

Final Report on the Supply of School Uniforms

Office for Competition

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Malta Competition and Consumer Affairs Authority

Office for Competition

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List of Abbreviations

APCCS	Association of Parents of Children in Church Schools
CA	Consumers' Association – Malta
CAC	Consumer Affairs Council
DCS	Department of Contract Services
DES	Directorate for Educational Services
ISA	Independent Schools Association
MCCAA	Malta Competition and Consumer Affairs Authority
MSO	Market Surveillance Officers
Office	Office for Competition
P.E.	Physical Education
PSA	Private Schools Association
SAC	Social Affairs Committee

Executive Summary

The Office for Competition (henceforth 'Office') drew up a final report on the supply of school uniforms after it undertook a fact-finding exercise on the market¹ and issued a preliminary report thereon. The objective of the study was to determine the extent to which the market for school uniforms is competitive.

A national consultation was launched on the preliminary report from 14 September to 26 October 2011. The Office received feedback from several interested parties, including parents, suppliers and retailers, school and parent associations, the Directorate for Educational Services, the Department of Contract Services, the Consumer Affairs Council and the Consumers' Association. In its final report, the Office considered the feedback received.

The Office also had the opportunity to present its findings, conclusions and recommendations concerning the market of school uniforms resulting from the preliminary report to the Permanent Social Affairs Committee of the House of Representatives (henceforth 'SAC'). The SAC also published its own set of recommendations and received feedback thereon. The SAC has consistently supported the idea of having a more open and competitive school uniforms market for the benefit of parents.

A number of State, church and independent schools at different educational levels were selected by means of a stratified random sampling method. Information on school uniform prices and the manner by which school uniforms are supplied was gathered from the selected schools, suppliers and retailers. A series of price comparative exercises were conducted to determine the minimum, mean and maximum prices of frequently compulsory school uniform items.

State schools are currently undergoing a period of transition with regard to the supply of school uniforms. As a result, the Office considered the prices and the methods of supply

¹ This fact-finding exercise was commenced in September 2010 by the Office for Fair Competition which formed part of the Consumer and Competition Department. With the coming into force of the Malta Competition and Consumer Affairs Authority Act, (henceforth 'MCAA Act') on the 23 May 2011, the Office for Fair Competition was succeeded by the Office for Competition which is one of the four entities within the Malta Competition and Consumer Affairs Authority.

adopted under both the old and the new system. In general, it transpired that where parents had the option of buying the school uniform from the retailer of their choice, prices were lower than in those cases where the uniform was specific and had to be bought from a designated retailer. The Office also made a comparison between scholastic years 2010-2011 and 2011-2012 to assess the effects of the bidding process over the two year period.

In the case of church and independent schools it was found that, in general, the schools in the sample had a specific uniform and some form of agreement with particular suppliers.² It was also noted that for certain uniform items, prices appeared to be on the high side. The Office observed that where the uniform is specific, parents do not enjoy any choice on price, quality and source of purchase. The study also considered whether the use of an expression of interest to select a particular supplier, yielded better prices than other methods used to choose a supplier.

The Office considered it appropriate to include a comparative exercise on the quality specifications of certain uniform items to determine whether significant differences between the minimum and maximum prices could be attributed to differences in quality. From the exercise conducted, it transpired that in some cases even though the price differences were significant, the design and quality specifications of the uniform items were the same or very similar, suggesting that considerable differences in prices are not entirely attributable to differences in quality specifications. The Office also looked at the design of these school uniform items and found that the majority had a complex design.

The Office concluded that the market of school uniforms has been influenced by the constant behavioural pattern of three distinct groups, namely, schools, parents and suppliers, which in itself has inhibited competition. Schools insist on the importance of specific school uniforms as a means for conferring distinct identity and consider exclusive arrangements as guaranteeing supply. Parents tend to be passive consumers purchasing generally from the supplier indicated by the school. Established suppliers generally support the idea of having exclusive arrangements with schools, as this guarantees a certain amount of business, arguing, at the same time, that by virtue of these arrangements, supply is guaranteed and economies of scale are derived.

² Very often suppliers of school uniforms act simultaneously as retailers.

The Office considered that for the market to become more competitive, there has to be a change in the way schools, parents and suppliers act on the school uniforms market. In particular, schools need to understand that the distinct identity of the school may still be conferred even by means of less complex uniforms. When setting their uniform policy, schools should be aware of the major role they play on the competitive process and should be careful not to hinder this process on the market. State schools have already started to implement a system for the provision of school uniforms which is more open and transparent.

With a view to making this market function better, the Office issued a set of recommendations. The Office considered that ideally a uniform should be made up mostly of generic items with a few distinctive features, like the tie and badge, that would make that particular uniform unique, hereinafter referred to as the 'less complex uniform model'. This would allow different suppliers to stock different uniforms, resulting in increased competition on the market, bringing about better prices, better quality and wider choice. It would enable parents to become active consumers benefitting from the possibility of being able to shop around. It would also address the schools' concerns with respect to security of supply and distinct identity.

The reality, however, is that many schools already have complicated uniforms in place. The Office acknowledged that schools may have valid reasons for not wanting to change the uniforms already in place. The Office, while recommending that the less complex uniform model would be the ideal model and while wishing to encourage schools to take this step forward and opt to change their existing uniform for a simpler one, considered that it cannot oblige schools to change their uniforms for a more generic one.

Where the school decides that it wants to change its 'complicated' uniform to a simpler one or where it opts to change some of the complex items of its uniform, the Office considered that the school should phase out the old uniform over a sufficient period of time, so as to minimise any negative effects on parents and suppliers. In this case, the schools must also give consideration to any commitments they may have entered into with suppliers in any lawful agreement.

Where the schools decide to retain their complex uniforms, more attention has to be paid to the process of competition. The Office recommended the following options where the uniform is complicated, which options may also be availed of in combination with the less complex uniform model with respect to those few items that may be specific:

1. All willing suppliers and retailers could be given the possibility to supply and sell the uniform in question. In this respect, the schools should be ready to make available on request to suppliers and retailers all necessary information, particularly concerning the colour codes, quality of material and the patterns/designs of uniform items. The parents would have the benefit of purchasing the uniform from the retailer of their choice. The schools would not need to enter into the merits of the prices being charged. The market itself will determine the price.
2. The schools could regularly issue a call for interested suppliers and retailers to come forward to supply their uniform. All those satisfying the objective criteria set by the school for the supply of the uniform will be selected and recommended to the parents. It would then be up to the parents to shop around and determine from where they should purchase the uniform. Again, the schools would not need to enter into discussions relating to price.
3. A tendering/expression of interest process could be adopted. An open, transparent and non-discriminatory bidding process will seek to enhance price competition and quality standards. It will guarantee security of supply for the schools concerned. Any agreement entered into following a bidding process must be limited in time. The duration may vary depending on the relevant circumstances, such as the size of the school, the market share of the successful supplier and the extent to which access to the market for the supply of school uniforms is restricted by similar agreements entered into by other schools. It must be borne in mind that the longer the duration, the greater the likelihood of foreclosure of competitors and the lesser the disciplinary force on the supplier to offer a good service. Generally speaking, agreements up to two years should not pose significant problems. For agreements exceeding two years, a careful assessment has to be made of the pro-competitive and anti-competitive effects of the agreement. In this respect, Article

5 of the Competition Act³ provides the legal framework for carrying out this exercise. Agreements exceeding five years should be avoided as these are more likely to foreclose competitors and are less likely to be beneficial for parents. No obstacles should exist for terminating the agreement at the end of its duration and it should not be automatically or tacitly renewable.

The Office considered that the benefit of the tendering process may be distorted if the schools ask the suppliers for compensation, particularly because the schools may give priority in allocating the tender to the supplier who has offered the best compensation for the school rather than the best uniform at the best conditions for the parents.

The tendering process should yield more competition if it is restricted to the wholesale level only and the successful bidder is obliged to sell to other retailers upon request.

Suppliers should not collude and co-operate between them on the terms and conditions to be offered by each of them when submitting their different bids or enter into unlawful agreements between them in connection with the tender. This behaviour would be in serious violation of the Competition Act and sanctions may be imposed. Schools should be careful to detect any signs of collusion and inform the Office where they suspect that collusion has taken place.

Schools have sometimes entered into a verbal or a written agreement not preceded by a bidding process with an individual supplier conferring exclusivity upon the latter, whether directly or indirectly, as in the case where the school uniform is specific. The Office considers that an agreement of this sort is more likely to have anti-competitive effects and is therefore not recommendable. If this, notwithstanding, schools do enter into exclusivity agreements not preceded by a tender, it is advised that they still take sufficient steps to guarantee transparency and the best prices and conditions for parents, for instance, by obtaining a number of quotations from different suppliers, by keeping parents well informed of the process and by avoiding verbal agreements with one particular supplier or retailer.

³ Chapter 379 of the Laws of Malta.

Moreover, these agreements must be limited in time and the school should ensure that the pro-competitive effects of the agreement, like security of supply, outweigh the anti-competitive effects of the agreement, like limited choice for the parents, whatever the duration. Again, in this respect, schools are referred to Article 5 of the Competition Act. In this case, this exercise is even more significant given that the agreement is not preceded by a bidding process. In determining the duration, regard must be had to all the relevant circumstances. It must be emphasized that particularly in this scenario, where the agreement is not preceded by a bidding process, agreements exceeding five years should be avoided. No obstacles should exist for terminating the agreement at the end of its duration and it should not be automatically or tacitly renewable.

Again it was recommended that if these agreements are resorted to, they should be made at the wholesale level only to leave scope for competition at the retail level.

The Office pointed out that where a supplier is an exclusive supplier or where the school itself sells the uniform or parts of it on an exclusive basis to its students and the uniform or those parts is/are specific, that supplier or school may be enjoying a dominant position on the market for that particular uniform. The supplier or school, therefore, should be careful not to abuse of this position, for example, by charging excessive prices. In this respect, attention was drawn to Article 9 of the Competition Act.

The Office also made the following general recommendations that apply independently of which model or option is selected:

1. Schools should constantly consult and engage parents in discussions on their uniform policy before they take any decisions on the colour, design and quality of the school uniform and method of supply. Moreover, schools should be consistently open to suggestions, observations and complaints from parents concerning price and quality of uniforms and the service offered.
2. Parents should be informed of the retailers selling the school uniform, to the extent that this may be within the knowledge of the school, in order to reap the benefits of additional choice on price, quality and point of purchase.

3. Parents should be offered the possibility to purchase the material of the uniform, in which case all necessary information, particularly on the colour code, patterns/designs and quality of material should be made available to parents.
4. Schools should not opt for long lists of uniform items as the inclusion of unnecessary items other than what is really essential would be an additional burden and cost to parents. Where schools would like to include uniform items, which are not strictly essential, but which may be convenient for the students to have, they should state clearly that those items are optional.
5. The pattern/design of the school uniform is ideally owned by the school and not by an individual supplier. This ensures that when there is a change in the supplier, as where a contract is awarded subsequent to a bidding process, the pattern/design of those particular school uniform items would remain the same.
6. Suppliers, particularly where they are exclusive suppliers, as in the case where a tendering/expression of interest is resorted to, should ensure that all sizes are stocked appropriately to reduce or eliminate any discrimination or discomfort for pupils who do not fall within the normal range of sizes and to provide for the possibility of tailor-made uniforms for students who may need extra small or extra large sizes. Moreover, suppliers should ensure that the normal range of different sizes is available.
7. Where there are different costs involved in the production of different sizes, the difference should be reflected in the price.
8. Where particular suppliers have been selected, for instance, following a tendering/expression of interest process, schools should inform suppliers that they have been chosen to supply the uniform or parts of it well before the start of the scholastic year.

9. The uniform items of mixed schools should as far as possible be the same for both boys and girls, so that parents wishing to pass down those uniform items to siblings will have a greater possibility of doing so.

10. Retailers should consider the possibility of selling school uniforms via the internet, alongside the sale of uniforms from retail outlets or school premises, for the convenience of parents.

Finally, the Office emphasized that the supply and sale of school uniforms is an economic activity, so that all those carrying out this economic activity must ensure that they act within the parameters of the Competition Act and avoid engaging in restrictive practices which harm competition.

1 Introduction

1.1 *The Role of the Office for Competition*

1. The purpose of the Malta Competition and Consumer Affairs Authority (henceforth 'MCCAA') is the "attainment and maintenance of well-functioning markets for the benefit of consumers and economic operators".⁴ To this end, one of the functions of the MCCAA is to promote and enhance competition.⁵ This function is carried out through the Office for Competition (henceforth 'Office') which is vested by law with the responsibility to apply and enforce the Competition Act.
2. The Office's primary responsibility is to investigate, determine and suppress restrictive practices.⁶ In parallel to this enforcement role, the Office also has the possibility to resort to non-enforcement measures. Under Article 3(1)(a) of the Competition Act, as it existed prior to the amendments which came into force on 23 May 2011, the Office could "advise undertakings, associations of undertakings and the public in relation to matters concerned with fair trading practices". With the advent of the MCCAA Act, the possibility of the Office to promote competition through non-enforcement measures has been further enhanced. Thus, the MCCAA Act explicitly provides that the Office has the responsibility "to keep under review markets and commercial activities relating to the supply of goods and services and to collect information and evidence for the purpose of ascertaining whether such markets and activities may adversely affect the interests of consumers"⁷ and "to study markets and recommend action where required"⁸. These provisions are backed by the possibility to undertake market sector inquiries under the Competition Act.⁹
3. The MCCAA Act also provides for advocacy. Advocacy refers to "those activities conducted by the competition authority related to the promotion of a competitive environment for economic activities by means of non-enforcement mechanisms,

⁴ Article 4(1) of the Malta Competition and Consumer Affairs Authority Act (henceforth 'MCCAA Act') Chapter 510 of the laws of Malta .

⁵ Article 4(2)(a) of the MCCAA Act.

⁶ Article 14(1)(a) of the MCCAA Act.

⁷ Article 14(1)(d) of the MCCAA Act.

⁸ Article 14(1)(e) of the MCCAA Act.

⁹ Article 11A, Chapter 379 of the Laws of Malta.

mainly through its relationships with other governmental entities and by increasing public awareness of the benefits of competition”.¹⁰ The Office has an obligation to advise public authorities on the competition issues which may arise in the performance of their functions and on the competition constraints resulting from administrative practices.¹¹ It also has the responsibility “to encourage undertakings and associations of undertakings to comply with competition law and promote sound trading practices”.¹²

4. The Office conducted a market study on school uniforms after observing that widespread dissatisfaction was being expressed in respect of the school uniforms market, particularly at the beginning of every scholastic year. This was evidenced by the complaints lodged at the Office and the reports and letters that appeared in the media. The Office, thus, had reason to believe that the school uniforms market might not be working well for the benefit of consumers and that the process of competition might be hampered.
5. In order to study the market for the supply of school uniforms, the Office compiled questionnaires and approached stakeholders to acquire the necessary information on the said market.¹³ In September 2011, the Office, then, issued a preliminary report for national consultation on the practices being adopted by State, church and independent schools with respect to the supply of school uniforms. Following the national consultation period and following an extensive public debate on the subject, the Office drew up this final report. This report presents the findings, conclusions and recommendations of the Office after considering the factors highlighted during the national consultation period.
6. The report should raise awareness of the problems arising in this market. It should encourage schools to promote competition on the market, which should in itself attract new entry and instigate parents to become more active consumers, given that their purchasing behaviour can in itself increase competition.

