THE NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

Question 69

Mr L B Labuschagne (DA) to ask the Minister of Trade and Industry:

(1) Whether all investigations into alleged price fixing of bread have been conducted by the Competition Commission; if not, by whom were they done?

(2) Whether, in light of the recent increases in bread prices, the Competition Commission is reopening its investigation; if not, why not; if so, when?

Response:

(1) The Competition Commission is a statutory body with exclusive authority to investigate and evaluate alleged contravention's of Chapter 2 of the Competition Act, namely, price fixing. Yes, the Commission has investigated all allegations of price fixing by the major producers of bread. The Commission is not aware of any other person or organization that conducted an investigation in terms of the Competition Act regarding the alleged collusion and fixing of the bread price.

(2) Part of the Commission’s investigation into the alleged price fixing, particularly for the Western Cape region, was concluded and referred to the Competition Tribunal for adjudication in 2007. The country-wide investigation into the extent and impact of the alleged fixing of the bread price is, however, still continuing.