

# Cabinet greenlights food price action plan

Cabinet has directed the Economic Cluster to put in place an action plan on food prices, food security and access to food.



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“Cabinet has approved that the Economic Cluster must put in place an action plan on food prices, food security and access to food,” minister in the presidency Khumbudzo Ntshavheni said.

Briefing the media on Thursday, 31 August, Ntshavheni said the Competition Commission has been monitoring essential food prices pursuant to price gouging concerns raised since the declaration of the State of Disaster in March 2020.

She said that the continuation of essential food price monitoring is motivated by the need to ensure affordable and accessible essential food products for consumers.

“The Commission has noted the ‘rocket and feather’ effect, where prices are quick to rise often in excess of cost increases and slow to fall once cost pressures decline. It has also flagged the concentrated nature of the food and retail markets as a concerning contributing factor.”

At the briefing held in Pretoria, the minister said that Cabinet has noted the Commission’s recommended measures including market inquiries to address structural features in the market that lead to high food prices and low levels of competition.

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