



# Media Release

## ENCOURAGING CONSUMERS TO EXERCISE THEIR PURCHASING POWER

**March 01, 2022:-** Over the last two (2) years, the COVID-19 pandemic has negatively impacted the global economy resulting in rising prices of goods and services internationally and locally. In January 2022, the Food and Agriculture Organization's (FAO) Food Price Index revealed that since January 2021, food prices globally have escalated by approximately 20%, reaching levels not seen in more than two decades. These rising prices are mainly attributed to disruptions in international supply chains; increased shipping costs; adverse weather conditions; and declines in production in leading economies among other factors.

According to the Central Bank of Trinidad and Tobago in its Economic Bulletin for January 2022, food inflation has moved to 6.1 per cent in November 2021, from 5.1 per cent in June 2021, with most sub-categories recording price increases. The Government is cognizant that these increases have impacted all consumers, and in particular, the most vulnerable in society and has been proactively monitoring and addressing this, as far as possible, through targeted interventions including, but not limited to:

- i. The expansion of the list of Basic Food Items which are free from VAT as of November 2021;
- ii. The Suspension of the Common External Tariff (CET) which is the removal of import duties on Basic Food Items. The continuation of the suspension of the CET is necessary inter alia to provide support to maintain the price of basic food items at an affordable rate for consumers, as well as to stabilize the cost of living given the current economic conditions.
- iii. Increased allocation of Foreign Exchange to the EXIMBANK;
- iv. Implementation of a \$500 Mn. Agriculture Stimulus Package to boost local crop production among other things;
- v. Strengthening Linkages between Industry and Agriculture to build sustainable food systems; and
- vi. Promotion of Import Substitution to encourage the purchase of locally made or produced alternatives.

Despite these safeguards, consumers continue to face rising prices. In light of this, there is also a need for a fundamental change in consumer purchasing and consumption patterns to limit the effects of these prices. The Consumer Affairs Division wishes to remind consumers of their purchasing power which when exercised both individually and collectively can have a powerful impact. Here are some recommended ways in which you can exercise your purchasing power:

1. Consumers have the power of choice. You determine where and how you spend. Consider shopping around and engaging in comparative pricing to get value for money. To assist with this, the Consumer Affairs Division collates and publishes monthly supermarket and poultry prices as well as quarterly prices for hardware items on the Ministry of Trade and Industry's website @ [www.tradeind.gov.tt](http://www.tradeind.gov.tt). We encourage you to utilize this information to make the best purchasing choice to suit your needs.
2. Buy and eat local. As mentioned before, shipping rates and global demand have resulted in increased prices. Therefore, we encourage consumers to buy and choose to support local brands. Our locally manufactured products meet international standards and are suitable alternatives to imported products. Additionally, buying locally produced in-season fruits and vegetables from the local markets and vendors supports small businesses and contributes to building a sustainable economy. Furthermore, planning meals around foods that are in season helps the consumer to maximise savings.
3. Reconsider/change consumption patterns. It is important to be mindful of your product choices for consumption for example, opt for purchasing durables (rechargeable, repairable or reusable items) instead of disposables which have a shorter shelf life. This helps to control overconsumption and excessive production of short-lived items. Additionally, you can reduce the frequency in which you tend to consume imported or luxury items.
4. Grow your own fruits and vegetables. Consumers are encouraged to get involved in home gardening for high yield, low-cost crops such as herbs, tomatoes, lettuce, greens, peppers and root crops. It is a common notion that green and healthy options are always more expensive. However, growing and purchasing fresh locally produced food is a healthier and more cost effective choice to combat the increasing cost of imported items.

The Ministry of Trade and Industry (MTI), through the Consumer Affairs Division (CAD), remains committed to ensuring the protection and empowerment of all consumers through its ongoing initiatives. The Ministry will continue to collaborate with other Ministries as well as the private sector to develop policies that contribute to price stability and an adequate supply of basic goods.

The Consumer Affairs Division can be contacted by members of the public to address complaints or queries via its hotline 800-4277; e-mail: [consumeraffairs@gov.tt](mailto:consumeraffairs@gov.tt) or via facebook @consumeraffairstt.

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