



## **The GVH as it is seen by the public – competition awareness in Hungary**

**More than half of the adult citizens have heard about the Hungarian Competition Authority (Gazdasági Versenyhivatal, GVH), which is an increase by 11 percentage points in comparison to the 2004 data. Among entrepreneurs, the situation is even better, as nearly all interviewed knew the GVH. However, people had less concrete knowledge about competition law issues, since their answers were very often inaccurate.**

Since years the GVH has been making efforts to get two know the competition law awareness of, and the picture developed about the work of the GVH by, both the general public and target groups (lawyers, entrepreneurs, economic journalists), the opinion of which is most important from the point of view of that work. For this reason, in 2007, following similar surveys in and before 2004, the GVH ordered a public-opinion poll from the Social Research Centre (Társadalomkutatói Intézet, hereinafter: TÁRKI)<sup>1</sup>.

Relating to competition, the majority of the interviewed supports a balanced regulation. Half of the lawyers and two third of the entrepreneurs think that, in the regulation of economic processes, equal weight needs to be given to state influence and market competition. Within the particular target groups, less than 10% of the interviewed preferred exclusive state regulation and conversely, less than 5% thought only market competition in itself as regulator to be the ideal solution.

Relating to the situation of competition, all target groups think that in certain industries a strong competition can be observed, while in other ones competition is much weaker. Out of ten citizens four hope that a stronger competition will evolve in the future. Entrepreneurs are convinced that the dominance of large companies is one of the major problems of Hungarian economy. Consequently, it is difficult for small businesses to get access to sales possibilities. It was mentioned, furthermore, that politics exerts too strong influences on the market.

Similarly to the results of the 2004 survey, one quarter of the Hungarian society has heard of the Competition Act, however, most members of the public never got into any touch with it. Among entrepreneurs and economic journalists, the awareness of the competition law is over 80%. (For lawyers, awareness of the Competition Act was a criterion for being part of the sample.) The majority of the interviewed had correct knowledge about the purpose of the Act, although many gave inaccurate answers to specific questions concerning certain provisions of the law.

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<sup>1</sup> The omnibus survey is based on personal interviews made with citizens over 18. Within the other target groups, the data were collected through telephone interviews with smaller samples.  
Sample size: citizens N=1.000, entrepreneurs N=300 (100 small, 100 medium and 100 large business undertakings), lawyers N=400 (in 2007: 100 solicitors, 100 lawyers working in the public administration, 100 judges, 100 corporate lawyers), economic journalists N=150

Almost every entrepreneur believes that the Competition Act applies to his/her undertaking and therefore they take into consideration its provisions. Lawyers have a more accurate competition law knowledge, but there are also deficiencies in their knowledge as far as prohibited practices are concerned.

Evaluating the public awareness of the GVH, a remarkable 11 percentage points improvement can be identified in comparison to the 2004 data: more than a half of the adult citizens have heard about the competition authority. Among the entrepreneurs and the economic journalists, nearly everyone knows the authority. However, they do not have detailed knowledge either about its overall activities. Especially, even some of the lawyers were misinformed concerning the submission of complaints.

One third of the citizens evaluated the GVH's work as being sufficient. Among those, who deal with business life (like lawyers or financial journalists), this rate is higher than 60%. Also half of the entrepreneurs are pleased with the GVH's activity. In comparison to the 2004 survey, the number of satisfied citizens has increased significantly.

For a more detailed description (in Hungarian) of the results of the survey see: <http://www.gvh.hu/>

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