



Competition
Commission
SINGAPORE

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9 March 2006

Dr Wong Chiang Yin
President
47th SMA Council
Singapore Medical Association
2 College Road Level 2
Alumni Medical Centre
Singapore 169850

Sent by mail and fax: 6224 7827

Dear Dr Wong

Withdrawal of Singapore Medical Association Guideline on Fees

I refer to your letter of 28 February 2007 informing the Competition Commission of Singapore (CCS) that the Singapore Medical Association (SMA) intends to withdraw its Guideline on Fees (GOF).

2. Section 34 of the Competition Act provides that agreements between undertakings, decisions by associations of undertakings or concerted practices which have as their object or effect the prevention, restriction or distortion of competition within Singapore are prohibited unless they are exempt. Paragraph 3.5 of the CCS Guideline on the Section 34 Prohibition states that "Recommendations of a trade association in relation to price.....may be considered to be price-fixing, regardless of the form it takes". Annex A of the Guideline further states that "any recommendation as to prices and charges, including discounts and allowances is likely to have an appreciable adverse effect on competition".

3. The CCS notes that SMA has received legal advice that the GOF may contravene section 34(2)(a) of the Competition Act.

Yours sincerely

Ong Beng Lee
Chief Executive

cc PS (Health)
Attn: Mr Yee Ping Yi
Dr Lee Chien Earn