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Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NO. 1191

Mr. Z E Mthethwa (MK) to ask the Minister of Trade, Industry and Competition:

Whether he intends to dismantle monopolies of corporations disaggregated according to racial demographic parity to avoid that we have singular families (names furnished) controlling all factors of production in the Republic throughout the various regimes from the British Era, Apartheid Era and the Democratic Dispensation? NW1338E

REPLY:

- (a) The Competition Commission (Commission) was established in terms of the Competition Act, 1998 (Act No. 89 of 1998), as amended ('the Act'). The Act recognises that apartheid and other discriminatory laws and practices of the past resulted in excessive concentration of ownership, and that the economy must be open to more inclusive ownership.
- (b) The Commission investigates complaints, assesses mergers, evaluates exemption applications, undertakes market inquiries and advocacy, in order to achieve an efficient, competitive economic environment that will benefit all South Africans.
- (c) The Commission investigates complaints received from third parties, or initiated by the Commissioner where there is information that gives rise to a reasonable suspicion of possible anti-competitive conduct.
- (d) Where the Commission's investigations reveal that firms are engaged in anticompetitive conduct, which may include abuse of dominance or other prohibited



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conduct, the Commission refers the complaints to the Competition Tribunal for prosecution.

- (e) The Commission continuously conducts research to monitor concentration levels in various sectors of the economy. The research informs the Commission and other stakeholders of the appropriate measures to take where there is high concentration and likely competition harm in the market.
- (f) Through its enforcement and market inquiry tools, the Commission seeks to deal with concentration and improved competitiveness in markets by removing barriers to entry (including both market and regulatory barriers).
- (g) Where appropriate, competition authorities may impose remedies and conditions to remove barriers to entry and to promote entry and participation of new entrants, including small- and medium enterprises (SMEs) and firms owned by historically disadvantaged persons (HDPs) in the economy. Such remedies may contribute to dealing with high levels of concentration by facilitating entry and expansion of new entrants especially in concentrated markets.

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