



## **NEWS RELEASE**

22<sup>nd</sup> June 2006

### **The Competition Authority publishes final report on eye care professions**

The Competition Authority today (22<sup>nd</sup> June) published its final report on competition issues associated with optometrists (commonly known as opticians).

The Competition Authority's report finds that optometry profession is an example of a profession where competition is generally working well. The Competition Authority has not uncovered any restrictions on competition that have contributed to increasing prices for optical examinations, spectacles and contact lenses. However the Competition Authority has a number of minor concerns relating to rules and practices which may inhibit competition in the supply of optometry services. The Competition Authority has made five recommendations designed to enhance and protect competition in optometry services. According to the Competition Authority implementing these recommendations will:

- Reduce waiting times for certain school children who require eye examinations;
- Make it easier for new optometry practices to offer services to consumers;
- Make it easier for consumers to compare the price and range of optometry services on offer;
- Bring the composition of the Opticians Board into line with other regulators of health professions and the principles of better regulation; and
- Ensure a sufficient supply of optometrists to meet long-term demand for optometry services.

According to Carol Boate, Manager of the Competition Authority's Advocacy Division, *"The optometry profession in Ireland is an example of a profession where competition is generally working well. Many of the unnecessary restrictions the Competition Authority has found in other professions are not present in the optometry profession. Irish consumers benefit from having a choice in how to avail of quality optometry services. Consumers also benefit from freely available information about the range, location and price of those services."*

#### **Free eye examinations for children**

The Competition Authority has found only one area where optometrists are prevented from providing services that they are qualified to provide. The State provides free eye examinations to qualifying children identified at national school exit screening examinations. However it does not reimburse optometrists if they provide these services. To avail of the free eye test parents must take their children to State-employed specialist medical practitioners (ophthalmologists). This often involves a waiting list and as a result many parents choose to pay privately for an optometrist to provide the eye examination.

The Competition Authority has recommended that the Health Service Executive should allow optometrists to provide these State-funded eye examinations. Reimbursing optometrists who offer this service would be a more efficient and effective way of delivering eye care services to children through reduced waiting times and reduced costs to the State.

## **Advertising restrictions**

The Competition Authority has also identified some unnecessary advertising restrictions which impede competition between optometrists. The rules of the Opticians Board and the Association of Optometrists Ireland forbid canvassing and comparative price advertising by optometrists. Current consumer law protects the public from untruthful and inaccurate advertising. However the restrictions placed on optometrists by banning canvassing for business and comparative advertising go beyond what is necessary to protect the public from untruthful and inaccurate advertising. The Competition Authority has recommended that these restrictions should be removed as they unnecessarily obstruct new optometry practices trying to establish themselves and offer their services to consumers. These restrictions also unreasonably hinder consumers trying to compare the prices and services on offer.

## **Potential conflicts of interest on the Opticians Board**

Potential conflicts of interest arise from the membership structure of the Opticians Board. Under the Opticians Act 1956, the Opticians Board is almost entirely composed of members of the optometry and medical professions. In principle it is not necessary, proportionate or transparent for a regulatory body to be run mainly by the profession being regulated. The Competition Authority therefore recommends that the composition of the Opticians Board should be changed to ensure that a majority of the Board are lay people rather than optometrists or dispensing opticians. Implementing these recommendations will ensure that the composition of the Opticians Board is consistent with best practice for regulators of professionals in general and specifically with recent developments in other health professions.

## **The optometry profession in Ireland**

The optometry profession in Ireland is regulated by the Opticians Board, established under the Opticians Act 1956. Under the Opticians Act it is unlawful for a person to use the title of optometrist or to practise as an optometrist without being registered by the Opticians Board.

The vast majority of the 612 optometrists in Ireland operate in the private sector. Between 75% and 80% operate as sole traders or in small practices while others are employees of larger companies. The State is the largest single purchaser of optometry services and subsidises optometry services through a variety of schemes. In 2005, the State spent over **€28 million** on optometry services.

The Competition Authority's final report on the optometry profession is available at [www.tca.ie/professions.html](http://www.tca.ie/professions.html)

**ENDS**

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## NOTES FOR THE EDITOR

### Background to the Study of Competition in Professional Services

In March 2003, a report commissioned by the Competition Authority identified a number of restrictions on competition across a range of eight professions in the construction, legal and medical sectors of the Irish economy. The specific professions reviewed were engineers, architects, dentists, optometrists, veterinary surgeons, medical practitioners, solicitors and barristers. The work for that report was carried out by Indecon economic consultants and was used as the starting point by the Competition Authority to carry out a series of in-depth reports into each of the eight professions.

This Study of selected professions is being carried out by the Authority following an OECD Report in 2001, which suggested that competition in the professional services sector in Ireland could be stronger. The purpose of the study is to;

- Identify any regulations or practices that may restrict competition within these professions;
- Evaluate any consumer benefits claimed to exist from any of these restrictions, and;
- Consider whether the restrictions are proportionate to any benefits.

