



N.U.L.A.W.

NATIONAL UNION OF LEATHER AND ALLIED WORKERS



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To : **The Chairperson
Of the Select Committee on Economic and Business Development
Mr. Mandla Isaac Rayi**

E-Mail : ndinizulu@parliament.gov.za

Date : 7th November 2018

Dear Mr. Rayi

Competition Amendment Bill

The National Union of Leather and Allied Workers (N.U.L.A.W.) supports the introduction of the Competition Amendment Bill as a key means to address the challenges of economic exclusion, concentration and inequality.

We believe some of the key benefits of the amended legislation will be that, it will undo the concentration in the economy, promote investment, lead to a reduction in prices, lead to a greater focus of jobs and the promotion of worker ownership.


We particularly support the provisions of the legislation that deal with the following :

- An additional test to public interest criteria applied to mergers, namely, the extent to which a merger will promote greater ownership, including by workers employed at the firms concerned.
- Strengthening the tool of market inquiries to deal with economic concentration and that can help to deconcentrate the economy.
- The veto on mergers that may affect national security as there is no provision in our legislation which provides the legal basis for Government to intervene in mergers with national security implications.
- The increase in penalties for firms involved in cartels and collusion and
- Strengthening the role of the executive as workers and the electorate expect policy makers to be responsible for mergers and exemption policies and hold them accountable through Parliament.

Amending the Competition Act as outlined by the Bill will allow Government to deal with some of the key structural challenges in the economy. N.U.L.A.W. firmly believes that the amendments will change the Competition Regulatory Landscape, usher in a new competition regime and will assist the authorities to prosecute dominant firms for predatory pricing and particularly, margin squeeze.

We urge Government to implement the amended Legislation on an urgent basis.

Yours faithfully



Ashley Benjamin
General Secretary