

Competition watchdog to act against offenders soon - Exclusive interview with Mr Ong Beng Lee, Chief Executive of CCS

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It is ready to play enforcer role; 17 complaints have been received so far

By Lim Wei Chean

The watchdog against anti-competitive business practices will deliver its first bite against offenders by year's end.

The Competition Commission of Singapore (CCS) has so far received 17 complaints against transport, financial and retail businesses from businesses and the public, and will act against some offenders in 'the next couple of months', its chief executive, Mr Ong Beng Leng, told The Straits Times in an exclusive interview.

Offenders are those whose business practices have denied commercial rivals a chance to compete, and so also robbed consumers of choices in the marketplace.

Companies or organisations found to have used anti-competitive practices intentionally stand to be fined up to 10 per cent of their annual Singapore turnover for each year of infringement, for up to three years.

Mr Ong declined to give details of what he called the commission's first 'infringement decision', but made clear that it 'should make businesses sit up and realise that we mean business'.

The CCS will also demonstrate its resolve to root out anti-competitive practices, he warned.

For instance, he said, it will not wait for whistle-blowers and complaints to come in. It will instead be 'proactive', by identifying industries with such practices, launching its own studies on these and educating businesses.

It is understood that at least one raid has been conducted by CCS officers, who can order businesses or their employees to give information and documents during probes.

In certain circumstances, CCS officers can also enter business premises - with or without a warrant - to obtain the necessary evidence.

But Mr Ong added that CCS would not abuse its power. Every complaint would be thoroughly probed before action is taken.

The move to act against anti-competitive business practices marks a milestone for the commission since it was set up in January 2005.

Since then, it has mostly been low-key.

But with the last plank of the Competition Act taking effect at the start of this month, CCS is now ready to play its role as enforcer.

However, Mr Ong told The Straits Times that the public still has misconceptions about its role.

He said: 'It is wrong for the public to think that our job is to act as a price regulator. It is outside our purview.'

He was referring to the recent hubbub that arose out of the decision by Nets - the Network for Electronic Transfers - to raise its merchant transaction fees.

CCS cleared Nets of the accusation that it was abusing its dominant position by increasing its transaction fees, but this raised a storm of criticism that the commission was a toothless watchdog.

Mr Ong said that a lot of the commission's work was done out of the public eye.

Besides handling complaints, the 40 CCS staff also spend a significant amount of time analysing economic and legal data and doing studies, for example, on the competitiveness of the electronic-payments market.

Mr Ong said that, going forward, assembling - and keeping - an experienced team would be a challenge. Many CCS officers have been sent to similar agencies in Britain, America, Australia and New Zealand to see competition laws in use elsewhere.

CCS will also offer its expertise to Asean countries looking to set up their own such laws, now that the Asean Economic Agreement of 2015 has given the grouping's members till that year to set up these laws.

Mr Ong said: 'Our own learning curve was steep, so we are looking to see how we can share our expertise and experience to help others shorten their learning.'