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**NEWS RELEASE**

## **MyCC REITERATES WARNING AGAINST PRICE FIXING**

**KUALA LUMPUR, 13<sup>th</sup> October 2014** – In the wake of the Land Transport Commission’s (SPAD) recent decision to de-regulate school bus fares, Tan Sri Dato’ Seri Siti Norma Yaakob, Chairman of the Malaysia Competition Commission (MyCC), warns that bus operators are to independently decide on their bus fares and not fix bus fare structures together as such price fixing behavior is against Section 4 of the Competition Act 2010.

The Chairman’s warning follows the announcement of the Federation of Malaysian School Bus Operators’ secretary general, Md Saad Mohamad, regarding the Federation’s new fare structure, which appears to be in contravention of the Competition Act 2010 (the ‘Act’).

Section 4 of the Act prohibits enterprises, including associations, from fixing, directly or indirectly a purchase or selling price or any other trading conditions for goods and services.

“While price increases are not anti-competitive in nature, if the increases are a result of collusion through price fixing agreements by any associations or any groups of sellers, suppliers or manufacturers, such cartel-like activity is a serious contravention of the Act,” states Tan Sri Dato’ Seri Siti Norma Yaakob.

Following the de-regulation, school bus operators are to independently decide the fares based on their own individual estimation of operating costs, rather than having to subscribe to a fixed fare structure.

If an enterprise is found guilty of infringing the Act, the MyCC may impose a financial penalty of up to 10% of the worldwide turnover of the enterprise over the period of the infringement, or impose any other direction that it considers appropriate to ensure future compliance by associations and business enterprises.



The most recent price fixing case was the facilitation by the Sibu Confectionery and Bakery Association to collectively raise the prices of confectionery and bakery products. On 30<sup>th</sup> September, the MyCC issued a total proposed fine of RM439,000.00 to 24 of the Association's members found taking part in the price fixing agreement.

Members of the public who have information concerning conduct by associations and business enterprises who are or have engaged in price fixing activities should contact the MyCC at +603-2273 2277 or via email at [complaints@mycc.gov.my](mailto:complaints@mycc.gov.my).

For more information on the MyCC and the Competition Act 2010, log on to [www.mycc.gov.my](http://www.mycc.gov.my).

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**Corporate Communication Unit**

**Malaysia Competition Commission**

**About 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 Malaysia that affects 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.

For more information on the Act and MyCC activities, log on to [www.mycc.gov.my](http://www.mycc.gov.my).