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## Fair Trading Act proclaimed

...One month grace period for uncompetitive firms

Leah Sorias  
Feb 12, 2020

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GOVERNMENT'S competition watchdog, the Trinidad and Tobago Fair Trading Commission (TTFTC), can now officially probe and take to court businesses and individuals found guilty of anti-competitive practices and who fail to take corrective

measures.

This as the Fair Trading Act, by which the TTFTC is governed, has been fully proclaimed.

The Act was passed in 2006, however only parts of it were proclaimed in 2007 and 2014.

On Monday, all remaining parts of the legislation were proclaimed.

Proclamation of the Act means that the TTFTC is now officially able to receive and investigate complaints and allegations of anti-competitive conduct in T&T.

Speaking at media conference held yesterday at the Ministry of Trade and Industry, Port of Spain, Trade Minister Paula Gopee-Scoon said the full proclamation of the Act is expected to have tremendous implications for business development in T&T.

“The benefits of a fully functioning commission properly enforcing the legislation will be considerable as increased competition will likely to lead to lower prices, higher-quality goods and services and greater innovation, and thus improved consumer welfare,” she said.

“This legislation ultimately has as its objective the improvement of the economic welfare of our citizens. I would like to reiterate that the objective of the legislation is not to cause any enterprise to go out of business but rather its focus is to ensure that the business environment is fair,” she added.

### One-month amnesty

According to TTFTC chairman Dr Ronald Ramkissoon, under Section 19 of the Act, businesses who may be engaging in anti-competitive agreements or behaviours are allowed a one-month amnesty period in which to inform the TTFTC of these actions.

“While the commission is examining the business conduct in question, the entity will not be regarded as having been in breach of the Fair Trading Act even if the market conduct is later found to be anti-competitive. It is only if and when the commission determines that the practices and conduct are anti-competitive will we then inform the enterprise of this and then give them a reasonable time in which to change such conduct,” he explained.

He outlined that among the types of market conduct that the Commission intends to look more closely at are agreements or arrangements that are aimed at fixing prices, limiting or controlling markets, limiting innovation, sharing markets or source of supply and making contracts subject to extraneous conditions.

He said the legislation also deals with major issues such as anti-competitive mergers and agreements as well as abuse of monopoly power.

## Parts of the Act

proclaimed on Monday

TTFTC executive director Bevan Narinesingh outlined that the parts of the Act that were proclaimed on Monday were:

a Part III, which addresses the examination and approval of mergers and investigation into anti-competitive agreements/practices and monopolies

a Part VII which covers the powers of the Court to, upon application by the Commission, prohibit agreements, acquisitions and to also impose a fine not exceeding ten per cent of the annual turnover of the company if the company breaches the Act

a Part VIII which deals with businesses engaged in anti-competitive conduct in another Caricom member state being referred to a Community Competition Commission.

a Part IX which covers miscellaneous and general matters.

Narinesingh said sectors where the legislation may lead to positive changes include construction, medical/pharmaceutical, alcohol, energy services, motor vehicle, food production, supply/distribution, entertainment, hotel and transport.