

MEDIA RELEASE

22 ENTERPRISES FACE POSSIBLE PENALTIES FOR ALLEGED CHILD CARE SERVICES CARTEL

KUALA LUMPUR, 15 APRIL 2025 - The Malaysia Competition Commission (MyCC), an agency under the Ministry of Domestic Trade and Cost of Living (KPDN) has issued a Proposed Decision against 22 enterprises for their involvement in a price fixing agreement for the provision of child care services in Kuala Lumpur and Selangor. These enterprises are provisionally found to have infringed section 4 of the Competition Act 2010 (Act 712).

Through MyCC investigations, it was found that proposals by the enterprises to increase child care fees were not only discussed but eventually agreed upon during an association meeting, after which the decision was communicated to all members and other child care owners via a circular. MyCC finds that this agreement has the object of significantly preventing, restricting or distorting competition in the provision of child care services in Kuala Lumpur and Selangor.

It is important to highlight that at this stage, the Proposed Decision is a provisional finding and it should not be assumed that these enterprises have conclusively infringed the Act 712.

The enterprises named in the Proposed Decision have been notified of the proposed penalties and directions yesterday. They are given the opportunity to submit their written representations within 30 days upon receiving the Proposed Decision as well as present their oral representations before the Commission on a date to be determined later. MyCC will issue its Final Decision only after considering the representations made by these enterprises together with the evidence obtained during the investigation.

Tan Sri Dato' Sri Idrus bin Harun, Chairman Malaysia Competition Commission







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About the Malaysia Competition Commission (MyCC)

Established in June 2011, MyCC is an independent body responsible for enforcing the Competition Act 2010, which was implemented to create healthy competition which would, in turn, stimulate productivity and innovation, thus creating wider choices of products for consumers with better quality and reasonable prices.

The Act applies to all commercial activities undertaken within and outside of Malaysia that affect competition in the Malaysian market. It provides a regulatory framework including powers to investigate, adjudicate and impose penalties on the perpetrators of the competition laws.

MyCC celebrated its 14th anniversary on 1 April 2025 and to date, MyCC has taken decisive action against over 267 companies relating to cartels and abuse of dominant positions resulting in a cumulative penalty of more than RM664 million. MyCC's current priorities include amending the Act to introduce the merger control regime, actively targeting bid rigging cartels and cartels in the food and agriculture sectors as well as focusing on the challenges brought by the digital economy to competition law and policy. For more information on the Act and MyCC activities, log on to www.mycc.gov.my.





