



**competition commission**  
*south africa*

Good Day Ladies and Gentlemen,

Today marks the culmination of critical phase of the battle against anti-competitive conduct in the school uniform sector.

You are aware that since 2010, the Commission has been involved in extensive advocacy and education on anti-competitive behaviour in the procurement of school uniform.

In conducting this advocacy process the Commission engaged with key stakeholders in the basic education sector. Some of these stakeholders were the National Department of Education; Provincial Education Departments; Education MECs of the Gauteng and the Free State; the Chief Executive Officers of the School Governing Body Foundation and the Federation of Associations of Governing Bodies for South African Schools.

Accordingly, the Commission also helped with the drafting of a circular which was eventually issued by the National Department of Education and the Governing Body Associations around May 2015.

In spite of these, the Commission continued to receive further complaints and initiated a complaint in January 2017. Subsequently, the Commission extended its investigation to include all schools in March 2017.

We did all this because when schools enter into exclusive agreements with these suppliers or retailers, it means that these service providers are the only place where parents can buy uniform items. This creates a risk of the supplier charging excessive prices as it does not face competition from any other suppliers.

What has been most heartening during this process, however, is the willingness and cooperation of schools and stakeholders, many of whom are represented here today. As a result of these all-embracing efforts, today we pledge our support to a conduct that is in line with the Competition Act.

Our approach has always been to effect immediate behavioural change as this is a public interest issue. We are more interested in schools changing behaviour than being involved in a possible lengthy and costly litigation process.

The mandate and focus of schools is to educate. We don't intend to burden them with litigation. This has been our guide throughout this process.

In a major development earlier today, the Tribunal confirmed consent agreements between us and AdvTech Ltd; St Andrew's School for Girls NPC; St Andrews School Uniform Shop Trust; Curro Holdings Ltd; Grit Procurement Solutions (Pty) Ltd and Inspired Schools (Pty) Ltd trading as Reddam House Schools and Reddford House Schools; and, lastly, Reddam House Shop. The agreements settle the case between us and these groups/schools and is a culmination of the processes mentioned earlier in the basic education sector. The schools commit to undertakings that are aimed at improving competition in the market for the supply of school uniforms and reducing school uniform prices for parents.

In conclusion, we are fully aware that this will be a process and the results may not show immediately. We count on these stakeholders and parents to ensure that there's an observable behavioural change. Our commitment to a new culture of pro-competitive conduct must lessen the parents' burden and remove any artificial barriers to education imposed by anti-competitive behaviour.

The Commission continues with both advocacy and investigation on the rest of the other schools who, for one reason or the other, are still engaged in uncompetitive behaviour. Our approach will definitely be more firm and stricter towards those in defiance.

Our understanding and patience are not unlimited.

Once again thank you for your commitment to the pledge, your support and cooperation.