

Supermarket titans slated

Eric Naki

Gauteng economic development MEC Lebogang Maile has asked the Competition Commission to investigate possible anti-competitive practices by large anchor supermarkets that block competing businesses from coming into shopping malls.

During the department's budget vote presentation in the legislature on Monday, Maile said powerful supermarkets make it difficult for new entrants to succeed through exclusivity clauses in long-term lease agreements between anchor supermarkets and property developers in malls.

The lease conditions, dictated by the anchor supermarket, stipulate that no rival supermarket can take up tenancy in the mall, often for decades. "Retailers like butchers and bakers are sometimes prevented from renting a space in malls as they are perceived to be competitors to the anchor supermarket. This practice reduces product and retail diversity and deprives consumers," Maile said.

He said the Competition Commission had to consider variables such as by-laws associated with mall infrastructure investment, monetary loss for local vendors or compensation, local procurement and a futurist approach.

"The technical recession we currently find ourselves in signals a need for a different model of development and investment in working-class communities. It is not acceptable that black townships have become consumption centres for monopoly capital goods without tangible develop-

mental outcomes,” he said.

Meanwhile, the Gauteng legislature’s portfolio committee on infrastructure development expressed concern at reduced targets for infrastructure development revealed in the province’s budget. The Gauteng department of infrastructure development’s budget of R2.5 billion for the current financial year was an increase of only 1%.

Committee chairperson Lindiwe Lasindwa welcomed the allocation of R1.9 billion to the Immovable Asset Management sub-programme to implement the Provincial Property Management Optimisation Plan for the disposal of these assets.

A sum of R304.6 million, a 9% increase, was allocated to the expanded public works programme in the Emfuleni Municipality, Cullinan and Hammanskraal.



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