

**A STUDY ON THE OBJECTIVE OF MALAYSIAN
COMPETITION LAW**

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The students / authors confirm that the work submitted is their own and that appropriate credit has been given where reference has been made to the work of others.

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ABSTRACT

This project in its present form is the result of a study conducted on the objectives of competition law. The purpose for this project was to review the compatibility of the objective of the Malaysian Competition Act 2010 with the objective of other relevant economic policies such as the Economic Transformation Programme and the country's trade policy. The objective of the Malaysian Competition Act 2010 was reviewed by means of a qualitative research and library research. Competition objectives can be of the consumer welfare approach or of the total economic approach. The Malaysian Competition law however adopted the approach of consumer welfare as its goal. Thus this study also reviewed on the relationship of the Competition Act 2010 with other economic policies, and attempt to point out the effect of inconsistencies towards the consumers and the application of the law. The contributions of this project paper are among other to suggest the suitable approach to be adopted by Malaysian competition law. The next is to propose certain improvement to the application of that law.

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CHAPTER 1- INTRODUCTION

1.1 Introduction

This chapter discusses the overall background of the research. This chapter would attempt to provide information on the current condition of the Malaysian economy in terms of protecting the consumer and enhancing economic profit, and its relation with the newly passed Competition Act 2010. This chapter will also be highlighting the objectives of the research, the scope and limitation, the significance of study, research methodology and the expected contributions of the research.

1.2 Research Background

The government play an important role in increasing economic growth and productivity. Such growth carries numerous benefits to the public as a whole. Among the benefits is that, it provides job opportunity, decreases the gap between poor and the rich, and it gives benefits to consumer in terms of high quality goods available. When it involve consumer, the focus of economic policy and the law, is whether it protects the consumer or not, and provide for consumer welfare or not. The government have made their effort, to play an active role visible via legislation, enforcement, and development.

Mostly, the government would apply to control and regulate the economy via Act of Parliament, and the introduction of various policies. This can be imputed to several Act of Parliament which governed business and trading activities in Malaysia. Among them are the Contracts Act 1950, Partnership Act 1961, the Companies Act 1965, Sales of Goods Act 1957, The Direct Sales Act 1993, Anti-Profiteering Act 2010, Price Control Act 1946, and the Consumer Protection Act 1999. The economy in the process of its execution will somehow involve trading and business activities.

The economy would also drag in, various subjects and personalities into its circle of operation. This is because an economic system is defined as a-way of