Guideline of Tariffs

Kindly take note that Council resolved during December 2013 that the annual Guideline of Tariffs will no longer be published in any format. This decision follows a costly eighteen month legal battle by Council against the Competition Commission that has determined during December 2013 that the publication of the Guideline of Tariffs constitutes price-fixing, and is therefore in contravention of the Competition Act 1989 (the “Act”).

Council resolved to enter into a settlement agreement with the Competition Commission, in order to avoid further legal costs which Council can ill-afford. The terms of the settlement agreement are still under negotiation with the Competition Commission, and the process is expected to be drawn out over a period of four to six months.

The most basic terms of such a settlement agreement will include, amongst others, the following:

1. The immediate cessation of the publication of the Guideline of Tariffs.
2. Immediate cessation of providing advice and/or guidelines in establishing fees for veterinary services.
3. An immediate moratorium on the investigation and inquiry in respect of complaints regarding undercharging, including pending investigations and inquiries.
4. An immediate moratorium on the investigation and inquiry in respect of complaints regarding advertising and/or touting.
5. Implementing amendments to all relevant rules of the veterinary profession which may be in contravention of the Act.

As a consequence, SAVC staff members cannot advise the profession at all regarding their fees, or how to calculate it. The above effectively means that each veterinarian can establish his/her own prices for services rendered, subject of course to the ethical requirements and minimum standards set out in the said Rules. The ethical requirements and minimum standards remain as currently contained in the Rules.

In conjunction with the Advocacy Unit of the Competition Commission, Council is engaged in a process to identify all rules which may not be conspicuously in contravention of the Act, and to establish to what extent these identified rules must be amended to comply with provisions of the Act.

A further issue to be discussed with the Commission is how Council is to deal with complaints received from the public regarding veterinarians overcharging clients for services rendered.

Please note that the medical and legal fraternities have already gone through a similar catharsis to comply with the requirements of the Competition Act.
Members of the profession must guard against getting together in groups and establishing tariffs amongst themselves. Such conduct will be in contravention of the Competition Act and each professional found to be engaged in such conduct, may be held liable to a fine of up to 10% of his/her gross turnover.

Members are invited to provide their input as to the amendments to the rules required by the Act, and in general, to the e-mail address given below. Council embarked on a process of reviewing the legislation and subordinate legislation, as well as the code of conduct relating to the veterinary profession. Your input will be sincerely appreciated.

If you require further information, please contact the SAVC’s Legal Director, Mrs Dinamarie Stoltz at legaldirector@savc.org.za or 012 342 1612.