

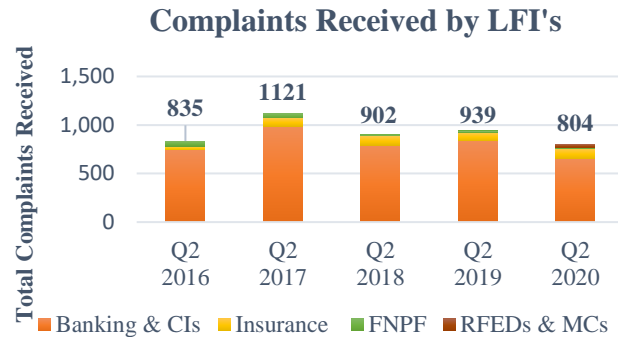
RESERVE BANK OF FIJI

Complaints Management Bulletin



Key Highlights – Q2 2020

A total of 804 complaints were received by LFI's during the reporting quarter. This represented an increase of 10.3 percent when compared to the last quarter and a 14.4 percent decline when compared to the same period last year. Of the total complaints received, 95.8 percent were resolved within the reporting period and only 4.2 percent have been carried forward to the next quarter.

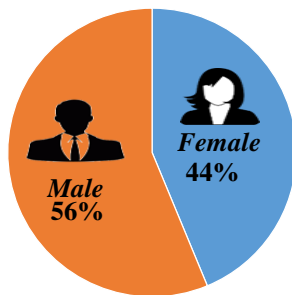


Summary of Complaints over the Quarter

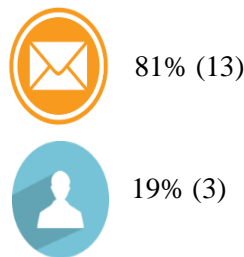


Summary - Complaints escalated to the RBF

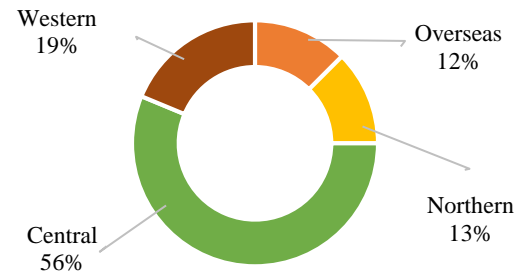
Gender



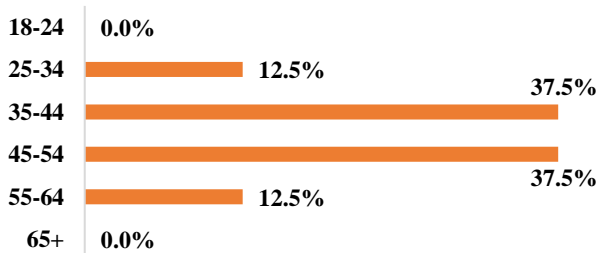
Mode of Communication



Location of Complaints



Age of Complainants

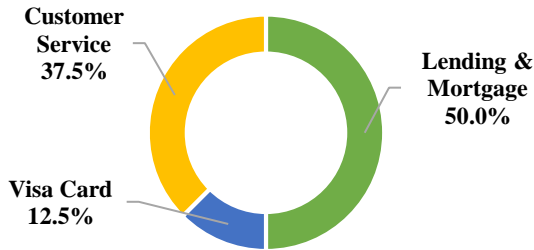


In the review quarter, 16 complaints were escalated to the RBF. This was a decrease of 30.4 percent from the previous quarter and a decline of 15.8 percent when compared to the same period in 2019.

Majority of complaints received in the period were lodged via email. Whilst previously most complaints were lodged in person, the increase in emails during this period was mainly due to the COVID-19 restrictions and social distancing procedures restricting meetings with external parties. As in previous reporting periods, majority of the complainants in this period lived in the Central Division. A small number of complaints were received from Fiji residents living overseas, whose complaints related to fees & charges and related activities on their Fiji held accounts.

Types of Complaints

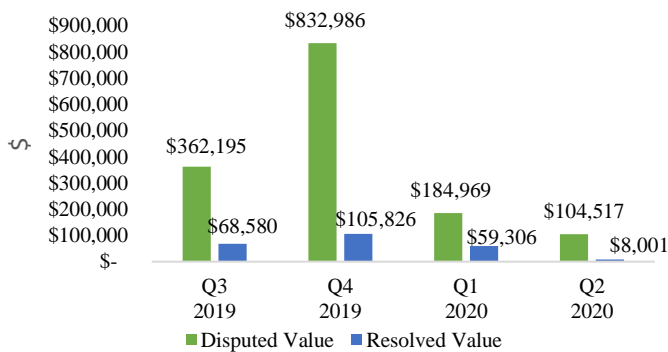
BANKING & CREDIT INSTITUTIONS



Complaints categorised under Lending & Mortgage related mainly to loan account recovery and arrears calculations and misunderstandings of the COVID-19 loan repayment holiday packages being offered by the banks. With regards the loan repayment holiday, complaints related to the application of interest capitalisation applied by their bank during the loan repayment holiday period. Consumers claimed that these issues were not explained to them beforehand. Complainants understood that, based on what was sold to them by bank staff, no activity would take place on their accounts until after the holiday period. A number of meetings were held with the relevant banks to help complainants through the process.