¹⁰ International Competition Network ‘Advocacy and Competition Policy’ Report (2002), available at www.internationalcompetitionnetwork.org/uploads/library/doc358.pdf, p. 25.

¹¹ Paragraphs (h) and (i) of Article 14(1) of the MCCA Act.

¹² Article 14(1)(f) of the MCCA Act

¹³ The Office commenced this study under articles 3 (1) (a) and 12 (1) of the Competition Act as it existed prior to the amendments introduced by Act VI of 2011 and that came into force on 23 May 2011.

7. Following this exercise, the Office will continue to monitor the market. Should the Office detect anti-competitive conduct in the market, it will use its enforcement powers under the Competition Act to bring any such unlawful behaviour to an end.

1.2 Aim of the Study

8. In Malta, education is provided by State, church and independent schools. Education is compulsory for children aged between five and sixteen. Children aged three to five attend pre-primary school on a voluntary basis. School years therefore consist of two years pre-primary non-compulsory education and six years primary and five years secondary compulsory education.
9. Virtually, all schools, be they State, church or independent schools, require their students to wear a school uniform until school leaving age.¹⁴
10. The Office observed that the majority of schools have specific uniform items and require parents to purchase the compulsory school uniform from a particular retailer or from the school itself, leading to lack of choice for the consumer in terms of prices, quality and retailer. Moreover, the Office was concerned that, since each specific school uniform item can constitute a separate product market in itself, where suppliers, who are very often the retailers themselves,¹⁵ enjoy exclusivity, competitors may be foreclosed from the market of the supply of school uniforms. Hence, the primary objective of this study was to determine, amongst the different practices prevalent on the market, the extent to which the market for school uniforms is benefitting from competition. To this end, the study aims to:
 1. Outline the current systems being adopted by State, church and independent schools in the supply of school uniforms;
 2. Determine the minimum, mean and maximum prices of each frequently compulsory school uniform item;

¹⁴ The school leaving age in Malta is sixteen years.

¹⁵ It is to be noted that the suppliers selected by the schools very often sell the uniforms themselves through their own retail outlets, except in those instances where they supply the schools and the schools themselves sell the uniform to the parents.

3. Assess how the prices of frequently compulsory school uniform items sold by designated retailers or by the schools themselves compare with those purchased from general retailers;
4. Assess the link between schools' uniform policies and the prices of uniforms, in order to determine whether parents suffer any detriment as a result of exclusive arrangements between schools and retailers;
5. Assess the relationship between the quality specifications and design features of uniforms and their price; and
6. Provide recommendations for making the school uniforms market function better for the benefit of consumers.

2 Response to the national consultation

11. The national consultation launched by the Office on the preliminary report on the supply of school uniforms shed further light on the current situation being experienced by schools, parents, suppliers and retailers involved in this market. The consultation period ran from 14 September 2011 to 26 October 2011. Written responses to this preliminary report were received from a number of parents, the Directorate for Educational Services (henceforth 'DES'), the Department of Contract Services (henceforth 'DCS'), the Independent Schools Association (henceforth 'ISA'), the Consumer Affairs Council (henceforth 'CAC'), the Consumers' Association (henceforth 'CA') and the Association of Parents of Children in Church Schools (henceforth 'APCCS').
12. Meetings were held with a number of school uniform suppliers and retailers, the Malta Chamber of Commerce, Enterprise and Industry, the General Retailers and Traders Union, the Malta Union of Teachers, the Gozo Business Chamber, the CA, the DES, the DCS, the Private Schools Association (henceforth 'PSA'), the ISA and the APCCS. A presentation was also given by the Office at the general annual meeting of the PSA. Many parents also submitted their comments by verbal communication.
13. The Office wishes to thank all the parties who submitted their observations and feedback. The subsequent paragraphs seek to outline the comments received.

2.1 Response from parents

14. The Office was approached by numerous parents, whose children attend State, church and independent schools. The majority of parents commented on the high prices of most school uniform items. It was pointed out that the actual costs incurred by parents are in fact higher than the sum of the costs mentioned in the report, since the report refers only to the frequently compulsory school uniform items and not to all the actual items included in the school uniform list. In addition, parents pointed out that for certain items, more than one of the same item is purchased.

15. Parents complained that sometimes the quality of the uniform is inferior and that the material used makes some of the uniform items, particularly those used for P.E. activities, not always appropriate to satisfy their purpose and use.
16. Parents acknowledged the benefits derived from having a school uniform as opposed to a system whereby students are free to attend school wearing garments of their choice. However, they also commented that schools should not go to the other extreme and impose long lists of school uniform items, since the expenses related to school uniforms add up to the total costs incurred by parents in sending children to school. In view of the fact that wearing a school uniform is compulsory and not a matter of choice, parents suggested that, while it is important that the school focuses on its corporate image and school ethos, the cost borne by parents, particularly when most parents have two or more children, should also be kept in mind. Parents also pointed out that some school uniform items, such as shirts and shorts, particularly in the pre-primary and primary years, vary unnecessarily between boys and girls attending the same school, thus making it impossible to pass down these uniform items to siblings where they are not of the same gender.
17. Severe criticism was passed on the fact that certain school uniform designs are very elaborate. Thus, parents do not have any choice from where to purchase the school uniform other than from the school itself or from the retailer indicated by the school. In general, parents condemned the fact that more often than not they are not involved in the decision-making process, but are simply informed of the schools' decisions and choices when these are already fait-accomplis.
18. Mixed reactions were received on the current changes being experienced by State schools with respect to school uniforms. A number of parents remarked that the system and prices were improving. On the other hand, some other parents complained that the new uniforms in the primary sector when compared to the traditional generic blue and white uniform involved higher costs for parents. Other parents were not in favour of the elaborate colours and designs chosen for the new uniforms.

2.2 Response from the Association of Parents of Children in Church Schools

19. The APCCS claimed that following the meeting held with the Office during the consultation period, it contacted schools, parent teacher associations and some parents for feedback. However, it only received comments from a small number of parents on the quality of some items in certain schools and the APCCS considered that these comments were so few that no conclusions could be drawn. The APCCS claimed that apart from these comments, it never received any comments from parents related to the purchase of uniforms vis-à-vis quality or prices.
20. According to APCCS, parents of children in church schools favour a specific uniform to a generic one. The APCCS observed that the uniform is an integral part of the school's ethos and identity, so much so that State schools are also following the same policy.
21. The APCCS asserted that the preliminary report had a limiting factor since the relationship between quality and price was not taken into account and prices normally reflect quality. APCCS claimed that more transparency does not necessarily mean resorting to the issuing of tenders, as the preliminary report showed that in the case of State schools where tenders were issued, parents still paid higher prices than in other schools which had different practices for the supply of school uniforms. APCCS also claimed that uniforms are not generally overpriced, though some items, like the blazer and tracksuit, might be more expensive than others. It also claimed that prices tend to go up from time to time.

2.3 Response from suppliers

22. Suppliers involved in the school uniforms market emphasized on the need that they be informed on whether they will be supplying a particular uniform well before the date on which the school uniform should be made available for purchase, so that they would have enough time to make the necessary arrangements to produce and import the required raw materials or products. These suggestions were

predominantly made in the context of the supply of school uniforms for State schools, since, according to the suppliers, the results of the call for the expression of interest issued for the supply of school uniforms for scholastic year 2011-2012 were not published early enough.

23. On a different note, some suppliers questioned the feasibility of a tendering/expression of interest process, since according to them, these still tend to restrict the market. These suppliers showed a preference for an open market where one supplier can produce the uniform items of any school irrespective of whether or not it had entered into an agreement to supply that uniform. However, suppliers did mention that, while supplying school uniforms belonging to different schools might have its advantages, there might be the risk that costs will go up due to lower quantities being stocked. According to a number of suppliers, the tendering and expression of interest processes will probably fail in the near future, since it is unlikely that suppliers would be willing to abide by onerous terms and conditions imposed in contracts, such as performance guarantees, when there is the possibility that other suppliers may supply the same uniform items simultaneously without having the need to similarly bind themselves by a contract.
24. Some suppliers claimed that they preferred the current system whereby each supplier was associated with a/some particular schools for an indefinite duration, holding that the system guaranteed security of supply and economies of scale. These suppliers opined that they would not consider supplying uniforms of schools which were being catered for by other suppliers.
25. In the various meetings held, the majority of suppliers claimed that they were more in favour of non-elaborate school uniform designs with a standard colour, since this makes it easier for them to stock the raw materials and uniforms would be less costly to produce, thereby resulting in lower prices for parents.
26. In view of the small size of the Maltese market, some suppliers observed that when the colours and the designs are similar for a number of schools, they are in a better position to outsource their production from abroad and import in larger quantities at a cheaper cost.

27. According to some of the suppliers, the schools approach particular suppliers usually with a pre-determined design and the suppliers merely give their opinion on the design to make uniforms more practical. On the other hand, other suppliers explained that when schools decide to change the supplier, the tendency is that the new supplier does not retain the original design of the school uniform. One supplier remarked that when a contract is signed with a school, the supplier is not permitted to use the design of that school uniform for any other school.
28. Some suppliers claimed that some church and independent schools ask for financial remuneration from the designated supplier of the school uniform. They highlighted that this remuneration is then reflected in the prices of the school uniform items.

2.4 Response from the Consumer Affairs Council

29. The CAC considered that the fact that schools have different uniforms, thus giving them a distinctive feature, is a laudable one and should be maintained. According to the CAC, the wearing of uniforms also has its social advantages since there is no distinction among pupils according to the attire which they wear when they attend schools. The CAC observed that the items composing a complete school uniform seem to be common to State, church and independent schools, but that some schools have introduced elaborate designs which result in only specific suppliers/retail outlets being able to supply such uniforms.
30. The CAC considered the preliminary report as giving a good overview of the situation prevailing in the sector and agreed with the Office's conclusions and recommendations. Basing itself on the findings of the Office, the CAC proposed two options to improve the market of school uniforms, independently of whether the schools concerned are State, church or independent schools. The first option proposes eliminating the tendering system. The second option proposes a tendering process with respect to a minimum number of school uniform items which should be resorted to should there not be enough interest under the first option to guarantee supplies.

31. In the case of the first option, the CAC proposed that the schools will establish their own particular complete uniform consisting of plain colours and uncomplicated designs. The specifications of the various school uniform items indicating the colour code, description of fabric, quality and fireproof material, will be drawn up. The schools will then issue a public call for expressions of interest for all those suppliers/retailers who would like to sell those school uniform items indicating the above-mentioned specifications. This process should be initiated at least nine months before a new uniform is going to be introduced. Following the assessment of the applications received, prospective suppliers/retailers will be asked to submit two samples of each uniform item that they wish to sell indicating the number of years they would like to do so. The samples are then analysed to ensure that the school's specifications are met. If the samples are found to be compliant, one of the samples will be given back to the retailer, while the other will be kept by the school. A certificate showing the authorisation of the retailer to sell the uniform items of the school will be issued. The certificate could be hung in the retailer's shop indicating that the outlet is authorised to sell uniform items of that particular school. The list of all approved retailers will be included in a circular to be sent to all the parents. In addition, schools will maintain the right to check that the quality of the school uniform items being sold are the same as the samples originally submitted. The CAC proposed that such procedure will be continuously adopted each year, so that new retailers will be given the opportunity to enter the market.
32. In terms of the second option, the CAC proposed that a tender procedure will be adopted for a very limited number of school uniform items which will only include blazers, ties, P.E. tracksuit, caps (in the case of pre-primary schools) and school badges. The same specifications mentioned in the first option will also feature in the tender document. The CAC suggested that the other school uniform items, should be of plain colours, with grey, navy blue or black for trousers, skirts and jersey and white for shirts, so that they can be bought from generic outlets, thus fostering competition.
33. The CAC also suggested that whichever option is adopted, all suppliers/retail outlets should be informed by the schools that the Office will be monitoring the relevant

market to ensure that no restrictive practices are taking place, such as cartels and excessive prices, to ensure fair competition in the market.

2.5 Response from the Consumers' Association

34. The CA noted that the fact that a report was issued, showed that the Office considered that the issue was still open for improvement. According to the CA, although the report was a step in the right direction, the conclusion of this issue was long overdue. The CA expected that the Office issues clear guidelines on how the matter will be handled in scholastic year 2012-2013. The CA claimed that the time for recommendations is over and it is necessary for the Office to use its powers conferred to it by the Competition Act to settle the issue once and for all. The CA retained that rather than issuing academic reports, the Office should have issued decisions and not simple recommendations. It considered that over the past years, the situation has deteriorated rather than improved, with State schools going down the same road as other schools and that anti-competitive practices have now overflowed into other sectors, like stationery.

35. According to the CA, the design of the school uniform items, which is a crucial factor, was not taken into account in the preliminary report. The CA queried on whether meetings were held with church and independent schools, as were held with the DES and asked on the outcome of these meetings. The CA observed that in future reports, the Office should issue the profile of each and every selected school indicating how school uniforms are supplied, considering that a report commissioned by the ISA had quoted the specific costs associated with each specific school.

36. The CA agreed with the main conclusions reached by the Office on the supply of school uniforms in State schools. Yet, the association claimed that it was surprised that the fact that the new system of school uniforms was the main cause for the high price of uniforms was not addressed. The CA expected that one of the recommendations should have been that the policy for school uniforms should be reverted to the original policy in terms of which the main components of the uniform were generic. The CA noted that though the tendering system might lead to

lower prices than the exclusive system used in the church and independent schools, it still leads to higher costs than the original uniform policy. The CA invited the Office to declare that these two policies are inflationary.

37. With respect to church schools, the CA claimed that the fact that the Office considered that parents are being deprived from any choice in terms of price, quality and point of purchase, in view of the restriction of competition between suppliers and retailers, should not only raise concerns, but should provide the basis for an investigation into these practices. Furthermore, the CA noted that although the preliminary report made reference to the fact that four church schools have an exclusive agreement, no more information, for instance, on the duration of the agreements and the impact on prices that these agreements have, was provided. With respect to independent schools, the CA observed that the situation is even more critical than that found in church schools and that the Office should use its conclusions to launch an investigation.
38. The CA expressed concern that the rights of parents, especially the right to choose, had been usurped and a middleman introduced. The CA criticised the Office for not delving into this issue and estimating its inflationary contribution. Furthermore, the CA retained that given that the Office did not mention the schools which are carrying out anticompetitive practices by name, has the consequence that schools which are being prudent in their school uniform policy, are being placed in the same basket. According to the CA, the most effective way to curb such practices is to adopt a name and shame approach, especially since some schools have indicated that they do not intend to change the manner by which they supply school uniforms in the near future.

