



National Gazette

PUBLISHED BY AUTHORITY

(Registered at the General Post Office, Port Moresby, for transmission by post as a Qualified Publication)

No. G143]

PORT MORESBY, THURSDAY, 9th NOVEMBER

[2000

Prices Regulation Act (Chapter 320)

DECLARED GOODS AND SERVICES

I, Sir Mekere Morauta, Kt., MP., Prime Minister and Minister for Finance & Treasury, by virtue of the powers conferred by Sections 10 & 21 of the *Prices Regulation Act (Chapter 320)*, and all other powers me enabling, hereby:—

- (a) repeal Schedule 4 of the General Prices (Principle) Order 1995 and all other declaration made under Section 21 of the *Prices Regulation Act (Chapter 320)*, and in force at the date of this declaration; and
- (b) without limiting to the following goods and services, the Minister may declare any goods and services to be declared goods and services from time to time.

This notice is to come into effect on the date of its publication in the *National Gazette*.

"SCHEDULE 4"

Accounting fees
 Air Fares, Passenger and Air Freight Cargo (domestic)
 Batteries—all types and brands
 Bakery products
 Breakfast Cereals
 Butter
 Cement
 Clothing
 Coffee-beans: ground and instant
 Coastal Shipping Rates
 Cooking oil—all types and brands
 Doctors or Medical fees
 Drugs—medical and sports
 Electricity Tariffs
 Electrical appliances
 Fish—all types and brands including fresh or frozen fish
 Flour
 Footwear
 Fresh fruit and vegetables
 Fuel—all petroleum products
 Harbours Board Charges
 Hire car rentals
 Hotel room rates
 Legal fees

Declared Goods and Services—continued**Schedule—continued**

Margarine
 Meat—all types and brands
 Milk—powdered and concentrated
 Pharmaceutical Products & Toiletries
 Poultry (including ducks, geese & turkey)
 Postal and Telecommunication Charges including mobile and internet service charges
 Public Motor Vehicle and Taxi fares
 Rental Charges—Residential and Commercial
 Rice—brown and white
 Road Freight Rates
 School fees
 Second Hand Automobile or Vehicles including accessories and spare part charges
 Shipping charges—including passenger and freight rates
 Soap—laundry, cakes and powdered (including toilet soap)
 Stevedoring Charges
 Sugar—brown and white
 Tea
 Water and Sewerage Rates
 Water and Sewerage Rates within National Capital District.

Dated this 14th day of August, 2000.

Sir Mekere MORAUTA, Kt., MP.,
 Prime Minister and Minister for Finance and Treasury.

Prices Regulation Act (Chapter 320)

GENERAL PRICES ORDER 2000

being

A General Prices Order.

MADE by the Price Controller under the *Prices Regulation Act* (Chapter 320) to come into operation on Thursday 24th August, 2000.

1. REPEAL

All Prices Orders including the General Prices Order 1995, except for General Prices (Amendment No. 5), Order 1999, General Prices (Amendment No. 3), Order 2000, General Prices (Amendment No. 6), Order 2000, General Prices (Amendment No. 8), Order 2000, General Prices (Amendment No. 9), Order 2000 and General Prices (Amendment No. 11), Order 2000 which were in force immediately before the commencement of this Order, are repealed and replaced by this order, or any other Prices Orders issued by the Price Controller.

2. INTERPRETATION

In this Order, unless some other meaning is clearly intended:—

"airfares" means domestic airfares for travel between destinations within PNG only.

"corporation" includes a trader, company, business, partnership, individual or such other bodies corporate or otherwise carrying on business in PNG.

"cost into store" in relation to specific goods purchased from a manufacturer or wholesaler in the country, means the sum of the following amounts:—

- (a) the amount charged by the manufacturer or wholesaler for the specified goods; and
- (b) the cost to the purchaser, in so far as it is not part of the amount specified in paragraph (a) of freight transport, wharfage, handling and insurance necessarily incurred in moving specified goods from their place at the time of purchase to the purchaser's store.

"declared goods" means goods declared under the *Prices Regulation Act* (Chapter 320).

"declared services" means services declared under the *Prices Regulation Act* (Chapter 320).

"fish" means all types and brands of canned fish.

General Prices Order 2000—continued

"harbours board charges" means the tariff rates imposed by the PNG Harbours Board including the following:

- (i) wharfage charges;
- (ii) berthage charges;
- (iii) storage charges;
- (iv) pilotage charges and incidental fees;
- (v) port dues; and
- (vi) miscellaneous charges

as provided through Schedule 7 of this Order.

