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Department:  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

## THE NATIONAL COUNCIL OF PROVINCES

### QUESTION FOR WRITTEN REPLY

#### QUESTION NO. 181

**Ms B T Mathevula (Limpopo: EFF) to ask the Minister of Trade, Industry and Competition:**

(a) How long does it take for his Department to respond to customers who lodged complaints regarding price hikes and (b) how many cases have been resolved thus far? [CW193E]

#### REPLY

There are two DTIC entities who are able to follow up on complaints regarding price hikes, namely the National Consumer Commission and the Competition Commission of South Africa. Each entity concerned operates in terms of the specific laws applicable to that entity. On 19 March 2020, I published regulations and directions, in terms of the Competition Act, 1998 (Act No 89 of 1998), the Consumer Protection Act, 2008 (Act No 68 of 2008) and the regulations issued in term of Section 27(2) of the Disaster Management Act, 2002 (Act No 57 of 2002) (together the “Consumer and Customer Protection and National Disaster Regulations and Directions”) setting out the factors to determine, during the COVID-19 pandemic, if prices are either excessive or unjust in terms of the respective legislation, and requiring suppliers to develop and implement reasonable measures to ensure the equitable distribution of essential goods to the public.

I have requested the information from the entities and have been furnished with the details below:

- a) Communication between the investigators of the National Consumer Commission (NCC) and consumers, happens within a week of allocation of a file. Such communication usually relates to obtaining clarity on the reported allegations as well as securing supporting evidence, where possible. Further communication with consumers happens at the end of the investigation which on average in 26 days. If anonymous complaints are lodged, the NCC is unable to communicate with the complainants.

Based on internal Screening Guidelines, the Competition Commission, screens the cases to sift those that raise competition concerns and relate to the COVID-19 regulations published by the Department of Trade, Industry and Competition. Part of this process involves the allocation of case numbers. Once the case is screened, it is allocated to investigators for further investigation. The Commission contacts the complainants within seven (7) days of receiving the complaint.

In terms of the Competition Act, 1998 (Act No. 89 of 1998), the Commission has up to 1 year to finalise investigations. However, due to the expedited nature of the COVID-19 related cases, the Competition Commission has taken between four (4) to twelve (12) weeks to complete matters, either for settlement or referral to the Competition Tribunal. Where there is no evidence of a contravention, following an investigation, the matter is not referred to the Competition Tribunal.

- b) Out of 127 approved investigations, the NCC has finalised 49 and 78 are still ongoing. The ongoing matters are at various stages. The complaints were finalised on an average of 26 days.

As at 29 May 2020, the Competition Commission had received 1471 cases. Of the cases received, 749 (51%) related to the regulations and were thus referred for further investigation. The other 722 (49%) did not relate to the regulations and were not referred further.

Of the 749 cases referred for further investigation, 364 (49%) have been completed as follows:

- 321 – non-referred due to lack of evidence of a contravention, and
- 43 – finalised through settlements and referrals to Competition Tribunal.

The remaining 385 are still under investigation.

**-END-**