

JCRA Media Release

7 November 2005

JCRA Welcomes Jersey Dental Association's Decision to Eliminate Recommended Fees

The JCRA is encouraged by the voluntary action of the Jersey Dental Association (JDA) to eliminate its recommended fees and remind members that each must set its own charges for the services they provide.

Part 2 of the Competition (Jersey) Law 2005 (the Competition Law), which became fully effective on 1 November, prohibits competitors from directly or indirectly agreeing on the prices they charge for their goods or services. Previously, the JDA said that it had been asked by the States to publish a guide that provided recommended fees for different dental services, which was distributed to all JDA dentists in Jersey. We understand that many dentists displayed the JDA's fee guide in their practices.

During a meeting held with the JDA on 19 October 2005, the JCRA expressed concerns that the JDA's practice of recommending fees could violate Part 2 if it had the effect of eliminating or otherwise reducing price competition among dental practices in Jersey. The JCRA encouraged the JDA to eliminate voluntarily the recommended fees prior to 1 November.

In response to this meeting, on 21 October the JDA contacted all of its members to inform them that, with immediate effect, the fee guide was eliminated, and that members must no longer display the JDA's fee guide, or refer to it, in their practices. The JDA recognized that a common fee guide could violate the Competition Law, and said that it would now distance itself from any such activity. Dentists were reminded that they are free to establish their own fees, and to display them in their practices if they desired.

Bill Brown, Executive Director of the JCRA, said:

'The JCRA is encouraged by the JDA's voluntary decision to eliminate its fee guide and instruct its members no longer to display it in their practices. The JDA's clear message to dental practices is that each is responsible for

setting its own prices individually. This is the correct message to give, now that the Competition Law is in full force. We expect dental practices to follow the JDA's instructions, and hope that this will enhance competition for dental services in Jersey. Accordingly, we would encourage consumers to compare prices for dental services before undergoing treatment.

While the JDA has eliminated its recommended fees prior to 1 November, when the Competition Law took full effect, the JCRA understands that other professional or trade associations in Jersey may still either recommend prices to their members or fix fees or minimum fees that members must follow. These are potentially serious infringements of the Competition Law because they deprive Jersey consumers of the benefits of competitors competing against each other on the price of the goods or services they provide. We strongly encourage any professional or trade associations that have recommended or fixed fees to follow the JDA's example and end such practices immediately. Failure to do so risks potentially serious consequences under the Competition Law.'

ENDS

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