"landed cost" in relation to specified goods purchased from outside the country, means the sum of the following amounts:—

- (a) the amount charged by the manufacturer or wholesaler for the specified goods; and
- (b) buying commission paid by the purchaser to any person not connected with the purchaser not exceeding, in case of goods imported from:—
 - (i) Australia or New Zealand — 2.5%; or
 - (ii) Any other places — 5% of the amount specified in paragraph (a); and
- (c) import and export duties, taxes and levies including quarantine costs paid by the purchaser of goods;
- (d) the cost to the purchaser, in so far as it is not part of the amount specified in paragraph (a), of freight, transport, wharfage, (other than demurrage and storage charges) handling and insurance necessarily incurred in moving the specified goods from their place at the time of purchase to the purchaser's store;
- (e) charges necessarily incurred by the purchaser in preparing customs import entries and obtaining bank drafts and bills; and
- (f) in the case of petrol, distillate, kerosene and aviation gasoline the cost to the purchaser, in so far as it is not part of the amount specified in paragraphs (a) and (d), of ocean freight, ocean losses, inland losses, landing charges (inclusive of demurrage), marine insurance and fuel additives.

"learning institution" in this Order means a school whether public or privately run offering primary, secondary, or tertiary education including vocational schools and kinder gardens.

"manufactured" includes grown, extracted, produced, processed, assembled and packaged.

"manufacturer" includes;

- (a) if—
 - (i) a corporation holds itself out to the public as the manufacturer of goods; or
 - (ii) a corporation causes or permits the name of the corporation, a name by which the corporation carries on business or a brand or mark of the corporation to be applied to goods supplied by the corporation; or
 - (iii) a corporation causes or permits another person, in connection with the supply or possible supply of goods by that other person, or in connection with the promotion by that other person by any means of the supply or use of goods, to hold out the corporation to the public as the manufacturer of the goods,

the corporation shall be deemed, for the purposes of this Order to have manufactured the goods; or

- (b) if—
 - (i) goods are imported into PNG by a corporation that was not the manufacturer of the goods; and
 - (ii) at the time of the importation the manufacturer of the goods does not have a place of business in PNG,

the corporation shall be deemed, for the purposes of this Order to have manufactured the goods.

"meat" means all brands of corned beef meat.

"related entity"—means, a Wholesaler is related to a retailer or vice versa where:—

- (i) the retailer or wholesaler is a corporation operating in PNG under a franchise; or

General Prices Order 2000—continued

- (ii) the retailer or wholesaler is a holding corporation or subsidiary of the other; or
- (iii) the retailer and wholesaler having the same person(s) or corporations having management and or control of the other; or
- (iv) more than half of the issued shares of the retailer or wholesaler, other than shares that carry no right to participate beyond a specified amount in a distribution of either profits or capital, is held by the other and corporations related to that other retailer or wholesaler (whether directly or indirectly); or
- (v) more than half of the issued shares of the retailer or wholesaler other than shares that carry no right to participate beyond a specified amount in a distribution of either profits or capital, of each of them is held by members of the other (whether directly or indirectly); or
- (vi) the businesses of a retailer or wholesaler have been so carried on that the separate business of each retailer or wholesaler, or a substantial part of it, is not readily identifiable; or
- (vii) there is another retailer or wholesaler to which both are related.
- (viii) A retailer or wholesaler is part of a market structure that characterizes vertical integration.

"retailer"—a retailer in relation to any goods means a person or corporation who purchases the goods from a Wholesaler and sells or supplies them for consumption.

"retail sale" means sale for consumption and use and not for resale.

"school fees" means all fees including tuition, project, bond, and such other fees of whatever nature payable to a learning institution by a person about to attend or attending a learning institution.

"services" means—

- (a) services supplied or carried on by any person or body of persons, incorporated or unincorporated, engaged in an industrial, commercial business, profit-making or remunerative undertaking or enterprise (including a professional practice); or
- (b) any rights or privileges for which remuneration is payable in the form of royalty, stumpage, tribute or other levy based on volume or value of goods produced; or
- (c) any rights under an agreement—
 - (i) for the hiring of goods; or
 - (ii) for the hire, use or occupation of any wharf or dock; or
 - (iii) for the provision of lodging; and
- (d) any rights under an agreement (not being a lease) or license for the hiring of a hall; or
- (e) any benefits under a contract of work and labour, or of work and labour and supply of materials.

"specified goods" means goods the maximum sale price of which is fixed by this order.

"unrelated entity" means a converse of a related entity.