2.6 Response from the Directorate for Educational Services

39. The DES pointed out that its comments relate only to State schools since only the latter fall within its remit. The DES acknowledged that the old State school uniform consisting of a navy blue skirt/trousers, a navy blue jumper, a navy blue tie and a white shirt is cheaper than the current uniforms in the State, church and independent sectors. However, the DES counter argued that the creation of colleges

in the State sector was intended to work towards the decentralisation of educational provision and that the school uniform reflects a school's ethos and identity. All types of schools in Malta are today considered by Government as being on a level playing field and holding their own autonomy, as has long been the case with church and independent schools. According to the DES, returning back to a basic uniform that is the same nationally, would go against this respect for identity and that it would be unjust to oblige State schools to have the same uniform, while allowing church and independent schools to develop their own design.

40. The DES noted that whilst the report stated that the tendering process used in State schools is still not rendering better prices, it was the Office who in previous years had recommended a tendering process to promote competition. The DES queried on what could be a more pro-competitive approach when choosing the supplier of school uniforms than calls for tenders or expressions of interest.
41. The DES criticised the Office for failing to give valid information in the report about the design of school uniforms in the State sector, when this information had been provided to the Office. All colleges had set up teams involving a number of stakeholders, teachers, students, parents and other persons who could provide a valid contribution to discuss the design of the new school uniforms. The DES issued a list of items that had to be included in the school uniform list to ensure that no college would add additional items. Great attention was given to the design and cost. While it was desired that the design should offer a fresh look, comfort and a smart image, instructions were given so as not to go for complex designs, such as piping. Once the design was decided upon, a tender was issued for each and every college. The DES assured the Office that it has always opted for the cheapest tender price where possible.
42. According to the DES, it was possible for different items to be sold by different suppliers. The DES criticised the Office that the report did not specify that the tenders gave the possibility to parents to effect purchases from other suppliers. While the DES awarded contracts for school uniforms according to the cheapest bid, nothing stopped any other retailer from producing the same uniforms and selling them. Hence, competition was still possible.

43. The DES criticised the Office for not taking into consideration the quality specifications of the school uniform items, yet found that uniforms specific to the school bought from specific points of purchase reflect higher prices and a lack of choice on quality and retailer.
44. While observing that certain items may be cheaper from general retailers, the DES considered that account had to be taken of the quality of the items and on whether those items contribute to the ethos of the school.
45. Furthermore, the DES considered that the preliminary report may have given the wrong impression that, firstly, the old system consists only of the traditional blue uniform, when in fact under the old system there are a good number of schools which have their own specific designs and that, secondly, the old system, whereby a retailer is not chosen by a tendering system, is better than the new tendering system, which ensures a fair and transparent process. The DES observed that on the basis of the preliminary report, State school uniforms are cheaper in price than those of church and independent schools.
46. The DES commented on how the preliminary report regularly referred to the term 'exclusive retailer' without explaining that if the items in the tender had to be shared amongst different retailers, the difference in cost would have been insignificant, especially in comparison to the hardship created to parents, who would have to go to different shops to purchase different items.
47. Further requests for clarification were asked on whether the Office is suggesting that government should oblige all schools, be they State, church or independent schools, to do away with their current uniforms and change uniforms to plain colours that manifest no identity or sense of belonging.
48. Clarifications were also sought on whether the Office, in stating that schools tend to be very strict in ensuring that students turn up in their school uniform, was implying that asking students to obey school rules is inappropriate. The DES claimed that wearing a uniform correctly is part of an educational process and an important part

of developing the child's personality. Moreover, adhering to rules set by the school is an important process of citizenship.

49. The DES criticised the Office for failing to point out in the preliminary report that the State sector had both consulted and engaged parents in discussions on school uniform policy.
50. The DES considered that the Office's claim that if its recommendations were observed more retailers would be providing different uniforms at different locations, did not reflect the situation in the State sector, since each college had issued a separate tender or expression of interest. In other words, different retailers were awarded the different tenders, even though some bidders won more than one college. The DES stated that there were several bidders and the cheapest bids, which satisfied the specifications required, won the tender. Contrary to what was claimed by the Office, that parents are tied to the same outlet, the DES claimed that State school tenders require that school uniforms are sold on school premises. According to the DES, this facilitates matters and is convenient for the parents.

2.7 Response from the Department of Contract Services

51. The DCS asserted that the whole process for selecting the suppliers of school uniforms for State schools by means of an expression of interest for scholastic year 2011-2012, could not have been more fair and transparent, as all the information related to the process was published and advertised on the government gazette and on all local newspapers. Anyone who wished to compete and provide better prices could have done so. The DCS opined that the selection process adopted did not limit competition but rather promoted competition in the market. The DCS claimed that the prices of all the bidders in the selection process for scholastic year 2011-2012 were very close. According to the DCS, the DES did not have any control on the current market situation. The DCS noted that the report failed to mention that prices may be higher due to inflation from year to year on the materials' prices. As a result, according to the DCS, one cannot actually compare the new uniforms to the old white and navy blue uniform.

52. The DCS commented that it is unlikely that there would be a significant difference in price between a good quality white shirt forming part of the old uniform and a coloured shirt forming part of the new uniform. In addition, the wear and tear factor had to be taken into consideration. In this respect, the DCS pointed out that lab dips were examined to ensure that the quality of the materials used was up to standard.
53. The DCS agreed that badges should be made available to be sewn on blazers. The DCS stated that the published expression of interest document did not stipulate that parents had to purchase the full uniform. As a result, the DCS agreed that parents who wished to buy or sew a blazer and buy and sew on the badge should be able to do so.
54. The DCS questioned whether informing parents of the process used for selecting a supplier in cases of exclusive arrangements would have a bearing on the price offered. The DCS, whilst considering that it was uncertain whether parents were really interested in procurement procedures, emphasised that, where the selection is done by open procedure, the exercise is public and can be freely accessed to should this interest the parents.

2.8 Response from Church Schools

55. Some church schools disagreed with the Office's recommendation that most of the school uniform items should be generic. The reason given was that the school uniform represents the school's ethos and identity and enhances the school's image. Other schools, particularly boys' schools, on the other hand, said that most of their school uniform items, like shirts and trousers, are generic. In addition, some schools showed reluctance to resort to a number of different suppliers or retailers for the supply of school uniforms due to the fact that supply could not be guaranteed. Indeed, many schools held that their supplier had always provided them with a good service and they did not feel the need to resort to other suppliers. A number of schools said that they feel that they are tied to their particular supplier since the latter owns the pattern and design of the school uniform items. Hence, should they change the designated supplier, they would have to change the school uniform.

2.9 Response from Independent Schools Association

56. The ISA submitted that it is made up of individual schools which decide upon their own individual policies and that it may only make suggestions and recommendations to its members on policy issues. Whilst it shares the Office's concern emerging from the findings of the preliminary report that there is a general tendency that school uniforms specific to a school bought from specific retailers are bought at a higher price, the ISA considered that it cannot insist with the schools to radically change the situation as some schools already have agreements in place. However, it highlighted that it will be requesting the schools to take into consideration the findings and recommendations of the preliminary report when signing new contracts.
57. The ISA pointed out that parents who send their children to independent schools prefer going to one retailer who can provide them with all the items required on one occasion, as this saves them time. Moreover, according to ISA, the majority of independent schools have worked with specific retailers because of the ease with which administrative arrangements and commitments are carried out. In addition, it was emphasised that independent schools opt for agreements with a particular retailer, in order to guarantee uniformity, a minimum standard of quality and long term continuity of supply. Moreover, most of the schools' agreements stipulate prices which can only be changed following agreement with the schools. According to ISA, market forces have over the years pushed prices up.
58. It was pointed out that most of the ISA members entered into a contract with a specific retailer following a strict tendering process. The ISA held that many small retailers are not capable of supplying large schools with all the uniform items required and therefore some of them are unable to tender. It was also pointed out that parents do manage to shop around for common items and buy individual items from other retailers.
59. According to ISA, its members feel very strongly about the school's ethos and how the uniform is related thereto. Some school uniform items have been worn for

generations and continue to underline the distinct ethos of the school. According to the ISA, ethos is not only connected to the learning principles established by a school, but is also about the way their students look. Style forms part of this image and it is for this reason that schools put plenty of time and effort into selecting and designing school uniforms. ISA members strongly believe that they do not want to get to a point where all items, except for two or three, are the same as other schools, particularly because they believe in diversity and plurality and in having a distinct identity.

60. The ISA claimed that its members are well aware of the role they play in the market and take their responsibilities seriously. It emphasized that its members will bear in mind all points raised by the report when affecting changes to the uniform policies and agreements. Moreover, ISA claimed that its members consult widely with parents. Schools that are parents' foundations, as well as those that are not, include parents in virtually all decisions. The ISA also explained that questionnaires sent to parents on quality assurance, include uniform items. Nevertheless, the ISA promised that its members will strive to ensure that parents are given further space to voice their opinions. The ISA claimed that it strongly defends the right of its members to design uniforms of their choice without any restrictions, though it will continue to be sensitive to parents' spending capacity and to the very stringent economic situation.

61. The ISA acknowledged that some schools have already understood that including certain items in the school uniform list may have been too demanding and, as a result, these have been removed. Moreover, the ISA claimed that they also encourage the sale of second hand items which puts some competitive pressure on the suppliers of first-hand uniform items. The ISA considered that the Office's recommendation to encourage the provision of uniforms by general retailers and for this purpose make available school uniform patterns, colour codes and designs to other suppliers may go against the specific agreements already in place between the designated suppliers and the schools. The same was held with respect to the recommendation that parents should be offered the possibility to purchase material, thereby making available patterns and designs of school uniform items also to

parents. However, the ISA did not exclude the possibility that its members may wish to consider this in the future.

62. The ISA claimed that many ISA schools use a tendering process which seems to be transparent and non-discriminatory. In the preliminary report, the Office recommended that when an exclusive arrangement is considered necessary, this should be restricted only to the wholesale level in order to create competition at the retail level. The ISA promised to look into this recommendation although it considered that it is up to the individual schools to decide on whether to adopt this recommendation. The ISA considered that its members cannot be tied down with the Office's recommendation of ensuring that the school keeps the same uniform items following the adjudication of a new tender or a change in supplier. However, the ISA promised that every effort will be made by its members to ensure as little disruption as possible, although it was up to the schools to decide on this issue.
63. Finally, the ISA claimed that its members are committed to continue striving to achieve good quality for a fair price and to review their uniform policies in the light of the report issued by the Office.

2.10 Office's Response

64. In the subsequent paragraphs, the Office addressed only those comments which it considered as requiring further clarification. Salient observations, particularly those with which the Office was in agreement, were not addressed directly in this chapter, but were taken on board or considered in the final chapter.
65. The Office used a basket of frequently compulsory items to be able to conduct a price comparative exercise involving State, church and independent schools. While it acknowledges that the costs indicated in the report may be lower than the actual costs incurred by parents, the Office could not take into account all school uniform items, since from the sample taken, not all schools had exactly the same items and for the purpose of a comparative exercise only the common items could be taken into account. Moreover, since the price comparison was made over the same year, it was not considered appropriate to factor in the effect of inflation.

66. A number of suppliers indicated that they prefer a system whereby each supplier is associated with a particular school. The Office believes that this practice may harm consumer welfare were competition is restricted, resulting in higher prices and lack of choice.
67. With respect to the financial remuneration received by schools in return for selecting a particular supplier, it is legitimate that parents should be informed of such remuneration. The Office is also of the view that such remuneration may distort competition and is most likely to be reflected in higher prices for school uniform items as admitted by the suppliers themselves.
68. In reply to the comment that the preliminary report did not give sufficient information on the duration of the agreements entered into by church schools and the impact of these agreements on prices, it is submitted that the preliminary report did in fact provide information in general terms on the duration of the agreements entered into by the schools selected in the sample across all sectors and that the relationship between the method of supply, including exclusivity agreements and prices, was in fact a recurring theme in the study.
69. In reply to the observation that the Office should have issued decisions and not recommendations or adopted a name and shame approach, it must be pointed out that at this stage, the Office considered that it was more appropriate and effective to reach out to all those involved in this market by means of its non-enforcement powers, which also emanate from the law, rather than launch specific investigations against particular schools or suppliers. Of course, this does not preclude the Office from opening investigations and sanctioning breaches. Indeed, the Office will continue to closely monitor the market and where it detects anti-competitive conduct, it will resort to its enforcement powers under the Competition Act. Moreover, many schools submitted that they do not intend to change the manner by which their uniforms are supplied in their replies to the questionnaire, that is, at the stage when the data was being collected. Subsequent to the preliminary report and the consultation process, in fact, many schools showed their willingness to revise their uniform policies.

70. The Office is not against schools wishing to have their own distinct identity. Indeed this falls entirely within the discretion of the schools. The Office is merely recommending ways for making the market more competitive, whilst bearing in mind the interests of schools, parents, suppliers and retailers. Hence, in showing favour for uniforms consisting mainly of generic items, as opposed to items with very particular designs, colours and elaborate features, the Office must not be understood as in any way trying to establish a standard uniform for all schools. As pointed out, the distinct identity of the school may be conferred, for instance, by the tie and the badge, which in themselves are not the most expensive items of the uniform. Furthermore, the Office believes that general retailers offering generic items which match those in the uniform established by the schools are still able to offer good quality items which contribute to the schools' identity.
71. With respect to the observation that the Office did not take into account or did not give sufficient information on the design of the school uniforms, the Office observes that, the preliminary report, throughout, refers to generic and specific items and that in Chapter 2 of the preliminary report it was explained that generic items refer to those items that can be bought from any general retailer and are not specific to the school. It must be submitted that the Office considered this distinction sufficient for the purposes of carrying out a comparative exercise between the prices of generic uniform items and those which are specific to a school and that it was beyond the scope of this report to describe in any further detailed manner the design of each and every school uniform in the sample. This report also distinguishes between simple and complex designs in Chapter 8.
72. The Office held meetings with the DES because it needed to obtain further insight on the manner by which school uniforms are supplied, in particular with regard to State schools, prior to drawing up and sending the questionnaires. Indeed, at that stage, the Office already had a good idea of the systems used by church and independent schools. The preliminary report was then based on the data collected from the replies to the questionnaires. The preliminary report served as the basis for discussion and several meetings were in fact conducted with representatives of all three kinds of schools and all had the opportunity to submit written observations. It

was at this stage, that is, following the publication of the preliminary report and prior to the drawing up of the final report, that consultation with all those involved was deemed imperative.

