

PROVISIONAL FINDINGS AND RECOMMENDATIONS OF THE

# MARKET INQUIRY INTO PUBLIC PASSENGER TRANSPORT

PRESS CONFERENCE



**competition commission**  
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## OPENING REMARKS BY THE PANEL CHAIRPERSON

1. My name is Bukhosibakhe Majenge and I am the Chief Legal Counsel and acting Deputy Commissioner of the Competition Commission, but today, I am here as the Panel Chairperson of the Public Transport Market Inquiry. I am representing the Inquiry team composed of other panel members, evidence leaders and members of the technical team. This Inquiry was conducted by internal Commission staff.
2. My role is to welcome you all and outline the process that was followed by the Inquiry team up to now. After outlining the process, I will handover to the Commissioner to formally present the provisional findings and recommendations.
3. On 10 May 2017, the Commission, in exercising its powers under Section 43B of the Competition Act No 89 of 1998, as amended, published a notice in the Government Gazette that it would conduct a Market Inquiry into the land based public passenger transport sector. A market inquiry is a general study into the state, nature and form of competition in a market. The Inquiry was initiated to pursue the purpose of the Act, which is to “*promote and maintain competition in the Republic*”. The Public Passenger Transport Market Inquiry was therefore initiated because the Commission had reason to believe that there existed features or a combination of features in this market that may prevent, distort or restrict competition. For the purposes of this Inquiry, the Commission identified the public passenger transport sector to include road (buses, minibus taxis, metered taxis) and rail.
4. The Inquiry officially commenced on 07 June 2017 after allowing for 20 business days between

the publication of the Terms of Reference (ToR) and the beginning of the Inquiry. This was done in terms of Section 43B (2) of the Competition Act which stipulates such a timeframe. The Terms of Reference identified the central role of public transport in providing meaningful mobility for most of the population in pursuit of economic participation.

5. Following the publication of the Terms of Reference, the Commission published the Stakeholder Participation Guidelines and Call for Submissions in July 2017. Several stakeholders made submissions responding to the Call for Submissions. The Call for Submissions assisted the Inquiry to identify if there are any issues that were not covered by the Terms of Reference.
6. As part of information gathering, the Commission held public hearings across the 9 provinces between June 2018 and August 2018. To accommodate other stakeholders, additional hearings were held at the Commission's offices in September and October 2018. In total, the Commission conducted hearings over 27 days. Oral and written submissions were received from over 200 stakeholders including operators, bus and taxi associations, local government, provincial government departments, national department of transport, academics, civil society and commuters. To promote transparency, all public hearings were open to all stakeholders and the proceedings were streamed live on the Commission's YouTube channel. In addition, all

transcripts for the public hearings are available on the Commission's website.

7. The Commission considered all these submissions and formulated preliminary findings and recommendations. These preliminary views and recommendations were tested with some of the stakeholders. The Commission organised a workshop with government stakeholders (national department of transport, provincial regulatory authorities, metros/municipalities etc) in June 2019. The purpose of the workshop was to solicit views on the preliminary findings and recommendations and assess the practicality of implementing some of the ideas the Commission was considering at that stage.
8. As you will notice in the Commissioner's address, the Commission decided to subdivide the publication of its draft report for public comment into two parts. The main report focuses on the traditional markets (i.e. minibus taxi, bus and rail). The second report has specific focus on e-hailing and metered taxi services.
9. Before I hand over to the Commissioner who will present the provisional findings and recommendations, I would like to acknowledge and thank the team involved in this Inquiry for their hard work and dedication throughout this process.
10. Commissioner, over to you.

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