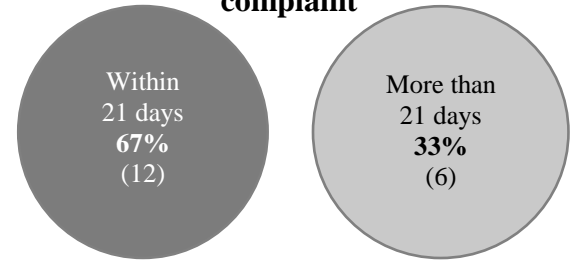
Customer service continues to rank in the top three complaint types for the industry with unprofessional conduct and incorrect advice by staff being the most common complaints.

Value of Complaints

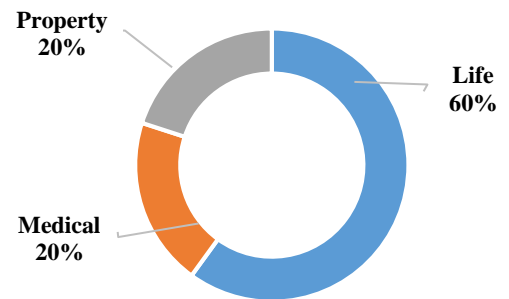


The disputed value is ascertained by the complainant as the value of their loss or complaint. In most instances this value would include costs and items that are not based on the contract in question, such as an insurance policy, loan agreement, etc. Where the variation between the disputed value and the value determined by the LFI is large and contested, the RBF will undertake Alternative Dispute Resolution methods to assist parties find a satisfactory resolution where possible.

Number of days taken by RBF to resolve a complaint



INSURANCE



There were no complaints received for motor vehicle insurance. Motor vehicle insurance has dominated the insurance complaints for the past four quarters. Insurers resolving complaints at their levels and the COVID-19 related restrictions on social gatherings and limitations on movement may have contributed to this reduction.

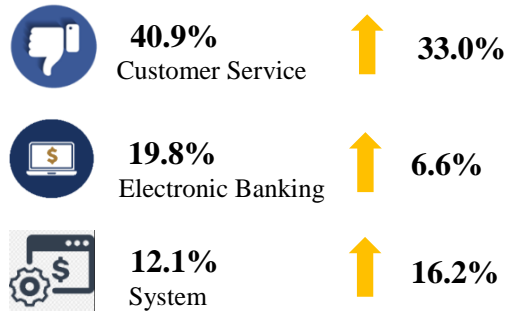
On the other hand, majority of the complaints received related to life insurance, which usually have amounted to 1 or 2 complaints only in the past reporting periods. Noted in this period were the increases in policies lapsing and policy holders surrendering their policies due to changes in their financial situation. Particulars of the complaints included disputes on surrender value, discrepancies in the survival benefit calculation and disagreements on what the value of the policy should be at maturity. Complaints were also received on the decline of a property insurance claim and dispute on the payment of a medical claim.

Summary - Complaints received by Industry

BANK & CREDIT INSTITUTIONS



Top 3 Complaint Types



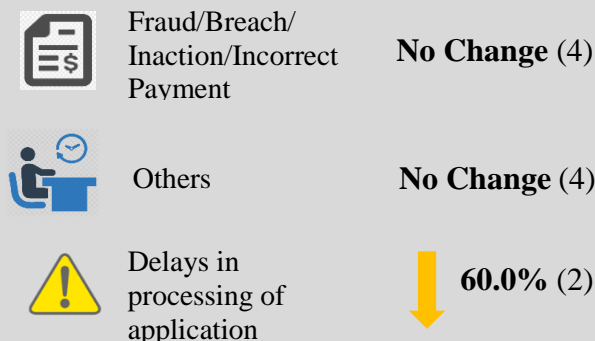
(Refer Annexure Table 2)

Total complaints made directly to banks and credit institutions increased by 15.2 percent over the quarter from 565 to 651 complaints but decreased on an annual basis by 22.4 percent. Most of the complaints received were customer service (40.9%). Compared to the previous period, this was an increase of 33.0 percent.

FNPF



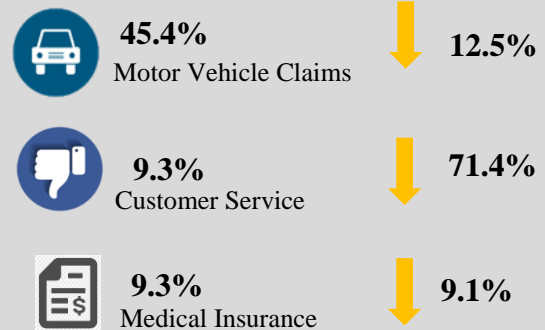
Top 3 Complaint Types



INSURANCE



Top 3 Complaint Types



(Refer Annexure Table 5)

Total insurance related complaints decreased by 24.5 percent over the quarter but increased by 24.1 percent on an annual basis from 87 to 108 complaints. Motor vehicle related complaints continued to register in the top three (3) types of complaints. Particulars related mainly to the claims handling process of insurers but this was a decrease of 12.5 percent over the quarter.

Customer service related complaints recorded a decrease of 71.4 percent due mainly to the closure of offices during the lockdown period. Complaints in this area were mainly regarding the lack of response, untimely claims process and discourteous staff.

(Refer to Annexure Table 4)

FNPF related complaints decreased by 38.9 percent over the quarter from 18 to 11 and on an annual basis declined by 21.4 percent.

FNPF also advised of complaints received in relation to the COVID-19 assistance being provided to members of the public who were directly affected by the pandemic. During this reporting period in total 918 complaints were received of which 903 have been resolved amicably.