73. With regard to State schools, it resulted that the majority of primary schools selected in the sample were still using the traditional blue uniform, whereas only a limited number of primary schools had a specific school uniform. When it came to secondary schools, from the sample taken, it transpired that all secondary schools had a specific uniform. The comparison between the old and the new system was based on a comparison between schools which had a specific uniform of their own under the old system and schools which were adopting the new tendering system and had different school uniform designs pertaining to each college.
74. While the Office believes that adopting a tendering system or issuing expressions of interest is a step in the right direction, it was found on the basis of the preliminary study, that there was still room for improvement when it came to prices and the choice available to parents from where to purchase the school uniform.
75. The Office acknowledges that where a tendering system is adopted, given that the contract is being entered into by the school and the supplier and not by the parents, there is nothing to stop the parents from seeking to purchase the uniform from elsewhere. However, where the uniform or the major part of it is specific, the supplier would have been conferred exclusivity indirectly, as the parents can only purchase the uniform from the successful bidder. The Office also acknowledges that given that the call for bids is public and that it contains the specifications and description of the uniform, there is nothing to stop other suppliers from replicating the uniform and offering it for sale. When the preliminary report was drawn up, the Office considered that this phenomenon was unlikely or if it occurred it would not be widespread or significant. It was in this scenario that the Office considered that the successful bidder would be an exclusive supplier. Indeed, it was only in the case of one State college out of ten that one supplier did manage to supply the uniform for sale on the market together with the successful bidder. However, having said this, the Office does not exclude that this occurrence would eventually become more frequent following this study.

76. The Office does not concur with the observation that having more than one supplier providing the same uniform may result in lack of security of supply. Rather, the Office is of the opinion that having an agreement with only one supplier may also not guarantee supply, particularly in the case of agreements not backed by penalty clauses. This is due to the fact that if the designated supplier does not supply school uniforms on time, the school has no other supplier to resort to. On the other hand, this would not be the case if more than one supplier supplied the school uniform items of the same school.
77. The Office considers that schools may sell uniforms themselves, so long as no undue pressure is put on parents to buy the uniform from the school, prices are fair and the items are available elsewhere.
78. In the preliminary report, the Office observed that should its recommendations be followed, there will be more retailers providing different uniforms of different schools in different locations, rather than having parents of one school all tied to the same outlet. In so observing, the Office intended that, apart from encouraging new entry into this market and thereby increasing the number of suppliers and retailers, the uniforms of each school would also be available from different sources, thus encouraging competition even with respect to the same uniform. Furthermore, the Office would like to point out that, whilst it finds no objection to uniforms being supplied from school premises by the suppliers themselves for the convenience of parents, parents should always be left free to purchase the uniform from retail outlets should they wish to do so.
79. The Office would like to advise schools to ensure that their agreements are compliant with competition law and, if need be, to revise them. Article 5 of the Competition Act prohibits agreements between undertakings which have the object or effect of preventing, restricting or distorting competition within Malta or any part thereof. Such agreements are *ipso jure* null and void. Thus, the fact that an agreement is already in place does not mean that that agreement is lawful or should not be revised. Furthermore, it must be noted that the word 'undertaking' refers to entities carrying out an economic activity. Hence, insofar as schools may be

providing a service in return for remuneration, be it the provision of education or more limitedly the sale of uniforms, they may qualify as undertakings, even if only in relation to the latter activity, for the purposes of competition law. Moreover, Article 9 of the Competition Act applies to unilateral conduct and prohibits an abuse of a dominant position.

80. While the Office acknowledged in the preliminary report that it did not factor in quality, it remedied this limitation in the final report by looking at the quality specifications of some uniform items and examining the relationship between the quality specifications of those items and their price. In doing so, the Office sought to determine whether the significant percentage price differences could be attributed to the quality specifications of the uniform. Details and further explanation on this exercise is provided in Chapter 8 of the report.
81. In the preliminary report, the Office referred to lack of choice on quality and retailer because it found that school uniforms can generally be bought only from one designated retailer. The natural consequence of this, quite independently from any study on quality, is lack of choice on quality and point of purchase.
82. The Office disagrees with the comment that in some part of the preliminary report it implied that it is inappropriate for students to obey the schools' uniform policy. The Office merely pointed out that the fact that schools ensure that students turn up in their full uniform puts further pressure on parents to buy the precise school uniform, making it an essential item. This, in itself, makes it all the more important for parents to benefit from competition.

2.11 Conclusion

83. In order to provide an overview of the results of the consultation period, the Office sought to delineate the comments by the parties in the various meetings held and in the correspondence received. Where appropriate, the Office took into account the recommendations submitted and the observations made to improve upon its findings, conclusions and recommendations.

3 Report on School Uniforms issued by the Social Affairs Committee

84. Following the publication of the preliminary report, the Permanent Social Affairs Committee of the House of Representatives (henceforth 'SAC'), held a number of discussions to try to better understand the current situation in the school uniforms market and see how this is affecting parents. The Office attended two meetings where it had the opportunity to present and discuss the main findings of the preliminary report and to hear the views of stakeholders and of the SAC itself.
85. Following these discussions, the SAC, in February 2012, issued a report on school uniforms entitled '*L-Uniformijiet tal-Iskejjel*' [*'School Uniforms'*]¹⁶. The report includes a summary of the discussions held and makes reference to some of the recommendations put forward by the Office. The report then concludes with the recommendations proposed by SAC. The report was open for public consultation.
86. The recommendations proposed by the SAC in its report are the following:
- All schools should strive to keep the school uniform as simple and generic as possible;
 - There should be a procedure which guarantees that the school uniform will not be changed for at least ten years, as the fact that a school uniform is not changed often, encourages more suppliers to enter the market;
 - An expression of interest should be issued in order to determine who will enter an agreement to provide the uniform;
 - Schools should not themselves determine the price of school uniforms. Rather, the price should be provided by the supplier following the adjudication of the tender based on the cheapest price and the quality specifications required;
 - Any form of agreement signed between the suppliers and the schools should not be on an exclusive basis. The agreement should be entered into for the

¹⁶ <http://www.parlament.mt/socialaffairscommittee>

purpose of guaranteeing supply of the uniform and not to guarantee exclusivity;

- More suppliers should be encouraged to enter the market of school uniforms to incentivise a downward pressure on prices;
- Schools should issue information on the details of the school uniform, they should inform parents who has won the contract and give parents the possibility to purchase school uniforms from other sellers. The responsibility of the quality of the school uniform items purchased from retailers other than the one winning the contract, would be borne by the parents themselves and the retailers.

Moreover, the SAC maintained that any recommendation put forward by the Office should bind State, church and independent schools.

3.1 Response to the National Consultation of Social Affairs Committee

87. The SAC received feedback on the report issued by it from the CA, a number of suppliers and parents. Given the relevance of this feedback to the Office's report, the Office in the following paragraphs sought to outline those points which it considered salient for the purposes of this report and which were not raised in the consultation on the Office's preliminary report.
88. The CA stated that the demand for the school uniforms stems from the parents, but that this demand is being tailored by the schools. The CA believes that, while school uniforms play a part in creating the identity of the schools, this can still be achieved by a simple uniform, insisting that it is the standard of the education provided by the school which should mostly give identity to the school.
89. The CA claimed that the price should be determined by sellers and not by the schools. Parents should be free to purchase from retailers of their choice and this right should not be usurped by any school. While the CA acknowledged that the school has the right to establish a uniform policy, this should not lead to the detriment of the consumer and competition in the market. The responsibility of the

schools is to provide education and not to impose extra financial burdens on the family. The CA noted that such factors are leading to parents paying much higher prices and that a large number of families for a variety of reasons purchase more than one uniform or parts thereof.

90. According to the CA, when the uniform is generic, parents have a wider choice from where to purchase school uniform items and they can purchase them at a cheaper price. However, when schools adopt a specific uniform, the market is restricted due to the fact that only limited information is available, suppliers are in a more difficult position to achieve economies of scale and parents do not have any choice. These factors contribute to higher prices.
91. The CA claimed that schools should not set the price of the school uniform themselves as this would lead to higher prices because the school would receive the difference in price. The CA believes that where this occurs, parents should be kept informed and should be able to express their agreement or otherwise. The CA criticised the Office for failing to make any reference to this aspect in the preliminary report.
92. The CA also commented on the feasibility of calls for tenders for the supply of school uniforms which allow at the same time other suppliers to enter the market. It was stated that, in practice, it was inconceivable how a supplier could pay for a tender document and be obliged to guarantee supply at an agreed price when other suppliers could simultaneously enter the market without incurring the same obligations. In addition, the CA highlighted that the adjudication of tenders will not solve the problems encountered in such market. According to the CA, the problem will be solved only if generic uniforms with very few specific items are opted for. Tenders should be adopted only with respect to those few specific items.
93. In general, a number of small retailers highlighted their concern that they were being excluded from the market of school uniforms, since the designated suppliers or successful bidders refused to supply school uniform items to them. It was emphasised that when all retailers are given the possibility to sell these uniform items, price competition will ensue, which will be to the benefit of the end

consumer. Others highlighted that exclusive contracts are not necessary, as consumers will seek the best quality, price and service, which will themselves be ensured by market forces. In addition, it was claimed that if suppliers and retailers are informed of the required school uniform designs, colours and sizes, they will import the uniforms from abroad and sell them at competitive prices.

94. On the other hand, a supplier claimed that in the case of State schools, all the major suppliers of school uniforms participated in the tendering process and some were awarded contracts for two and even three years. It was claimed that for the latter suppliers, it would be unfair to resort back to a simple uniform given that they have invested in materials and stocks of garments in order to ensure guarantee of supply. The effects on the parents who would have already purchased the uniform and would later have to purchase uniforms of inferior quality and design were queried. According to this supplier, in general, following the tendering process, school uniform items were of good quality and were available at cheaper prices. It was claimed that if school uniform designs were to be made simple, thereby allowing other suppliers to enter the market, good quality, uniformity of colours and better prices will be threatened. On the other hand, the suppliers selected following a tendering process are bound by the tender obligations and bid bonds, hence good quality, colour uniformity and rigid time-frames for supply are ensured. In addition, it was claimed that children who are not within the normal range of sizes, will have difficulties in finding their fit and will thereby be requested to pay much higher prices for a made-to-measure fit.

3.2 Conclusion

95. Following the national consultation period, the SAC held another meeting in which the Office and a number of stakeholders, including suppliers and representatives from State schools, participated. The purpose of the meeting was to discuss the report issued by the SAC and to raise any other concerns that are inherent in the market. It transpired that a number of suppliers showed their concern on the current system of expression of interest since they considered that this still imposed certain restrictions for whoever wishes to bid. The SAC also raised the concern that, in actual fact, the supplier who is indicated in the expression of interest, might be at

a disadvantage compared to those suppliers who also wish to supply the same uniform. This is due to the fact that the designated supplier is bound by what he submitted in the expression of interest, whilst other suppliers are not.

96. Suppliers insisted that the current designs of school uniform items are too complicated, and as a result, it might not be profitable in the long term to enter the market. The SAC observed that schools should apply caution when using certain terms, for example 'official', to indicate the designated supplier of a particular uniform, since this might result in one particular supplier having an unfair advantage over competitors. The Office maintained that there has to be a change in mentality. Parents should be encouraged to become more active consumers, suppliers should be more readily open to carry on their business in a competitive market, while schools should be more aware of the responsibility that they carry when setting their school uniform policies. The SAC claimed that change should be a gradual one until the market stabilises itself and that at this stage expressions of interest are still important as schools require a guarantee that there will be at least a particular supplier who will sell its school uniform.

97. In conclusion, the SAC renewed its support for parents that they should have more choice on price, quality and retailers, that schools should have the assurance that their school uniform will be supplied by at least one supplier and that a larger number of suppliers should be able to enter and compete in the market. The SAC concluded that such factors will all contribute to having a more open, transparent and competitive school uniforms market.

4 Methodology

98. As described in the introduction, education in Malta is provided by State, church and independent schools. Given the differences in practices adopted by each for the supply of school uniforms, the Office considered that each category should be assessed separately. A separate assessment was made within each category for pre-primary, primary and secondary levels.
99. The study was based on a number of complementary stages, namely the collection of data, the processing and analysis of the collected data, the publication of a preliminary report launched for national consultation and the publication of the final report following the evaluation of observations and additional issues put forward during the consultation process. In the subsections below, further detail will be given on each stage of the study.

4.1 First Stage: The Collection of Data

100. The primary step within the first stage of the study consisted of choosing a basket of frequently compulsory school uniform items, namely long and short trousers, skirt, long and short sleeve shirts, jersey, polo shirt, tie, blazer, P.E. tracksuit, P.E. t-shirt, P.E. shorts and cap. To ensure consistency, the prices used pertained to one scholastic year, that is 2010-2011. Moreover, all price data included in this report pertained to size medium or equivalent sizes.
101. In order to have a comprehensive representation of the school population which is of approximately 225 schools, the Office took a sample of 40 out of 99 State schools, 35 out of 79 church schools and 22 out of 49 independent schools. A stratified random sampling method was used to establish the number of schools selected within the different educational levels as illustrated in the table below.¹⁷

¹⁷ In the case of state schools, the sample of 27 schools included both pre-primary and primary due to the fact that pre-primary and primary schools constitute one school.

Education Level	State	Church	Independent
Pre-Primary	27	14	10
Primary		11	6
Secondary	13	10	6
Total	40	35	22

Table 1: Sample size selected for state, independent and church schools

(Source: Calculations of the Office)

102. Several meetings were held with officials from the DES to obtain better knowledge on the manner by which school uniforms are supplied, in particular, with regard to State schools. Following these meetings, the Office found that there is a considerable difference in the manner by which school uniforms are supplied by State schools and the manner by which school uniforms are supplied by church and independent schools. In view of this, it was decided that two different questionnaires should be distributed to the selected schools belonging to the State (Annex 1) and to the selected church and independent schools (Annex 2).

103. The aim of the questionnaire sent to State schools was to determine which system was currently being adopted by the school, to identify the supplier/s and/or retailer/s of the particular school uniform items and to determine the respective prices for each item within the selected basket of school uniform items. In the case of church and independent schools, since these tend to adopt a number of different practices for the supply of school uniforms, the questionnaire sought more information on the manner by which school uniforms are supplied, on any existing contracts, on designated suppliers and retailers and on the prices of the school uniform items.

104. From the submissions received from a number of State schools, it was noted that some of the selected school uniform items were not specific to the school and therefore could be purchased from any general retailer. For the purpose of the study, these items are referred to as 'generic items'. In order to obtain the prices of such generic items, a template was prepared which included the same basket of school uniform items used for the questionnaires referred to above. Market Surveillance Officers (henceforth 'MSO') were assigned to collect the prices of these

generic items from a number of general retailers from different geographic areas across Malta and Gozo.

105. Following the receipt of the questionnaires, it was noted that a number of schools did not submit the prices of the selected school uniform items. As a result, the Office requested a number of school uniform suppliers and retailers to provide these prices, particularly when the school uniform was specific to the school in question.