"water and sewerage charges" means water and sewerage rates as imposed by the PNG Water Board and Eda Ranu for the supply of water and sewerage services.

"wholesaler"—in this order a wholesaler in relation to any goods means a person or corporation who purchases the goods and sells or supplies them for resale or for manufacture for sale.

3. VALUE ADDED TAX—EXCLUSION (VAT)

Maximum sale prices fixed for specified goods by this Order are exclusive of any Value Added Tax on those goods.

4. DISPLAY OF PRICES

(1) Subject to Subsection (2), a person who:—

- (a) has in his custody or under his control; or

General Prices Order 2000—continued

- (b) offers, exhibits or exposes declared goods, including specified goods for retail sale shall:—
- (i) display a ticket, label, placard or notice attached to, or display with those goods; or
 - (ii) display on the package, container or dispenser of those goods a notice, stating in clear and legible figures, easily discernible to a person inspecting or wishing to purchase those goods, the price at which they may be bought.

(2) Subsection (1) shall not apply to aviation gasoline.

5. CALCULATION OF PRICES

Where the maximum sale price of any quantity or quality of declared goods sold or services provided at one time calculated in accordance with this Order involves a fraction of 1 toea that fraction may be treated as 1 toea.

6. GOODS—GENERAL LIMITATION OF MAXIMUM WHOLESALE AND RETAIL PRICE

(1) Subject to Sections 7, 8 and 9 the maximum prices at which a good specified in Column 1 of Schedule 1 may be sold is:—

(a) in the case of a good sold by wholesale:

- (i) the cost into store, or the landed cost, of that good, as the case may be; plus
- (ii) the percentage of that cost specified in Column 2, depending on whether the sale is to a related or unrelated entity, opposite to the reference to that good in column 1 of Schedule 1; or

(b) in the case of a person who has:—

- (i) imported the good; or
- (ii) purchased the good from a manufacturer in the country and is selling by retail sale;
- (iii) the landed cost, or cost into store, of that good, as the case may be; plus
- (iv) the percentage of that cost specified in Column 4 opposite to the reference to that good in Column 1 of Schedule 1; or

(c) in the case of a person who has purchased the good from a wholesaler in the country and is selling by retail sale:—

- (i) the cost into store of that good; plus
- (ii) the percentage of that cost specified in Column 3, depending whether the retailer is a related or unrelated entity to the wholesaler from which the good was purchased, opposite to the reference to that good in Column 1 of Schedule 1:

plus in the case of:—

- (d) butter (other than tinned butter)—a freezer allowance calculated at the rate of 7 toea per kg; or
- (e) margarine (other than tinned margarine)—a freezer allowance calculated at the rate of 7 toea per kg; or
- (f) poultry—a freezer allowance calculated at the rate of 9 toea per kg.

7. PETROL, DISTILLATE, KEROSENE—MAXIMUM RETAIL PRICES

(1) In this Section

"petrol"—means motor spirit (or blend) identified as a Class A refined petroleum product containing 97% octane;

"distillate"—means gas oil identified as a Class C refined petroleum product with maximum sulphur content of 0.5% wt;

General Prices Order 2000—continued

"kerosene"—means a dual purpose Class B refined petroleum product used for lighting and cooking in home appliances;

"specified locality"—means places specified in Column 1 of Schedule 2.

- (2) The maximum price at which petrol, distillate, or kerosene may be sold by retail sale at a specified locality is the price specified in Columns 2, 3 or 4, as the case may be opposite to the reference to that locality in Column 1 of Schedule 2.
- (3) The maximum price at which petrol, distillate or kerosene may be sold by retail sale at place other than specified locality is:—
- (a) the price specified in Columns 2, 3, or 4 of Schedule 2, as the case may be opposite to the reference to the specified locality from which the petrol, distillate or kerosene was transported to the place at which it was sold; plus
- (b) the cost of that transportation.

8. AVIATION GASOLINE—MAXIMUM RETAIL PRICE IN SPECIFIED LOCALITIES

- (1) In this Section

"aviation gasoline"—means at Class A refined petroleum product with a grade of 100/103;

- (2) The maximum price at which aviation gasoline may be sold by retail sale at a locality specified in Column 1 of Schedule 3 is the price specified in Column 2 of the Schedule opposite to the reference to that locality in Column 1.

