
Distributive Trade Industry

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OUTLINE

- Purpose of study
- Stakeholder participation
- Data collection – method and sources
- Project Management
- Findings & recommendation

Purpose of study

- The study was commissioned by the Minister of Industry, Investment & Commerce;
- To explain why food prices were rising when some input costs were falling;
- The FTC's purpose
 - To determine whether there are impediments to effective competition.
 - To determine whether participants are engaged in anti-competitive practices.

Data collection

- **METHOD**
 - Survey & Questionnaires
 - Design
 - Administering
 - Challenges experienced
- **SOURCES**
 - Other Government Agencies
 - Newspapers
 - Published statistics
 - Market participants
- **FORMAL POWERS**

Stakeholder participation

- Consumer Affairs Commission
 - Provided price data over a 5 year period
 - Minutes of meetings with market participants over a 4 year period
- Voluntary contribution from market participants
 - Data not available from independent sources and in some instances from the market participants themselves
 - Refusal to provide certain pricing information
 - Question the validity of requests for information; the purpose of the study and the relevance of the information requested
 - Provided us with a public education opportunity

Project Management

- Develop scope of work
- Efficient allocation of human and financial resources
- Setting appointments with participants, timelines and deadlines
- Ensure report delivered within prescribed time

Findings & recommendation

- Competition concerns identified
 - Possible collusive activity
- Need for further research
- Retail prices were not falling because:
 - Average input prices were rising over the review period
 - Increased electricity costs
 - Increased variable costs
 - Volatility of the exchange rate
- Report was completed within specified time
- Time management needs improvement
- Human resources constraint