4.2 Second Stage: The Processing and Analysis of Data

106. Subsequent to the collection of data, the Office proceeded to the second stage of the study by processing and analysing the data received from schools, suppliers and retailers. The first step was to create a profile for each selected school which included information on how school uniforms are supplied, the name of the supplier/s and retailer/s, whether the selected school uniform items are specific or generic and the respective prices of the uniform items for each selected school.

107. Basing itself on the data collected for specific and generic school uniform items, the Office determined the minimum, mean¹⁸ and maximum prices of each selected school uniform item of an equivalent medium size for pre-primary, primary and secondary levels. In addition, in the tables provided, the Office calculated the total mean price of a school uniform for each different educational level. It is important to note that minimum and maximum prices of each uniform item may pertain to different schools. The Office utilised the 95% confidence level for its statistical estimations. The prices derived from such calculations were used as a basis for a number of assessments and comparative analyses for the supply of school uniforms applicable to State, church and independent schools.

¹⁸ The mean provided in the tables in the study consists of the average of all the prices gathered for each specific uniform item.

4.3 Third Stage: The Publication of the Preliminary Report

108. On 14 September 2011, the Office launched a preliminary report on the supply of school uniforms market for a six week national consultation period, with its first conclusions and recommendations. The preliminary report was brought to the attention of the general public through a press release and other forms of media, such as TV programmes and articles in newspapers. E-mail shots were sent to all schools in Malta and Gozo to ensure that the preliminary report was brought to the attention of all schools. In addition, schools were requested to forward the preliminary report to parents. The report was also uploaded on the MCCA's website.

109. As explained in Chapter 2, various meetings were held with interested parties and written submissions were also submitted to the Office. The Office, as explained in Chapter 3, actively participated in the discussions held by the SAC.

4.4 Fourth Stage: Follow-up to Consultation and Publication of Final Report

110. The Office considered the comments received on the preliminary report. One of the pertinent comments received on the preliminary report was that the quality of school uniform items in relation to the price was not taken into consideration. In view of this, the Office visited a number of school uniform suppliers, retailers and schools to collect data on the quality specifications of the school uniform items in order to determine whether these significant percentage price differences highlighted in the preliminary report could be attributed to quality factors.

111. The Office identified the quality specifications of the minimum and maximum priced church and independent school uniform items for which the percentage price difference was of 50% or more and which were common to both church and independent schools at the same level. When visiting school uniform points of sale to collect quality data, the Office also noted the designs of these school uniform items to determine whether they had a simple or complex design.

112. With respect to State schools, in view of the fact that from the sample taken only pre-primary schools and a limited number of boys' secondary schools were found to have adopted the new system of the supply of school uniform items for scholastic year 2010-2011, the Office only collected the quality specifications of the uniforms of these schools. No quality data was collected for school uniforms pertaining to the old system in view of the current changes in school uniforms and due to the fact that suppliers and retailers are no longer stocking old uniforms.
113. With respect to State schools only, given that as for scholastic year 2011-2012 a new expression of interest was issued, the Office considered it opportune to compare the prices of scholastic year 2011-2012 following the expression of interest with the prices of scholastic year 2010-2011 following the tendering process to determine whether there were any movements in prices.
114. The Office conducted a comparative exercise on the manner by which suppliers were selected. For the purpose of this exercise, the minimum, mean and maximum prices of school uniform items pertaining to scholastic year 2010-2011 were used. The comparison was conducted between those items which were supplied by suppliers who were chosen following a call for an expression of interest and those uniform items which were supplied by suppliers who were chosen by other methods. The exercise was carried out only with respect to church and independent schools and only with respect to those levels where the schools indicated that the school uniform items were supplied following an expression of interest.
115. Following the assessment of the comments received on the preliminary report, this final report was drawn up.

5 State Schools

116. The State education system is provided for by approximately 99 schools, of which 68 are pre-primary and primary schools and the remainder secondary schools. By October 2007, a system was created whereby a group of schools clustered in a particular area together form part of a college. In total, there are nine colleges in Malta and one college in Gozo, with each college consisting of a number of pre-primary, primary and secondary schools. Pre-primary and primary State schools are found in nearly every town and village in Malta and Gozo, while secondary schools are found on a more regional basis. Currently, pre-primary and primary schools are co-educational, while schools at secondary level are segregated between girls and boys.

117. While State schools offer free education to students aged between three and sixteen years, the cost of school uniforms is borne by parents. At present, the supply of school uniforms within State schools is in a transitional phase. For this reason, this report distinguishes between the old system and the new system. Under the old system, individual schools entered into some form of agreement with particular suppliers and retailers for the supply of school uniforms. Moreover, under the old system, there was no uniform for the pre-primary years and some of the schools in the primary level had a generic uniform. On the other hand, some other primary schools and the secondary schools already had a specific uniform. Under the old system, where the old uniform has not been already phased out and where the school uniform is not specific to the school, parents have the possibility of purchasing the school uniform from any general retailer. This will no longer be possible once the new system is fully implemented.

118. Under the new system, up until scholastic year 2010-2011, contracts were awarded to school uniform suppliers following a tendering process issued by the DES. For scholastic year 2011-2012, the DES slightly amended the process by issuing an expression of interest rather than a tender. The change from the old system to the new system was intended to ensure price stability and a more distinct identity for each college by having a specific uniform from the pre-primary grades up to school-

leaving age, with distinct colours and patterns which cannot be substituted by generic school uniform items.

119. For scholastic year 2011-2012, the new system was fully implemented by all colleges with respect to the supply of school uniforms for pre-primary pupils, primary Year 1 and Secondary Form 1. However, with regard to scholastic year 2010-2011, the new system was only implemented at pre-primary level for all colleges, Zurrieq Primary Year 1 of St. Benedict College and five secondary schools belonging to four different colleges namely Maria Regina College, Santa Margerita College, Gozo College and St. Benedict College.

120. A total number of forty questionnaires were sent to State schools, which were divided into twenty-seven pre-primary and primary schools and thirteen secondary schools. All the State schools selected within the sample replied to the questionnaire.

121. In its preliminary report, the Office already acknowledged the fact that the supply of school uniforms in State schools is in a transitory stage. Although in scholastic year 2011-2012 all schools started to implement the new system as explained above, the Office, in order to remain consistent with the findings of the preliminary report and in order to be able to rely on the data gathered at that stage, continued to use in this report the data pertaining to scholastic year 2010-2011. Nevertheless, it was possible to carry out a price comparison with scholastic year 2011-2012 for State pre-primary and for those boys' secondary schools which were already implementing the new system in 2010-2011 and which were selected in the sample taken.

5.1 Pre-Primary Schools

122. Before school uniforms were introduced for kindergarten, children were allowed to attend school without wearing a specific school uniform. This implied that parents were free to send children to pre-primary school in garments of their choice. However, under the new system a specific school uniform was introduced for kindergarten pupils for every college. The school uniform consists of the polo shirt, shorts, jogging suit and baseball cap. As with other levels in State schools, the DES

issued a call for tenders for each college to assign to particular suppliers the supply and sale of uniforms. These school uniform items can only be bought by the parents from the designated suppliers, acting also as retailers, due to their unique colour codes, colour combinations and design.

123. The Office compiled the following table illustrating the minimum, mean and maximum prices found for each school uniform item of State pre-primary schools. The table also shows the minimum, mean and maximum total prices of the complete uniforms found for the colleges. It is to be noted that, the values of the complete uniform in the table below are not the sum of the prices of the four uniform items listed in the table.

	Minimum Price €	Mean Price €	Maximum Price €
Polo Shirt	7.90	9.03	10.04
Shorts	5.80	6.14	6.23
Baseball Cap	3.90	4.27	4.57
Jogging Suit	13.15	15.03	16.77
Full Uniform	30.84	34.47	37.24

Table 2: Minimum, mean and maximum prices for State pre-primary school uniform
(Source: Calculations of the Office)

124. As illustrated in the table, the total mean price of a school uniform for a pupil attending a State pre-primary school in scholastic year 2010-2011 was €34.47 with the jogging suit being the most expensive item from all school uniform items. The Office considered that a comparative analysis between the old and the new system could not be undertaken, since prior to the adoption of the new system, children were not required to wear a school uniform.

5.2 Primary Schools

125. In contrast to State pre-primary schools, schools at primary level selected by the sample were still adopting the old system. Hence, the findings in this section reflect the old system, where no bidding process was used. It was found that around 30% of

the schools have a specific uniform which must be bought from a particular retailer, another 37% have a mixture of specific and generic school uniform items, while the remaining 33% may buy uniform items from any retailer. These figures do not include P.E. uniform items but are solely related to all other items included within the basket of frequently compulsory items. With respect to P.E. school wear, around 40% of schools have to purchase the P.E. uniform from a specific retailer and another 30% may buy the uniform from any general retailer. For the remaining share, certain P.E. items may be bought from any general retailer while other items must be bought from a particular retailer.

126. After compiling a specific profile for each selected school, it was noted that the blazer and the cap are not frequently compulsory items at primary level. This is due to the fact that only approximately 15% of the selected schools indicated clearly that the blazer is part of their school uniform. The remaining selected schools indicated that they do not have a blazer or did not specify at all whether it is part of their school uniform. With regard to the cap, around 52% of the selected schools either indicated that it did not form part of their school uniform or did not provide such information. Thus, these two items were excluded from any calculation related to the selected basket of school uniform items at primary level.

127. The figure below provides a graphical representation of how many of the selected schools require that each frequently compulsory school uniform item be purchased from either designated or general retailers. It also indicates the instances where a particular item does not form part of the school uniform and where no information was provided as to from where certain uniform items may be purchased.

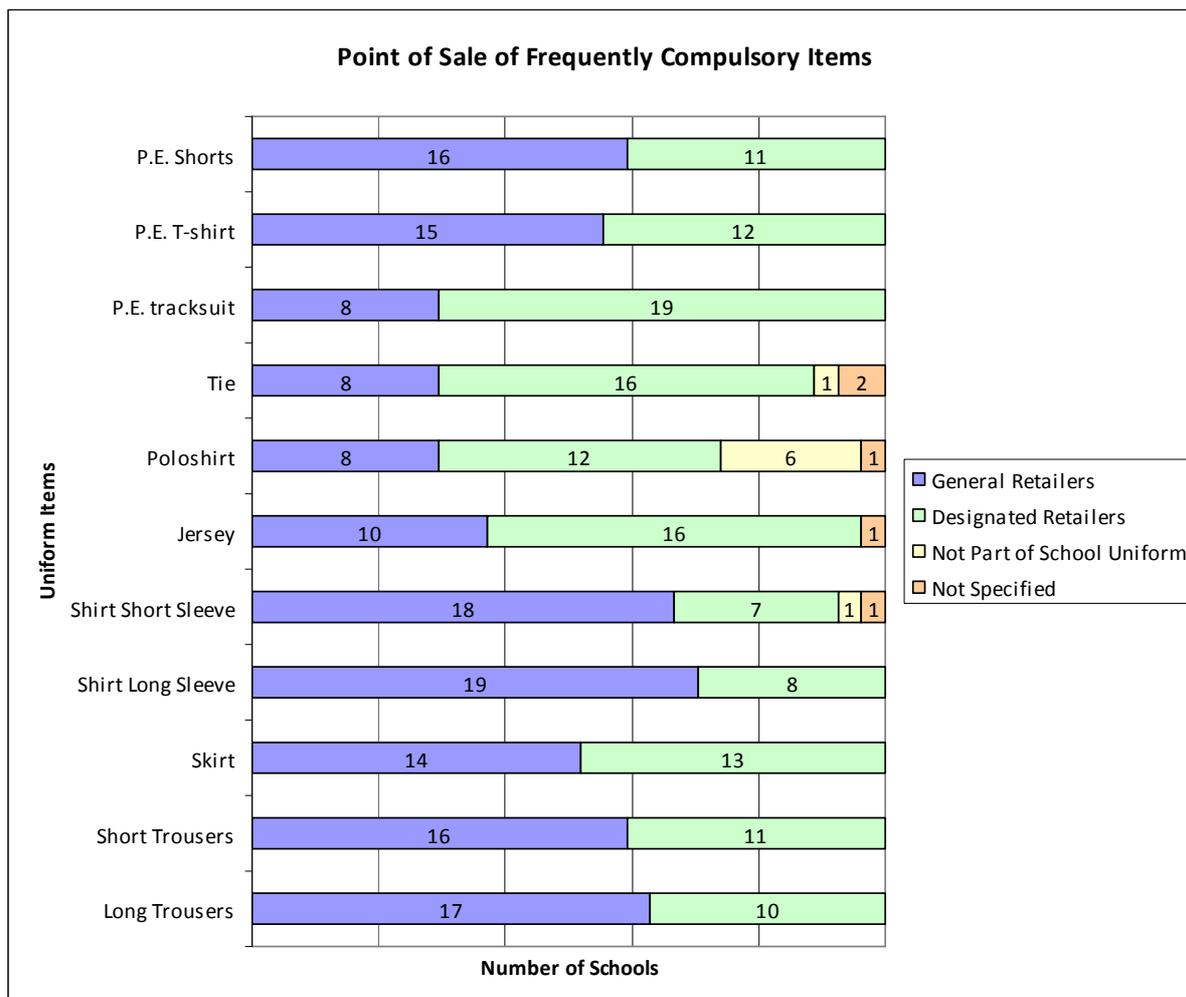


Figure 1: Point of sale of frequently compulsory State school uniform items

(Source: Created by the Office)

128. With reference to Figure 1, it can be noted that short and long sleeve shirts are the most popular generic items, while P.E. tracksuit, tie and jersey have mostly been indicated as specific items by the majority of the selected schools. In fact, there are only eight to ten instances where such items may be purchased from any general retailer. With respect to the polo shirt, it is highly probable that six of the selected schools do not have this item as part of their school uniform due to the fact that short sleeve shirts are used instead. As can be seen from the above figure, there are more instances where school uniform items may be bought from general retailers. This scenario will change following the full implementation of the new system when each college will have its distinct school uniform.

129. The Office used the data collected for the selected frequently compulsory school uniform items to derive a minimum, a mean and a maximum price for each item as disclosed in the following table. In doing such calculations, a distinction was made between generic and specific items in order to provide an accurate account of the prevailing prices of such school uniform items. Additionally, in instances where schools indicated that certain school uniform items can be purchased from general retailers, the Office used the prices of each frequently compulsory item as collected by the MSO from a number of general retailers.

