



the Australia and New Zealand

School of Government

India – The Professions



**THE PROFESSIONS: A CASE STUDY IN THE APPLICATION
OF COMPETITION LAW AND POLICY**

Professor Allan Fels, AO

Dean

**Australia and New Zealand School of Government
(and former Chairman of the Australian Competition and
Consumer Commission)**

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Anticompetitive Laws: The Professions

“It is not the fault of our doctors that the medical service of the community, as at present provided for, is a murderous absurdity. That any sane nation, having observed that you could provide for the supply of bread by giving bakers a pecuniary interest in baking for you, should go on to give a surgeon a pecuniary interest in cutting off your leg, is enough to make one despair of political humanity.

And the more appalling the mutilation, the more the mutilator is paid. Scandalised voices murmur that operations are necessary. They may be. It may be necessary to hang a man or pull down a house. But we take good care not to make the hangman and the house breaker the judges of that. If we did, no neck would be safe and no man’s house stable.”

George Bernard Shaw (1911) “The Doctors Dilemma”.

Two Views

- 1. Professional regulation necessary to protect consumers**

- 2. Professional regulation is anticompetitive**
 - **creation of a monopoly**
 - **anticompetitive restrictions on entry**
 - **anticompetitive regulatory restrictions on behaviour**
 - **anticompetitive conduct**
 - **international restrictions**

Competition Law Enforcement Issues

- **Boycotts**
- **Collective Price-fixing**
- **Advertising restrictions**
- **Other anti competitive practices not sanctioned by law**
- **“Ethical” behavioural restrictions**

Laws restricting competition (in Australia)

- 1. Monopoly of work**
- 2. Restricted entry by means of government laws**
- 3. Restricted foreign entry**
- 4. Minimum price laws (if applicable)**

Competition Issues

- **Quality of competition**
- **Individual ethics and competition**
- **Enforcement challenges**
- **Political challenges**
- **Government role in restriction of competition**