**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**PARLIAMENTARY QUESTION NO 921**

**Mr A M Shaik Emam (NFP) to ask the Minister of Economic Development:** *[Interdepartmental transfer from Finance]*

What alternative measures to avert price-fixing will he put in place, in view of the exorbitant prices for motor vehicles in the country, allegedly due to the monopoly held by a few individuals around the globe who control such prices and in view of the depreciation of new motor vehicles as soon as they leave the showroom floor with a further loss of value two years after the purchase date? NW1048E

**REPLY**

The Competition authorities are mandated, in terms of the Competition Act, to investigate and prosecute allegations of cartel conduct, including price fixing. The authorities currently do not have in their possession information or evidence giving rise to a reasonable suspicion that the retail prices of motor vehicles in South Africa are as a result of price fixing or collusive conduct of car manufacturers or any other participants in the market for finished motor vehicles. Should the Competition Commission receive any such material, information or evidence, it may commence an investigation in terms of section 49B(2) of the Competition Act. The Competition Commission is currently investigating collusive conduct in relation to car parts. The prices of car parts contribute to the ultimate price of the finished product.

**-END-**