School Uniform Items	Minimum Price €		Mean Price €		Maximum Price €	
	Generic	Specific	Generic	Specific	Generic	Specific
Long Trousers	10.40	10.00	13.89	14.96	18.50	23.00
Short Trousers	6.41	8.90	10.58	11.60	17.00	15.00
Skirt	9.20	8.90	12.00	14.96	18.25	25.00
Shirt Long Sleeve	4.54	5.90	6.05	10.35	8.76	17.00
Shirt Short Sleeve	4.54	5.90	5.87	9.21	8.15	13.15
Jersey	7.90	11.06	14.58	14.82	18.00	25.00
Polo shirt	2.33	5.00	4.14	10.17	8.97	14.30
Tie	3.50	1.50	3.50	4.33	3.50	7.00
P.E. Tracksuit	9.95	16.30	12.98	28.73	17.50	44.05
P.E. T-shirt	2.30	2.33	3.60	6.70	6.00	13.00
P.E. Shorts	2.80	3.90	4.35	6.43	9.00	8.65
Total Girls' School Uniform¹⁹			80.96	120.66		
Total Boys' School Uniform			79.54	117.30		

Table 3: Minimum, mean and maximum prices for State primary frequently compulsory school uniform items

(Source: Calculations of the Office)

130. Table 3 indicates that on average a uniform bought from specific retailers tends to be more expensive than if it had to be bought from general retailers. It is apparent that the P.E. tracksuit is the most expensive item, while the tie is the cheapest school uniform item bought from specific retailers. On the other hand, when taking into consideration the mean price, the jersey is the most expensive item, while the tie is the cheapest for school uniform items bought from any general retailer.

¹⁹ Total mean price excludes the short trousers.

Additionally, it may be noted that in the case of a specific P.E. tracksuit, the price ranges from a minimum of €16.30 to a maximum of €44.05. However, if the P.E. tracksuit had to be bought from a general retailer, the price variation between the minimum and maximum is less significant since the minimum price was found to be €9.95 while the highest was €17.50.

131. The collected data was also used to calculate the differences in the mean prices between school uniform items purchased from general retailers and those purchased from specific retailers.

	Generic	Specific	Difference between prices	% difference between prices
Uniform Items	Mean Price: €	Mean Price: €	€	
Long Trousers	13.89	14.96	1.07	7.70%
Short Trousers	10.58	11.60	1.02	9.64%
Skirt	12.00	14.96	2.96	24.67%
Shirt Long Sleeve	6.05	10.35	4.30	71.07%
Shirt Short Sleeve	5.87	9.21	3.34	56.90%
Jersey	14.58	14.82	0.24	1.65%
Tie	3.50	4.33	0.83	23.71%
Polo shirt	4.14	10.17	6.03	145.65%
P.E. Tracksuit	12.98	28.73	15.75	121.34%
P.E. T-shirt	3.60	6.70	3.10	86.11%
P.E. Shorts	4.35	6.43	2.08	47.82%
Total Girls' School Uniform	80.96	120.66	39.70	49.04%
Total Boys' School Uniform	79.54	117.30	37.76	47.47%

Table 4: Difference between mean generic prices and mean specific prices for State primary schools (Source: Calculations of the Office)

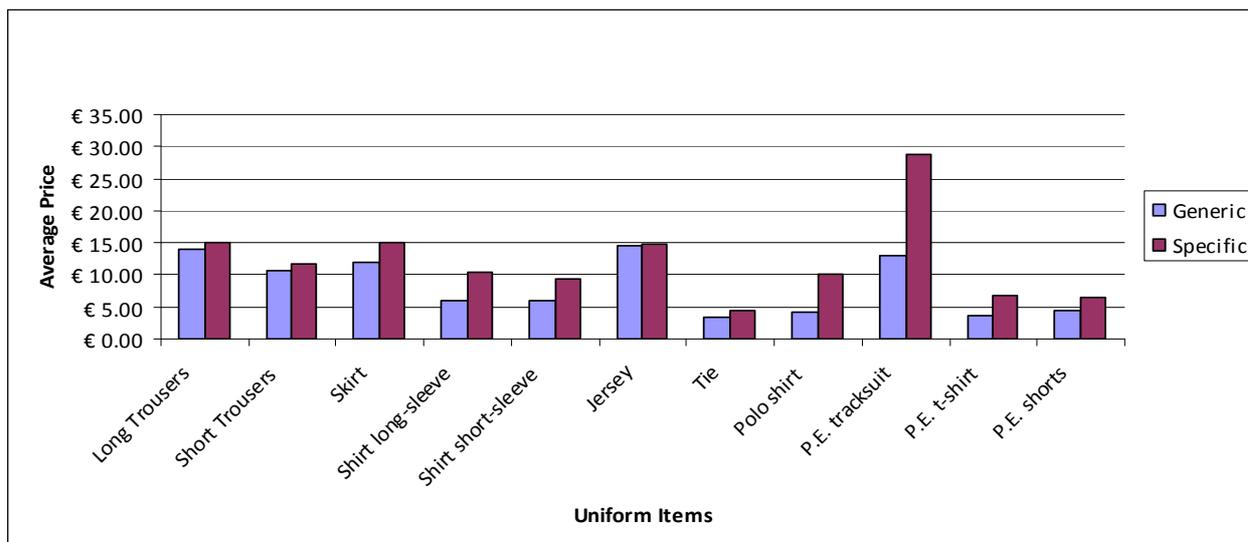


Figure 2: A comparison between mean prices for generic and specific State primary school uniform items (Source: Created by the Office)

132. Both graphical representations show a difference between the mean prices paid for all specific and generic school uniform items with the mean percentage difference in total amounting to more than 45% and with all generic items being cheaper than specific items. It was observed that the largest price differences were registered for the P.E. tracksuit and the polo shirt since more than €15 and €6 had to be paid extra for each respective item, amounting to a percentage difference exceeding 120%. The only three school uniform items with a similar price bought from either a general or specific retailer were found to be the jersey and the long and short trousers. If these three items had to be excluded from the price difference calculations, the mean percentage difference between specific and generic school uniform items would exceed 70%.

133. Moreover, in reality where they are able to buy generic items, parents are able to make greater savings than €39.70/€37.76 as shown in Table 4 since they are able to shop around and opt for the minimum price rather than the mean price. On the other hand, in the case of specific school uniform items, parents do not enjoy this flexibility.

5.3 Secondary Schools

134. The supply of school uniforms at secondary level is also undergoing a period of transition. Prior to the commencement of the implementation of the new system, each secondary school adopted a policy whereby agreements were made between heads of schools and exclusive suppliers and no tendering system or expression of interest was in place. On the other hand, under the new system, school uniform items were supplied by means of a tendering process which was replaced by an expression of interest process issued by the DES for the year 2011-2012. Irrespective of which policy is in place to supply the school uniform for each secondary school, that is whether it is the old or the new system, the Office noted that both systems restrict the purchase of school uniforms to an exclusive retailer, thereby excluding the possibility that school uniforms may be purchased from any general retailer. The salient difference between the two, however, is that the bidding process, in itself, involves a competitive process which should guarantee better prices. Furthermore, the Office observed that, at the beginning of scholastic year 2011-2012, a retailer, did manage to replicate the school uniform of one college following the adjudication of the expression of interest. It must be noted, however, that this retailer was already selling the uniform of this college at pre-primary level in the same geographical market in the previous scholastic year.

135. Unlike primary schools, State secondary schools are segregated between boys and girls. Given that frequently compulsory uniform items vary between girls' secondary and boys' secondary schools, the Office determined that any price analyses on school uniform items should be undertaken separately. From the selected thirteen secondary schools, eight schools were boys' secondary schools while the remaining five were girls' secondary schools.

136. From the selected schools, all the girls' secondary schools, during the reference year, were still adopting the old system. With respect to the selected boys' secondary schools, 38% had started to implement the new system, whilst the remaining 62% were still adopting the old system. As will be shown in the subsequent paragraphs, the Office carried out a price analysis on the frequently compulsory school uniform items and conducted a comparative price analysis

between the old and the new system. For the majority of the State secondary schools, the cap did not feature as a compulsory school uniform item. It was, thus, omitted from the analysis.

137. The Office compiled the following two tables illustrating the minimum, mean and maximum prices for the selected frequently compulsory school uniform items for girls' and boys' secondary schools respectively.

	Minimum Price	Mean Price	Maximum Price	% difference between minimum and maximum prices
School Uniform Items	€	€	€	
Long Trousers	13.00	19.33	28.00	115.38%
Skirt	13.00	19.21	29.75	128.85%
Shirt Long Sleeve	8.75	10.44	15.00	71.43%
Shirt Short Sleeve	8.75	11.07	15.70	79.43%
Jersey	15.70	18.13	25.00	59.24%
Polo shirt	12.11	13.42	15.90	31.30%
Tie/Bow	3.50	4.19	5.00	42.86%
Blazer	54.42	60.29	68.72	26.28%
P.E. Tracksuit	36.10	39.46	43.90	21.61%
P.E. T-shirt	4.75	8.38	15.05	216.84%
P.E. Shorts	6.40	8.13	9.90	54.69%
Total Girls' School Uniform		212.05		

Table 5: Minimum, mean and maximum prices for girls' secondary frequently compulsory school uniform items

(Source: Calculations of the Office)

138. When looking at girls' secondary school uniform items, the blazer is the most expensive item with prices ranging between €54 and €69. It was found that for seven out of eleven items, the percentage difference between the minimum and maximum prices was more than 50%. In the case of long trousers, skirt and P.E. t-shirt, some parents have to pay more than twice the minimum price paid by parents of other schools. Such price differences raise serious concerns since the school determines from where such items have to be purchased, thus leaving no room for choice for the parents to purchase from any other retailer at cheaper prices.

139. As aforementioned in paragraph 136, from the sample taken, three boys' secondary schools have started to adopt the new system for the supply of school uniforms. The

Office sought to compare, in the table below, the differences in prices between school uniforms supplied under the old system and those supplied by means of a tendering procedure under the new system.

School Uniform Items	Minimum Price €		Mean Price €		Maximum Price €	
	Old System	New System	Old System	New System	Old System	New System
Long Trousers	12.92	16.56	17.38	18.80	18.50	20.97
Short Trousers	none	18.86	none	18.86	none	18.86
Long Sleeve Shirt	8.82	10.51	9.12	12.78	9.20	14.43
Short Sleeve Shirt	9.20	12.45	9.20	12.45	9.20	12.45
Jersey	13.85	10.94	15.30	13.12	16.30	14.56
Polo shirt	12.80	9.09	13.06	9.32	13.85	9.78
Tie	4.55	5.36	5.17	6.14	7.64	7.10
Blazer	54.16	53.57	56.86	56.91	61.86	63.58
P.E. Tracksuit	33.54	36.61	37.22	46.24	40.90	51.69
P.E. T- Shirt	5.85	5.47	7.40	5.70	10.70	5.94
P.E. Shorts	6.40	6.98	7.41	6.99	10.70	6.99
Total Boys' School Uniform			178.12	207.31		

Table 6: Comparison of minimum, mean and maximum prices of frequently compulsory State boys' secondary school uniform items procured by the old and the new system
(Source: Calculations of the Office)

140. On the basis of this data, the Office observed that overall the new system for the year 2010-2011 did not result in much lower prices. In fact, the total mean price of a uniform under the new system exceeded that under the old system, even if the price of the short trousers is excluded from the total.

141. A different scenario, as will be seen below, however emerged following the expression of interest for the year 2011-2012 for the boys' secondary school uniform, with the latter registering on average better prices than the prices prevalent in the year 2010-2011 under the new system.

5.4 Price Comparison between scholastic year 2010-2011 and 2011-2012

142. The Office considered it appropriate to compare the prices of school uniform items pertaining to scholastic year 2010-2011, following a call for tenders, to the prices of school uniform items, following a call for an expression of interest for scholastic year 2011-2012. Given the fact that in scholastic year 2010-2011 not all schools

were adopting the new system, such comparison could only be made for pre-primary level and for those boys' secondary schools within the sample which were already implementing the new system.

School Uniform Items	Minimum Price €		Mean Price €		Maximum Price €	
	2010-2011	2011-2012	2010-2011	2011-2012	2010-2011	2011-2012
Polo shirt	7.90	9.00	9.03	9.60	10.04	10.00
Shorts	5.80	5.95	6.14	6.28	6.23	6.50
Baseball Cap	3.90	4.25	4.27	4.55	4.57	5.00
Jogging Suit	13.15	27.00	15.03	27.92	16.77	28.55
Total Pre-Primary School Uniform			34.47	48.35		

Table 7: Comparison of minimum, mean and maximum prices between scholastic year 2010-2011 and 2011-2012 of State pre-primary school uniform
(Source: Calculations of the Office)

143. The table above shows an increase in the prices of uniform items for State pre-primary schools.²⁰ The price differential could possibly be explained by the fact that prices quoted in the expression of interest were the same for all sizes of the same uniform item from pre-primary to secondary, whereas previously, prices for pre-primary were quoted separately. In fact, as can be seen from the following table, this effect was not felt across all levels.

School Uniform Items	Minimum Price €		Mean Price €		Maximum Price €	
	2010-2011	2011-2012	2010-2011	2011-2012	2010-2011	2011-2012
Long Trousers	16.56	15.00	18.80	16.67	20.97	18.00
Short Trousers	18.86	12.00	18.86	12.33	18.86	12.50
Long Sleeve Shirt	10.51	8.95	12.78	11.65	14.43	13.50
Polo shirt	9.09	9.00	9.32	9.67	9.78	10.00
Jersey	10.94	14.65	13.12	16.22	14.56	17.00
Tie	5.36	4.00	6.14	5.33	7.10	6.50
Blazer	53.57	45.00	56.91	48.33	63.58	55.00
P.E. Tracksuit	36.61	27.00	46.24	27.85	51.69	28.55
P.E. T- Shirt	5.47	5.75	5.70	6.25	5.94	6.50
P.E. Shorts	6.98	5.95	6.99	6.32	6.99	6.50
Total Boys' School Uniform			194.86	160.62		

Table 8: Comparison of minimum, mean and maximum prices between scholastic year 2010-2011 and 2011-2012 of State boys' secondary school uniform
(Source: Calculations of the Office)

²⁰ Except for the maximum price of the polo shirt which was €0.04 lower than in the previous scholastic year.

144. Contrary to what was noted for state pre-primary schools, the prices for the majority of the State boys' secondary school uniform items decreased for the year 2011-2012. Indeed the total mean price of the boys' secondary school uniform, decreased in price by €34.24 resulting in a percentage fall of 17.6%. This may be a factor indicating that competition intensified among suppliers in 2011-2012, with the bidding process yielding lower prices. Moreover, when one compares the 2011-2012 prices resulting from the expression of interest in the above table to the prices resulting from the old system in table 6, particularly those for the blazer and the P.E. Tracksuit, one finds that the 2011-2012 prices are generally lower.

5.5 Conclusion

145. The aim of this chapter was to provide a general picture of the situation on the supply of school uniforms in State schools. On the basis of the above findings, the Office could observe that:

- On average uniform items bought from specific retailers tend to be more expensive than if they had to be bought from general retailers;
- A tendering/expression of interest process is capable of yielding better prices, as seen for boys' secondary level for scholastic year 2011-2012; and
- Where one price is quoted for all sizes, the prices for the items of younger children may be inflated.