Optometrists are the latest in this series to be analysed by the Competition Authority. Other relevant reports in this series are;

- Final Report on **Engineers**, published in December 2004
- Preliminary Report on **Solicitors & Barristers**, published in February 2005
- Preliminary Report on **Dentists**, published in December 2005
- Final Report on **Architects**, published in March 2006

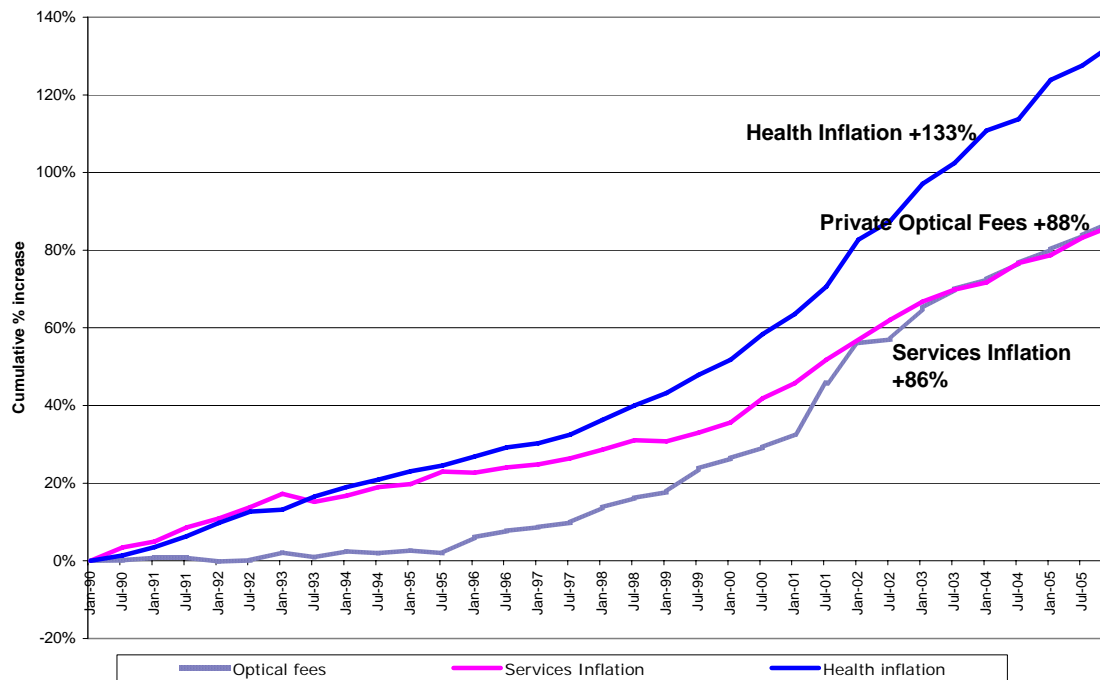
### Eye care professions

There are four eye care professions in Ireland - optometrists, dispensing opticians, orthoptists and ophthalmologists. This Report concentrates on the services offered to consumers by optometrists and dispensing opticians. Many consumers refer to these two professions collectively as opticians. Ophthalmologists and orthoptists are outside the scope of this Report and are referred to only where their functions overlap with some of the functions of optometrists.

The main functions of the eye care professionals are as follows:

- **Optometrists** carry out eye examinations and dispense spectacles and contact lenses;
- **Dispensing opticians** dispense spectacles and contact lenses as prescribed by optometrists or, less frequently, ophthalmologists;
- **Orthoptists** are involved in the assessment, diagnosis and management of disorders of the eyes, extra ocular muscles and vision; and
- **Ophthalmologists** are medical practitioners who treat diseases and conditions of the eye.

## Inflation in prices for private eye examinations, health inflation and services inflation (Jan 1990-Jan 2006)



Source: Central Statistics Office (CSO)

## Recommendations

**Recommendation 1: Allow optometrists to provide State-funded eye examinations to children**

Details of Recommendation	Action By
The Health Service Executive should allow optometrists to provide State-funded eye examinations for qualifying children identified at national school exit screening examinations.	<b>Health Service Executive</b> December 2006

**Recommendation 2: Review the number of training places for optometrists**

Details of Recommendation	Action By
The Higher Education Authority should undertake a detailed review of the number of optometry training places to assess whether the current number of places is sufficient to meet future demand for optometry services in Ireland.	<b>Higher Education Authority</b> December 2007

**Recommendation 3: Remove unnecessary restrictions on advertising**

<b>Details of Recommendation</b>	<b>Action By</b>
<p>(a) The Opticians Board should remove all its restrictions on advertising with the exception of prohibiting advertising which is false or misleading.</p> <p>(b) Following amendment of the rules of the Opticians Board in relation to advertising, the Association of Optometrists Ireland should amend its Code of Ethics accordingly.</p> <p>(c) If the Opticians Board does not remove its restrictions on advertising, the Minister for Health and Children should bring forward legislation to amend the Opticians Act 1956 to limit the powers of the Opticians Board in relation to advertising. The powers of the Board should be limited to ensuring that advertising by those regulated by the Board is not false or misleading.</p>	<p><b>Opticians Board</b> December 2006</p> <p><b>Association of Optometrists Ireland</b> Within six months of the Opticians Board amendment of its advertising rules</p> <p><b>Minister for Health and Children</b> June 2007</p>

**Recommendation 4: Set out the functions of the Opticians Board in legislation**

<b>Details of Recommendation</b>	<b>Action By</b>
<p>The Minister for Health and Children should bring forward legislation to amend the Opticians Act 1956 to:</p> <p>(a) Set out the functions of the Opticians Board;</p> <p>(b) Provide that the Board shall be obliged to publish an Annual Report within four months of the end of every calendar year; and</p> <p>(c) Specify that one of the functions of the Board shall be the protection of consumers, and any rules put in place by the Board should be proportionate and should not unnecessarily hinder competition among those regulated by the Board.</p>	<p><b>Minister for Health and Children</b> June 2007</p>

**Recommendation 5: Change the composition of the Opticians Board**

<b>Details of Recommendation</b>	<b>Action By</b>
<p>The Minister for Health and Children should bring forward legislation to amend the composition of the Opticians Board, as set out in the Opticians Act 1956. The revised legislation should provide for an Opticians Board that is representative of a large number of stakeholders, none of whom should be in a majority.</p>	<p><b>Minister for Health and Children</b> June 2007</p>