9. SCHEDULE OF GOODS AND SERVICES

In this Section, prices of specified goods and services as issued by way of Prices Orders and without limiting their generality, are provided under the following Schedules:

Schedule 1—List of price control goods and Allowable margins

Schedule 2—Motor Spirit, Distillate and kerosene

Schedule 3—Aviation Gasoline

Schedule 4—List of Declared Goods & Services

Schedule 5—Domestic Airfares

Schedule 6—Electricity tariff

Schedule 7—Harbours Board charges

Schedule 8—Water and Sewerage charges

Schedule 9—Postal charges

Schedule 10—Telecommunication charges

Schedule 11—Canned corned beef

Schedule 12—Canned fish, mackerel

Schedule 13—Rice

Schedule 14—Flour

Schedule 15—Freight Differentials

SCHEDULE 1**"LIST OF PRICE CONTROL GOODS AND THE ALLOWABLE MARGINS"**

Column 1	Column 2		Column 3		Column 4
Consumer Items	Allowable % Wholesale Margin, if goods imported or purchased from local manufacturer for sale to:		Allowable % Retail Margin for:		Allowable % retail margin if goods are imported or purchased from local manufacturer.
	Related Entity	Unrelated Entity	Related Entity	Unrelated Entity	
Batteries—Torch and Radio	10.0%	11.0%	8.0%	10.0%	18.0%
Butter	10.0%	11.0%	8.0%	10.0%	18.0%
Breakfast cereals	10.0%	11.0%	8.0%	10.0%	18.0%
Coffee beans—ground and instant	10.0%	11.0%	8.0%	10.0%	18.0%
Fish—canned fish of all brands	10.0%	11.0%	8.0%	10.0%	18.0%
Flour	10.0%	11.0%	8.0%	10.0%	18.0%
Margarine	10.0%	11.0%	8.0%	10.0%	18.0%

Schedule 1—continued

Column 1	Column 2		Column 3		Column 4
Consumer Items	Allowable % Wholesale Margin, if goods imported or purchased from local manufacturer for sale to:		Allowable % Retail Margin for:		Allowable % retail margin if goods are imported or purchased from local manufacturer.
	Related Entity	Unrelated Entity	Related Entity	Unrelated Entity	
Meat—canned corned beef of all brands	10.0%	11.0%	8.0%	10.0%	18.0%
Milk—powdered and concentrated	10.0%	11.0%	8.0%	10.0%	18.0%
Poultry—(excluding ducks, goose and turkeys) whole or pieces, fresh or frozen local or imported, dressed and packaged	10.0%	11.0%	8.0%	10.0%	18.0%
Rice—brown and white	10.0%	11.0%	8.0%	10.0%	18.0%
Soap—laundry, cakes and powdered (and including toilet soap)	10.0%	11.0%	8.0%	10.0%	18.0%
Sugar—brown and white	10.0%	11.0%	8.0%	10.0%	18.0%
Tea	10.0%	11.0%	8.0%	10.0%	18.0%

SCHEDULE 2

"Maximum retail prices—Petrol, Distillate, Kerosene and Lighting Kerosene"

Column 1	Column 2	Column 3	Column 4
Location	MOTOR SPIRIT Maximum Price toea per litre	DISTILLATE Maximum Price toea per litre	KEROSENE Maximum Price toea per litre
Alotau Bulk	159.9	105.2	100.3
Alotau Drum	175.6	117.7	112.8
Arawa/Loloho	156.3	101.9	97.0
Daru Bulk	0.0	105.9	0.0
Daru Drum	175.3	118.7	113.8
Goroka	160.2	106.2	100.9
Kavieng Bulk	159.5	104.7	0.0
Kavieng Drum	173.6	115.9	111.0
Kerema	170.9	113.9	109.0
Kimbe Bulk	159.5	104.8	99.4
Kimbe Drum	171.3	115.7	110.8
Kokopo	157.3	102.9	98.8
Kundiawa	162.0	108.1	102.7
Lae	156.3	101.9	97.0
Lorengau Bulk	159.7	104.9	0.0
Lorengau Drum	175.4	117.4	112.5
Madang	156.3	101.9	97.0
Mendi	169.9	116.9	110.6
Mount Hagen	163.6	109.9	104.3
Popondetta Drum	174.0	118.4	113.5
Port Moresby	156.3	101.9	97.0
Rabaul	156.3	101.9	97.0
Vanimo Bulk	159.7	106.0	97.0
Vanimo Drum	174.2	116.5	0.0
Wabag	167.3	113.6	108.0
Wewak Bulk	159.7	104.9	100.1
Wewak Drum	174.7	116.8	111.9

Dated this 8th day of November, 2000.

D. KAKARAYA,
Price Controller.