6 Church Schools

146. The Church plays an important role in the education system in Malta, with many religious orders altogether running a considerable number of schools catering for both boys and girls at pre-primary, primary and secondary levels. It does not seem that there is a common trend among church schools in the manner by which boys and girls are segregated at pre-primary and primary level mainly because while a number of schools are co-educational, others segregate between boys and girls from pre-primary level onwards. At secondary level, there are no mixed church schools.

147. The Office took a sample of 35 church schools divided into fourteen pre-primary, eleven primary and ten secondary schools. The overall response rate to the questionnaire sent to church schools at all levels was of 85.7%. Nevertheless, the Office still managed to obtain the prices of the uniform items of those schools which did not reply to the questionnaire sent. Therefore, the price analysis undertaken includes the data of all the selected church schools.

6.1 Pre-Primary Schools

148. A total of ten pre-primary church schools replied to the questionnaire sent by the Office establishing a response rate of 71.4%. Yet, the Office as explained above, still obtained the prices for the four schools that did not reply to the questionnaire from particular retailers. Hence, price analysis will include all the selected church schools at pre-primary level. In the subsequent paragraphs, a brief overview of the practices adopted by pre-primary church schools for the supply of school uniforms is provided.

149. The table below illustrates the manner by which school uniforms are supplied. From the replies received, it may be deduced that each school has its own specific uniform since none of the schools indicated that school uniform items may be purchased from any general retailer. A number of schools provide the parents with the option of either purchasing the school uniform from a particular retailer or purchasing the

material from the latter retailer and sewing the uniform themselves. A few schools indicated that school uniform items may only be purchased directly from the school.

System adopted for the Supply of School Uniforms	Number of Schools
Directly from school	2
Exclusive retailer	4
From any general retailer	0
Purchase of material only	0
Exclusive retailer and purchase of material	4

Table 9: System adopted for the supply of school uniforms for pre-primary church schools
(Source: Replies to questionnaires)

150. From the selected pre-primary church schools, six different undertakings were identified as being at the same time both the supplier and retailer of the school uniform of a particular school. Other selected schools have an exclusive supplier, with the school acting as the retailer, since the school uniform is bought directly from the schools' premises.

151. Furthermore, the selected schools were asked to specify the type of existing agreements between the schools and the suppliers and retailers and the duration of such agreements. From the replies received, it was observed that six of the selected schools have a word-of-mouth agreement while three schools have a contract with a particular supplier with the duration of the contracts varying between two to five years. One of the latter three schools entered into a contract following an expression of interest. Information was not provided by one school on the type of existing agreement that the school has with the supplier. The selected schools identified an array of criteria as to the reason why they chose a particular supplier. Good quality, recommendations from parents and other schools, affordability and reliability were few of the criteria mentioned for selecting the particular supplier. Moreover, all the schools that replied to the questionnaire indicated that they did not intend to change the manner by which the school uniform is supplied in the near future.

152. Similar to State schools, seven out of the selected church schools at pre-primary level have a limited number of school uniform items, hereinafter referred to as 'simple uniform'. However, the rest of the selected pre-primary schools were found to have a complete uniform, which include items such as blazer, skirt, long trousers and P.E. kit, hereinafter referred to as 'complete uniform'. In conducting its price analysis, the Office deemed appropriate to determine separate baskets of frequently compulsory school uniform items for boys and girls even in those cases where the selected pre-primary schools are co-educational and have a complete uniform. However, in the case of a simple uniform, the same basket of frequently compulsory school uniform items was used for both boys and girls as illustrated in the table below.

Complete Uniform - Girls	Complete Uniform - Boys	Simple Uniform
Long Trousers	Long Trousers	Polo shirt
Skirt	Short Trousers	Short Trousers
Shirt Long Sleeve	Shirt Long Sleeve	Jogging Suit
Shirt Short Sleeve	Shirt Short Sleeve	Baseball Cap
Polo shirt	Jersey	
Jersey	Blazer	
Blazer	P.E. Tracksuit	
P.E. Tracksuit	P.E. T-shirt	
P.E. T-shirt	P.E. Shorts	
P.E. Shorts		

Table 10: List of frequently compulsory school uniform items for complete and simple uniform for church pre-primary schools
(Source: The Office)

153. As in the case of State schools, the Office compiled a table highlighting the minimum, mean and maximum prices of frequently compulsory school uniform items that comprise a simple school uniform.

	Minimum Price	Mean Price	Maximum Price	% difference between minimum and maximum prices
School Uniform Items	€	€	€	
Polo shirt	5.00	9.74	13.72	174.40%
Short Trousers	5.00	10.89	13.95	179.00%
Baseball Cap	3.95	4.21	5.00	26.58%
Jogging Suit	13.50	22.30	37.00	174.07%
Total School Uniform		47.14		

Table 11: Minimum, mean and maximum prices for church pre-primary simple school uniform
(Source: Office calculations)

154. As illustrated in the table above, it can be noted that considerable differences of over 170% exist between the maximum and minimum prices of three out of four of the compulsory school uniform items. This raises concern in that, since every school has its own specific school uniform sold by a specific retailer or by the school itself, parents are not in a position to choose on the basis of prices and quality but are rather obliged to pay the prices demanded and take the quality provided.

155. Similar tables were also compiled to illustrate the minimum, mean and maximum prices of a pre-primary complete girls' uniform and a pre-primary complete boys' uniform.

	Minimum Price	Mean Price	Maximum Price	% difference between minimum and maximum prices
School Uniform Items	€	€	€	
Long Trousers	15.85	18.53	19.90	25.55%
Skirt	15.75	20.54	27.00	71.43%
Shirt Long Sleeve	6.05	9.72	13.30	119.83%
Shirt Short Sleeve	5.87	8.14	11.55	96.76%
Polo shirt	7.50	8.65	9.80	30.67%
Jersey	10.85	15.63	20.50	88.94%
Blazer	48.92	58.08	64.50	31.85%
P.E. Tracksuit	21.00	26.04	33.60	60.00%
P.E. T- Shirt	5.25	5.84	6.40	21.90%
P.E. Shorts	6.40	7.26	11.50	79.69%
Total Girls' School Uniform		178.43		

Table 12: Minimum, mean and maximum prices for church pre-primary girls' complete school uniform
(Source: Office calculations)

156. Although the price differences in the case of pre-primary girls' complete uniform are not as wide as in the case of the simple uniform, the price differences observed for the majority of the items, particularly the shirts and jersey remain very significant.

	Minimum Price	Mean Price	Maximum Price	% difference between minimum and maximum prices
School Uniform Items	€	€	€	
Long Trousers	15.85	17.62	18.50	16.72%
Short Trousers	13.85	13.85	13.85	0.00%
Shirt Long Sleeve	6.05	6.05	6.05	0.00%
Shirt Short Sleeve	5.87	5.87	5.87	0.00%
Jersey	10.85	13.32	14.55	34.10%
Blazer	48.92	54.35	57.07	16.66%
P.E. Tracksuit	21.00	21.00	21.00	0.00%
P.E. T- Shirt	5.85	5.85	5.85	0.00%
P.E. Shorts	6.40	6.40	6.40	0.00%
Total Boys' School Uniform		144.31		

Table 13: Minimum, mean and maximum prices for church pre-primary boys' complete school uniform
(Source: Office calculations)

157. In the above Table, the prices of most of the items are the same because from the sample taken, only three schools have a complete uniform for boys at pre-primary level and the three schools pertain to the same congregation. Moreover, the school uniform items are purchased from the same retailer. This, notwithstanding, there are still differences between the minimum and maximum prices for the long trousers, jersey and blazer.

158. Given that from the replies received, a number of schools indicated that school uniforms must be purchased directly from the school, while other schools indicated that school uniforms must be purchased from a specific retailer and, given that from the sample taken most of the selected schools have a simple uniform, the Office considered it appropriate to examine whether price differences exist between different points of purchase as shown in the table below.

	Mean Price of item purchased from school	Mean Price of item purchased from specific retailer	% Mean Price Difference
School Uniform Items	€	€	
Short Trousers	8.27	11.94	44.38%
Polo shirt	9.36	9.90	5.77%
Jogging Suit	23.54	21.80	-7.39%

Table 14: Comparison of mean prices of church pre-primary school uniform items bought from different points of purchase
(Source: Office calculations)

159. For two of the items illustrated above, the mean prices of the school uniform items purchased from the school are lower than those purchased from a specific retailer. A remarkable difference may be noted for short trousers where the same item is purchased at a price 44.38% higher from a specific retailer than from the school.

160. In conclusion, from the above price analysis, it may be highlighted that price differences for the same school uniform items exist not only between schools, but also between different points of purchase. Parents remain in an unfavourable position, since they are often restricted to purchasing school uniform items from designated retailers or from the school itself without having any choice on quality, price and point of purchase.

6.2 Primary Schools

161. The Office took a sample size of eleven church primary schools and received replies to the questionnaire from all the selected schools. In the majority of cases, school uniforms are supplied by exclusive retailers. Three schools indicated that they purchase the school uniform items from suppliers and then sell the items directly to the parents themselves. One school offers a wider choice in that a number of items have to be purchased from a specific retailer, whilst a limited number of school uniform items may be purchased from any general retailer. At the same time, it is possible to purchase solely the uniform material and have the school uniform sewn separately. There is also another school where the uniform can be bought directly from the school with the possibility of purchasing the material alone or purchasing certain school uniform items from any general retailer.

162. Word-of-mouth agreements remain the most popular type of agreement between the schools and exclusive suppliers and retailers. Three schools have a specific contract with a particular supplier, with the duration of the contracts ranging from three to five years. Two of these schools indicated that the supplier was chosen by means of an expression of interest. Schools indicated good material, reliability and reasonable prices amongst others for selecting particular suppliers and retailers. Apart from one, all the schools indicated in their replies to the questionnaire that they did not have any intention to change the manner by which the school uniform is supplied in the next few years.

163. From the replies received, it was noted that in contrast to pre-primary schools, the majority of schools have a complete uniform, while only two schools have a simple uniform at primary level. Similar to the exercise carried out for church pre-primary schools, in conducting its price analysis, the Office considered it appropriate to determine a separate basket of frequently compulsory school uniform items for boys and another for girls even in those cases where the selected primary schools are co-educational and have a complete uniform. However, in the case of a simple uniform, the same basket of frequently compulsory school uniform items was used for both boys and girls, as illustrated in the table below.

Complete Uniform - Girls	Complete Uniform - Boys	Simple Uniform
Long Trousers	Long Trousers	Polo shirt
Skirt	Short Trousers	Short Trousers
Shirt Long Sleeve	Shirt Long Sleeve	Jogging Suit
Polo shirt	Polo shirt	
Jersey	Jersey	
Blazer	Blazer	
P.E. Tracksuit	P.E. Tracksuit	
P.E. T-shirt	P.E. T-shirt	
P.E. Shorts	P.E. Shorts	

Table 15: List of frequently compulsory school uniform items for complete and simple uniform for church primary schools
(Source: The Office)

164. The tables below are intended to provide a tabular representation of the minimum, mean and maximum prices and percentage price differences between the minimum and maximum prices for a simple uniform and a complete uniform for girls and boys. Further explanation on each table is provided in the subsequent paragraphs.

	Minimum Price	Mean Price	Maximum Price	% difference between minimum and maximum prices
School Uniform Items	€	€	€	
Polo shirt	7.00	9.27	11.53	64.71%
Short Trousers	6.70	11.39	16.07	139.85%
Jogging Suit	30.05	30.10	30.15	0.33%
Total School Uniform		50.76		

Table 16: Minimum, mean and maximum prices for church primary simple school uniform
(Source: Office calculations)

165. As shown in Table 16, the percentage price difference is minimal for the jogging suit, while there is a significant percentage price gap for the short trousers and the polo shirt. As already observed above, such significant price differences continue to underline the fact that parents of some schools have to pay much higher prices for very similar items than parents from other schools without having any choice on prices, quality and retailers.

	Minimum Price	Mean Price	Maximum Price	% difference between minimum and maximum prices
School Uniform Items	€	€	€	
Long Trousers	16.85	22.84	33.00	95.85%
Skirt	16.50	22.69	29.50	78.79%
Shirt Long Sleeve	10.50	13.13	17.50	66.67%
Polo shirt	7.50	9.35	11.35	51.33%
Jersey	12.00	17.33	25.00	108.33%
Blazer	50.25	60.05	71.75	42.79%
P.E. Tracksuit	18.70	27.41	40.80	118.18%
P.E. T- Shirt	3.60	6.54	9.70	169.44%
P.E. Shorts	4.35	7.79	11.50	164.37%
Total Girls' School Uniform		187.13		

Table 17: Minimum, mean and maximum prices for church primary girls' complete school uniform
(Source: Office calculations)

166. Similar to the trends observed in previous price comparisons, percentage price differences between the minimum and maximum prices for a girls' complete uniform are high, ranging between 43% and 169%. The P.E. t-shirt and P.E. shorts are the two items that registered the largest percentage price difference. This may be due to the fact that certain schools indicated that these two uniform items may be bought from any general retailer, suggesting that specific school uniform items tend to be more expensive than items bought from a general retailer.

	Minimum Price	Mean Price	Maximum Price	% difference between minimum and maximum prices
School Uniform Items	€	€	€	
Long Trousers	10.25	16.44	20.75	102.44%
Short Trousers	10.58	12.57	13.85	30.91%
Shirt Long Sleeve	6.05	9.35	12.35	104.13%
Polo shirt	7.00	9.74	11.85	69.29%
Jersey	12.00	16.57	19.55	62.92%
Blazer	48.50	56.91	64.75	33.51%
P.E. Tracksuit	18.70	27.78	41.00	119.25%
P.E. T- Shirt	3.60	8.10	14.00	288.89%
P.E. Shorts	4.35	8.03	12.50	187.36%
Total Boys' School Uniform		165.49		

Table 18: Minimum, mean and maximum prices for church primary boys' complete school uniform (Source: Office calculations)

167. For a boys' complete school uniform, the percentage differences between the minimum and the maximum prices are generally higher than those registered for the girls' complete uniform. For items such as the P.E. t-shirt and P.E. shorts, the percentage price differences reach 289% and 188%, respectively. Such significant percentage price differences may also be attributed to the fact that the minimum prices of €3.60 and €4.35 of the P.E. t-shirt and P.E. shorts respectively pertain to generic uniform items. This is also the case for the long sleeve shirt and the short trousers since the minimum prices pertain to generic uniform items. In general, it was noted that the prices of girls' school uniform items are higher than those registered for boys' school uniform items, even though the percentage price differences in the former case are less pronounced.

168. The Office sought to undertake a price analysis on the different points of purchase of school uniform items. In contrast to church pre-primary level, from the sample

taken, the Office did not consider it appropriate to conduct such analysis for a simple uniform due to the fact that only two of the selected schools use the simple uniform.

