



MEDIA ANNOUNCEMENT

13 July 2020

Competition Authority issues case against Medical Specialist Group

The Guernsey Competition and Regulatory Authority (GCRA) has provisionally found that the Medical Specialist Group (MSG) has broken Guernsey competition law by imposing excessively broad restraint of trade restrictions on its ex-consultants. The restrictions prevent ex-MSG consultants from offering certain medical services in Guernsey for between eighteen months and five years after they leave the MSG. The GCRA is concerned that these clauses could restrict competition for the provision of those medical services in Guernsey, for example by leading to waiting times for medical treatment to be longer or treatment to be more expensive than would be the case if alternative providers were available.

Where competition is possible, it is good for Guernsey consumers because it encourages businesses to provide better goods and services at lower prices. If businesses – including medical consultants -- are not able to compete effectively, this can lead to less choice, poorer services and higher prices for consumers.

Michael Byrne, GCRA CEO said, “Restrictive covenants are commonplace in partnership agreements and are used to protect the business of the partnership. But they should not go beyond what is necessary and so restrict fair competition in the market to the detriment of those in need of medical care. In this case, we are concerned that the duration and scope of the restrictions imposed by MSG went beyond what was necessary and so potentially stifled choice.”

This is the GCRA’s provisional finding and the MSG now has the chance to make representations to the GCRA before it reaches a final decision. **Ends**

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About the Guernsey Competition & Regulatory Authority:

The Guernsey Competition and Regulatory Authority (GCRA) (formerly the Office of Utility Regulation) was established under The Guernsey Competition and Regulatory Authority Ordinance, 2012. The GCRA is responsible for regulating the telecoms, postal and electricity sectors and for the administration and enforcement of the Guernsey competition law since it came into force on 1 August 2012.