

FIXING THE PRICE OF FOOD

South Africa's poor bear the brunt of rising food costs while big food companies' profits rise.



South Africa is in a deep food crisis. One in four South Africans regularly go to bed hungry! This is unacceptable. What is the root cause of this crisis?

The food giants are robbing the poor!

Price fixing is where companies that compete with each other in the same market illegally conspire to set the price of common goods. By agreeing that none of them will sell at lower prices, the companies force consumers to pay the high prices they set.

Between 1999 and 2007, **Tiger Brands, Pioneer Foods** and **Premier Foods** fixed the price of bread and maize meal, two of our staple foods. The poorest people in South Africa, who depend on these foods for their daily meals, were the hardest hit by the price fixing.

These companies were fined by the Competition Commission for their cartel behaviour, but this has not stopped them from increasing the price of food. Since then the cost of food and the profits of these companies have risen sharply.

Supermarkets are also in on the scheme

The Competition Commission has investigated South Africa's largest supermarkets because it suspected that they were also overcharging consumers for staple foods.

The same supermarkets are also using their power to prevent small businesses from competing with them.

The food system in South Africa is broken!! It is unequal and brutal.

Profiting from our country's poorest communities... What a shame!!



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