



THE NATIONAL ASSEMBLY

QUESTIONS FOR WRITTEN REPLY

QUESTION NO. 519

Mr V Zungula (ATM) to ask the Minister of Trade and Industry:

- (1) Has the Competition Commission finalised its investigation into the inflation of prices by certain retail stores (names furnished); if not, what is the position in this regard; if so, what are the applicable fines;
- (2) whether the public will be informed of the developments around this issue; if not, why not; if so, on what date?

RESPONSE

On 23 April 2020, the Competition Commission announced that it “referred to the Competition Tribunal for prosecution a national wholesale distributor and retailer of pharmaceutical products, Dis-Chem Pharmacies Limited (DisChem), for excessive pricing during the State of National Disaster as declared by President Cyril Ramaphosa.”

According to the Competition Commission

“This referral follows an investigation by the Commission which found that that Dis-Chem has charged excessive prices on essential hygienic goods to the detriment of customers and consumers in contravention of Section 8(1)(a) of the Competition Act.

These essential items are surgical face masks blue 50PC, surgical face masks 5PC and surgical face masks folio dress blue. From at least 28 March 2020, the Commission received several complaints from the public against several retail stores owned by Dis-Chem for engaging in excessive pricing of face masks, specifically dusk and surgical masks.”

Further information can be found on the Competition Commission’s website at: <http://www.comppcom.co.za/wp-content/uploads/2020/04/A-NATIONAL-PHARMACEUTICAL-WHOLESALE-DISTRIBUTOR-AND-RETAILER-CHARGED-FOR-INFALTING-PRICES-DURING-COVID-19-DISASTER-.pdf>.

Once the matter has been decided by the Competition Tribunal it will be communicated to the public.

The Commission has also referred settlement agreements with various firms to the Competition Tribunal for confirmation. The total value of the settlements equal: R12 854 694, which includes penalties against the firms and donations to the Solidarity Fund and/or various public interest organizations. The Commission publishes weekly media updates on case investigations and those that are being pursued for prosecution on its website at: <http://www.comppcom.co.za/2020-media-releases/>.

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