

# Competition and the common man

Presentation to Competition Commission of India, 16 November 2009

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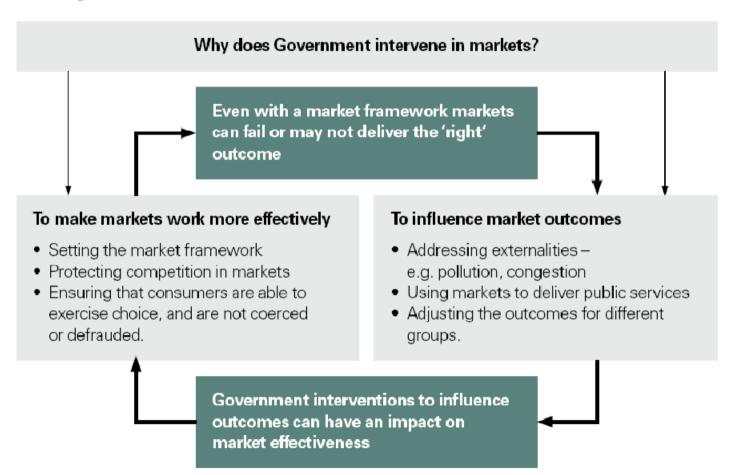


# **Benefits of competition**

- Competition a means to an end better outcomes for consumers
- Airlines example
- Importance of dynamic effects entry and exit, innovation
- But almost always some role for government



## Why Government intervenes





# Role of competition advocacy to government

- Not challenging wider policy objectives rather, helping to deliver them effectively
- Ensuring government policy works 'with the grain' of markets
- Often alternative options that can be used
- Environmental product standards example



# Market study recommendations to government

#### Pharmacies

- Control of entry
- Deregulation could lead to better services for users?

#### Procurement

- Led to joint work with wider government departments on procurement of waste disposal services
- Commercial use of public information
  - Opening up access to valuable data held by public bodies (e.g. mapping data, land registry information)
  - How best to maximise value for taxpayer?
- ICN market studies handbook



## OFT's wider approach

- Market-based approach
  - Focusing on consumer outcomes
- Prioritising on basis of expected impact
- Linking competition and consumer work
- Evaluation
  - Illustrating benefits
  - Accountability e.g. 5:1 benefit to cost target

### OFFICE OF FAIR TRADING

### References to OFT work

- Government in markets paper: <u>www.oft.gov.uk/shared oft/business leaflets/general/OFT1113.pd</u>
   <u>f</u>
- Environmental product standards: <u>www.oft.gov.uk/shared oft/economic research/oft1030.pdf</u>
- Pharmacies market study: <u>www.oft.gov.uk/advice and resources/resource base/market-studies/completed/pharmacies</u>
- Commercial use of public information: <u>www.oft.gov.uk/advice and resources/resource base/market-studies/completed/public-information</u>
- Waste procurement: <u>www.oft.gov.uk/advice and resources/resource base/market-studies/completed/procurement</u>
- Evaluation work: www.oft.gov.uk/advice and resources/resource base/evaluation/



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