



competition commission
south africa

Media Release
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**COMMISSION CAUTIONS AIRLINES AGAINST PRICE GAUGING
AMID SUSPENSION OF COMAIR**

Last Saturday 12 March 2022, the South African Civil Aviation Authority announced that it had suspended with immediate effect the Air Operator Certificate of Comair PTY Ltd, with its subsidiaries Kulula.com and British Airways.

Consequently, this suspension meant that significant airline seat capacity had been removed from the market and that would undoubtedly result in travellers having scramble up the remaining tickets in higher fare buckets.

It has now emerged that there are reports and complaints of large increases in price for seats on the remaining airlines some even quoting R5000 single flight ticket from Johannesburg to Cape Town.

Whilst the Commission understands that the removal of airlines does certainly have impact on the airfares, the situation that stranded passengers find themselves in should not be unduly exploited by other airlines. The Commission encourages all airlines to put more capacity into the market where possible until the Comair situation has been resolved in order to assist stranded passengers at more moderate prices.

In addition, where the Commission finds that airlines have actively removed seats from low fare buckets and allocated them to higher priced fare buckets or introduced new much higher fare buckets on popular routes, then the Commission may consider this an act of price gouging designed to deliberately exploit the current situation.

The Commission will also be engaging airlines over the next few days to establish what plans they have in place to address the current situation and any complaints from travellers about prices in the market. The Commission wishes to warn airlines will not hesitate to act swiftly and decisively if there's evidence of price gauging.

[ENDS]

Issued by:

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