

**NATIONAL ASSEMBLY**

**QUESTIONS FOR WRITTEN REPLY**

**QUESTION NUMBER: 485 [NW651E]**

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**485. Mr W M Douglas (MK) to ask the Minister of Finance:**

- (1) Whether the National Treasury has conducted any assessments on the economic impact of Santam's and Sanlam's monopolistic practices on marginalised communities; if not, why not; if so, (a) what were the findings and (b) how does the National Treasury intend to support black-owned small-, medium- and micro enterprises that have been negatively affected by the discriminatory practices of the specified companies;
- (2) in relation to the Abuse of Dominant Position by Santam, what specific regulatory measures has the National Treasury implemented to prevent the Abuse of Dominant Position by the specified company, particularly in monopolising glass, spare parts and other profit centers;
- (3) whether the National Treasury will furnish Mr W M Douglas with statistics on the participation of black-, coloured- and Indian-owned businesses in Santam's and Sanlam's supply chain over the past decade; if not, why not; if so, what are the relevant details;
- (4) what penalties and/or sanctions have been imposed on the specified companies for failing to meet broad-based black economic empowerment (B-BBEE) targets and transformation commitments;
- (5) how does the National Treasury intend to promote and support alternative, B-BBEE compliant insurance companies to foster a more inclusive financial sector?

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**REPLY:**

The questions raised should be directed to the Department of Trade, Industry, and Competition (DTIC), which oversees the enforcement of the Competition Act (Act 89 of 1998) and the Broad-Based Black Economic Empowerment (B-BBEE) Act (Act 53 of 2003) through the Competition Commission and the B-BBEE Commission, respectively. The FSCA does not regulate company-specific competition issues, such as Santam's dominance in the glass, spare parts, and other sectors. These matters fall under the jurisdiction of the Competition Commission, which investigates market dominance and can implement measures to prevent the abuse of a dominant position. As a result, the FSCA has not assessed Santam's or Sanlam's monopolistic practices or their effects on marginalised communities. For information on the participation of black-, coloured-, and Indian-owned businesses in Santam's and Sanlam's supply chains, the B-BBEE Commission is the appropriate source, as companies are required to report on B-BBEE compliance annually.