(0.14)	-5.22%
	1kg pack	\$1.45	\$1.39	(0.06)	-4.13%

2. Breakfast Crackers

Prices for breakfast crackers for all quantities have decreased by around 5.22%. The revised prices for common selected products, to be effective from 1 January 2016, are as follows:

Table 2: Revised prices for Breakfast Crackers to be effective from 1 January 2016

Item Description	Unit	Current Price (\$)	New Price 1 Jan 2016 (\$)	Price Change (\$)
Breakfast Crackers – Punjas Brand	Per 375 packet	\$1.55	\$1.47	(0.08)
Breakfast Crackers – FMF brand	Per 375 packet	\$1.45	\$1.37	(0.08)
Breakfast Crackers – FMF brand	per 5kg plastic pail	\$25.35	\$24.03	(1.32)
Breakfast Crackers – Punjas Brand	per 5kg plastic pail	\$26.00	\$24.64	(1.36)

3. Bread

Prices for bread that are under price control for all quantities has decreased by around 5.22%. The revised prices for common selected products, to be effective from 1 January 2016, are as follows:

Table 3: Revised prices for Bread to be effective from 1 January 2016

Item Description	Current Price (\$)	New Price 1 Jan 2016 (\$)	Price Change (\$)
Loaf- long wrapped 400g	\$0.75	\$0.71	(0.04)
Loaf- medium wrapped/sliced 600g	\$1.05	\$1.00	(0.05)
Loaf- wholemeal medium wrapped/sliced 600g	\$1.20	\$1.14	(0.06)

The above prices for wheat products, breakfast crackers and bread are the maximum authorised prices for the cities of Suva and Lautoka and the towns of Ba, Lami, Nadi, Sigatoka, Tavua, Nausori and Nasinu and any areas on the Island of Viti Levu within a radius of 5 Kilometers from any of the Post offices situated at Korovou, Navua and Rakiraki. Prices outside these areas will vary.

The Hon. Minister reiterated that the above reduction in prices is attributed to the Fiji First Government's decision to reduce VAT rate from 15% to 9%, effective from 1 January 2016. The benefits of this decision are clearly evident and we look forward to the traders passing on the benefits to the Fijian consumers on the non-price controlled items.

The officers from Fiji Commerce Commission will be carrying out the monitoring exercise and any trader found to be in breach of the orders by charging a higher price

be issued with a spot fine ranging from \$100-\$1000 for a person and \$1000-\$3000 for a business.

Honourable Faiyaz Siddiq Koya
Minister for Industry, Trade and Tourism