

## NATIONAL ASSEMBLY

## MEMBER OF PARLIAMENT

PO Box 15 Cape Town 8000 Republic of South Africa Tel: 27 (21) 403 2911 www.parliament.gov.za

9 July 2018

Mr Cyril Ramaphosa President of RSA

Dear President Ramaphosa

## Plea for fuel price reduction

I hereby urge your administration to reduce fuel prices as a matter of urgency.

The people of South Africa are taking immense strain, with income per capita having dropped steadily over the past five years, due to our failing economy, while the cost of living continues to climb. People are already desperate, and your ANC government's recent fuel price hikes are now effectively "kicking them while they're down". Like the VAT increase, the fuel tax will hurt the poor and jobless hardest and cause unnecessary additional suffering while risking a rise in social instability.

Last week, your ANC government raised the petrol price to a record high of R16.02 per litre. Of this, R5.28 goes directly to the ANC government. As usual, the poor are being made to pay the highest price for ANC government mismanagement and corruption.

For the ANC to then call on the ANC government to lower the fuel increases is an added offense to people. People may be struggling, but they are not fools. They can see very clearly that the ANC is trying to disassociate itself from its own governing failures. One third (33%) of the fuel price goes straight to government, so this is in no way a matter that is beyond government control.

The DA suggests that your government immediately brings the petrol price to below R15 per litre by reducing the Road Accident Fund and general fuel levy by 20%. We realise that scrapping fuel levies entirely is not feasible. But bringing the price to below R15 is certainly doable. Your government needs to balance its budget by cutting corruption and inefficiency, and by abandoning policy that harms our economy. Not by dipping into the pockets of the poor.

I will be meeting with taxi associations in the coming days, to call on them to support this proposal, and to put pressure on government to implement it.

The DA has called for a debate of national importance in Parliament, to deliberate on the optimal structuring of fuel taxes. We view this matter as extraordinarily urgent.

One of the many dire consequences of the steep rise in fuel prices, is that it raises the cost for the jobless to get out and find work. The City of Cape Town offers free MyCiti bus rides for jobseekers, to assist them. I urge your government to follow suit and start formulating policy that helps rather than hurts the poor and jobless.

Thank you.

Yours sincerely

MMUSI MAIMANE MP

Leader of the Democratic Alliance

Mary Marie

Leader of the Opposition in RSA Parliament