169. In addition, the same exercise could not be undertaken for a boys' complete uniform, since from the replies received, there was an inadequate number of schools using different points of purchase to be able to conduct such comparative analysis. As seen in Table 19, the Office could conduct such price analysis on the basis of the replies received only for certain items pertaining to the girls' school uniform.

	Mean Price of item purchased from school	Mean Price of item purchased from specific retailer	% Mean Price Difference
School Uniform Items	€	€	
Shirt Long Sleeve	14.00	12.55	-10.36%
Jersey	14.25	18.56	30.25%
Blazer	60.25	59.97	-0.46%
P.E. Tracksuit	27.35	27.44	0.33%
P.E. T-shirt	8.70	5.61	-35.52%
P.E. Shorts	6.43	8.33	29.55%

Table 19: Comparison of mean prices of church primary girls' school uniform items bought from different points of purchase
(Source: Office calculations)

170. The above table shows that it cannot be said that one point of purchase, be it the school or a specific retailer, will generally always yield lower prices.

171. The supply of school uniforms for church primary schools reflects similar conclusions derived for church pre-primary schools. This is corroborated by the fact that significant price differences were noted between the minimum and maximum prices of the majority of school uniform items, particularly where certain uniform items may be bought from any general retailer. It is apparent, that the supply of school uniforms for church schools at primary level continues to raise competition concerns since having to purchase specific school uniform items from specific points of purchase is resulting in significant price differences and a lack of choice for parents.

6.3 Secondary Schools

172. The same questionnaire was sent to ten church schools at secondary level, out of which the Office received nine replies. Five of the selected schools indicated a specific retailer or the school itself for the supply of school uniforms with the possibility for parents to purchase the material separately. With respect to three other selected schools, school uniforms may only be purchased from a specific retailer as indicated by the school. The remaining school offers a wider choice, since it was indicated that a number of school uniform items must be purchased from the school whilst the rest may be purchased from the school or from any general retailer and the material may also be purchased separately.

173. Similar to the trends noted in other educational levels, the most common type of agreement is a word-of-mouth agreement between the school and the supplier. However, three of the selected schools have a definite contract, with the duration ranging from two to five years with a specific supplier. Four of the selected schools indicated that the agreement with the supplier was concluded following an expression of interest. The criteria for the selection of the designated suppliers identified from the replies received include affordability, efficiency and reliability amongst others. It was further noted that in terms of their replies to the questionnaire, none of the schools had any intention to change the manner by which their school uniform items are supplied in the foreseeable future.

174. From the sample taken, six of the selected schools are girls' schools, while the remaining four are boys' schools belonging to different congregations in Malta and Gozo. In view of this, the Office established a separate basket of school uniform items for boys and girls as indicated in the table below.

Complete Uniform - Girls	Complete Uniform - Boys
Long Trousers	Long Trousers
Skirt	Shirt Long Sleeve
Shirt Long Sleeve	Polo shirt
Polo shirt	Jersey
Jersey	Blazer
Blazer	Tie
Tie/Cravat	P.E. Tracksuit
P.E. Tracksuit	P.E. T-shirt
P.E. T-shirt	P.E. Shorts
P.E. Shorts	Cap

Table 20: List of frequently compulsory school uniform items for complete uniform for church secondary schools (Source: *The Office*)

175. The two tables below are intended to provide a tabular representation of the minimum, mean and maximum prices and percentage price differences between the minimum and maximum prices for girls' and boys' school uniform items for all the selected schools, including the only school that did not provide a reply to the questionnaire.

	Minimum Price	Mean Price	Maximum Price	% difference between minimum and maximum prices
School Uniform Items	€	€	€	
Long Trousers	18.95	22.98	27.83	46.86%
Skirt	19.75	25.18	29.40	48.86%
Shirt Long Sleeve	10.48	13.26	17.50	66.98%
Polo shirt	7.50	13.75	20.95	179.33%
Jersey	17.43	21.26	26.90	54.33%
Blazer	54.40	65.60	71.75	31.89%
Tie/Cravat	3.40	4.81	6.50	91.18%
P.E. Tracksuit	29.95	42.32	56.49	88.61%
P.E. T- Shirt	6.40	8.49	14.50	126.56%
P.E. Shorts	6.40	9.45	11.75	83.59%
Total Girls' School Uniform		227.10		

Table 21: Minimum, mean and maximum prices for church secondary girls' school uniform (Source: *Office calculations*)

176. The percentage price differences between the minimum and maximum prices for girls' school uniform items remain considerably high, with percentage price differences ranging between 31% and 179%. The polo shirt and P.E. t-shirt are the two items which registered the largest gap between the minimum and maximum prices, with parents of some schools paying more than two fold of the minimum price paid by parents of other schools for these two items. The Office also observed that the prices of certain items, mostly the blazer and the P.E. tracksuit, appear to be on the high side.

	Minimum Price	Mean Price	Maximum Price	% difference between minimum and maximum prices
School Uniform Items	€	€	€	
Long Trousers	15.96	20.50	24.00	50.38%
Shirt Long Sleeve	6.05	8.20	10.25	69.42%
Polo shirt	8.50	10.56	11.85	39.41%
Jersey	16.54	19.40	21.50	29.99%
Blazer	48.50	57.59	65.00	34.02%
Tie	3.10	5.23	8.00	158.06%
P.E. Tracksuit	40.50	45.61	53.00	30.86%
P.E. T- Shirt	3.75	5.91	8.50	126.67%
P.E. Shorts	7.60	9.53	12.50	64.47%
Cap	5.00	5.50	6.00	20.00%
Total Boys' School Uniform		188.03		

Table 22: Minimum, mean and maximum prices for church secondary boys' school uniform
(Source: Office calculations)

177. The results obtained from the price analysis conducted by the Office, tend to suggest a better scenario for a boys' school uniform at secondary level. Five items out of the basket of frequently compulsory items, registered a percentage price difference between the minimum and maximum prices of less than 40%. Nonetheless, two school uniform items exceeded a percentage price difference of 125%. Once more, it may be noted that on average, boys' school uniform items are cheaper than girls' school uniform items. However, the prices of certain items, like the blazer and the P.E. tracksuit, appear also on the high side.

178. The Office could not estimate any mean percentage price differences between different points of purchase for both girls' and boys' school uniform. This is due to the fact that in the case of girls' secondary schools, none of the selected schools

offer the option of purchasing the school uniform directly from the school. In the case of boys' secondary schools, such price analysis could also not be conducted since various systems are adopted. Out of the four selected schools, one school indicated that the school uniform could be bought directly from the school, another two indicated specific retailers as their point of purchase, while another one indicated that it adopts a mixed system whereby the uniform is bought from the school or general retailer together with the possibility of purchasing material.

6.4 Comparison between different methods for selecting suppliers

179. From a number of replies to the questionnaire it transpired that schools use different methods for selecting suppliers. In view of this, the Office sought to compare the prices of those schools which select a supplier following a call for an expression of interest with the prices of other schools opting for other methods, namely quotations and direct agreement following recommendations by parents or other schools. In those instances, where it was possible to make a comparison between those that adopt an expression of interest process and those that adopt other methods, the Office drew up a number of tables for church pre-primary, primary and secondary levels.

School Uniform Items	Minimum Price €		Mean Price €		Maximum Price €	
	EOI	Other	EOI	Other	EOI	Other
Polo shirt	6.25	5.00	6.25	10.33	6.25	13.72
Shorts	12.00	5.00	12.00	10.71	12.00	13.95
Baseball Cap	5.00	3.95	5.00	3.95	5.00	3.95
Jogging Suit	37.00	13.50	37.00	19.85	37.00	52.33
Total			60.25	44.84		

Table 23: Comparison of prices between different methods for selecting suppliers for church pre-primary schools
(Source: Office calculations)

180. From the table above, when one looks at the mean price, it appears that the majority of the items supplied following an expression of interest are more expensive than those provided by suppliers selected by other methods. The mean

price of the jogging suit supplied by means other than following an expression of interest is around 46% cheaper. At the same time, one must note the significant price difference between the price of the jogging suit following the expression of interest and the maximum price of the jogging suit provided by suppliers selected by other methods.

School Uniform Items	Minimum Price €		Mean Price €		Maximum Price €	
	EOI	Other	EOI	Other	EOI	Other
Long Trousers	19.00	10.25	19.00	16.44	19.00	20.75
Shirt Long Sleeve	8.50	10.50	8.50	11.43	8.50	12.35
Polo Shirt	7.00	8.75	7.00	10.05	7.00	11.35
Jersey	17.50	12.00	17.50	15.59	17.50	17.55
Blazer	48.50	50.25	48.50	57.05	48.50	61.73
P.E. Tracksuit	41.00	18.70	41.00	21.29	41.00	24.45
P.E. T-shirt	14.00	3.60	14.00	6.53	14.00	9.70
P.E. Shorts	12.50	4.35	12.50	6.80	12.50	8.30
Total			168.00	145.17		

Table 24: Comparison of prices between different methods for selecting suppliers for church primary boys' complete school uniform
(Source: Office calculations)

181. For church primary boys' school uniform, the total mean price of school uniforms obtained from suppliers selected by methods other than an expression of interest is around 13.6% cheaper. In Table 24, there is a range of differences. Whereas for certain uniform items the expression of interest process yielded lower prices, for other items, it did not. It is notable, however, that for the P.E. tracksuit, the P.E. shorts and the P.E. t-shirt the expression of interest yielded the higher prices across the board, whilst it yielded the lower prices for the shirt, the polo shirt and the blazer.

School Uniform Items	Minimum Price €		Mean Price €		Maximum Price €	
	EOI	Other	EOI	Other	EOI	Other
Skirt	19.75	20.98	24.58	25.59	29.40	27.96
Shirt Long Sleeve	10.50	10.48	11.90	13.95	13.30	17.50
Polo Shirt	7.50	16.75	8.65	18.85	9.80	20.95
Jersey	17.43	19.25	22.17	20.81	26.90	23.95
Blazer	54.40	58.70	63.08	66.86	71.75	70.00
Tie	3.40	4.54	3.40	5.52	3.40	6.50
P.E. Tracksuit	29.95	36.70	37.88	44.54	45.80	56.49
P.E. T-shirt	6.40	6.40	6.95	9.26	7.50	14.50
P.E. Shorts	7.30	6.40	9.40	9.48	11.50	11.75
Total			188.01	214.86		

Table 25: Comparison of prices between different methods for selecting suppliers for church secondary girls' complete school uniform
(Source: Office calculations)

182. The table above gives a different picture to that encountered in the previous tables relating to church pre-primary and primary level. If one looks at the mean price, it will be noted that, with the exception of the jersey, the expression of interest yielded lower prices than where other methods were used.

School Uniform Items	Minimum Price €		Mean Price €		Maximum Price €	
	EOI	Other	EOI	Other	EOI	Other
Long Trousers	22.50	15.96	22.50	19.98	22.50	24.00
Shirt Long Sleeve	8.50	6.05	8.50	7.03	8.50	8.00
Polo Shirt	8.50	10.50	8.50	10.95	8.50	11.39
Jersey	21.50	16.54	21.50	18.27	21.50	20.00
Blazer	48.50	52.10	48.50	58.55	48.50	65.00
Tie	8.00	3.10	8.00	4.05	8.00	5.00
P.E. Tracksuit	47.00	41.93	47.00	47.47	47.00	53.00
P.E. T-shirt	3.75	5.00	3.75	5.70	3.75	6.40
P.E. Shorts	12.50	7.60	12.50	8.55	12.50	9.50
Total			180.75	180.55		

Table 26: Comparison of prices between different methods for selecting suppliers for church secondary boys' complete school uniform
(Source: Office calculations)

183. In the case of the boys' secondary school uniform other methods for selecting suppliers resulted in an almost equivalent total mean price than where an expression of interest was used. On an item per item basis, it was not considered appropriate to derive any conclusions, since in some cases cheaper prices were derived following an expression of interest, while in some other cases higher prices resulted.

184. Hence, unlike what one would normally expect, the expression of interest did not guarantee lower prices. This may be due to the fact that from the information gathered by the Office, the tenders generally make provision for financial compensation to be provided to the schools by the bidder in return for being awarded the contract. This financial compensation is then reflected in the final price to the consumer. A further reason could be that a smaller number of suppliers show an interest in supplying church school uniforms, particularly for those schools where the student population is not so large. Hence, price competition is less.

6.5 Conclusion

185. In the case of church schools there is no uniform pattern for the supply of school uniforms for all schools, as each school is free to adopt its own system. From the above findings, the following conclusions could be drawn:

- generally, school uniforms are very specific and can be bought either from the school or from a specific supplier as indicated by the school – in the minority of cases, a supplier is selected following an expression of interest;
- in some cases, it is possible for parents to buy the material rather than the finished product, giving parents a further option;
- the fact that the uniform can be bought from the school itself does not imply that prices would be less than those offered by suppliers;

- significant price discrepancies between the minimum and maximum prices for many of the school uniform items at all educational levels were observed, with parents having little choice in terms of price, quality and point of purchase; and
- it cannot be said that where church schools resorted to an expression of interest, it generally yielded lower prices.

7 Independent Schools

186. Independent schools also provide an important contribution to the educational system in Malta. The majority of independent schools are co-educational with only a few exceptions existing where schools are segregated between girls and boys.

187. The Office conducted a similar exercise to that carried out for church schools to establish the manner by which school uniforms are supplied by independent schools. A total number of 22 questionnaires were sent to independent schools which were divided into ten pre-primary, six primary and six secondary schools. The overall response rate of the selected independent schools was 100%.

7.1 Pre-Primary Schools

188. A total of ten replies were received from independent pre-primary schools with one school highlighting that its pupils are not required to wear a school uniform.

189. Six schools indicated that the school uniform is bought directly from the school while the remaining three schools indicated that the uniform is bought from a specific retailer. Five schools have a word of mouth agreement with a specific supplier, while four schools have a contract with a duration ranging from two to three years. In the latter case, two suppliers were chosen following an expression of interest. Reliability, good quality and provision of a good service are few of the reasons indicated by the schools for dealing with the indicated suppliers. At the time of replying to the questionnaire, none of the schools had an intention to change the manner by which their school uniform is supplied in the coming years.

190. From the information collected, it was noted that the school uniform at pre-primary level may be classified as a simple uniform, since it does not comprise all the school uniform items. There were a number of items which were listed as school uniform items for a number of schools such as the skirt, jersey and cap. However, these items were not considered as frequently compulsory items, since there were not

enough schools that indicated that such items are part of their uniform. The same basket of frequently compulsory school uniform items was used for both boys and girls as illustrated in the table below.

Simple Uniform
Short Trousers
Polo shirt
Jogging Suit

Table 27: List of frequently compulsory school uniform items for simple uniform for independent pre-primary schools
(Source: The Office)

191. The subsequent table shows the minimum, mean and maximum prices together with any resulting percentage price differences for a simple school uniform.

	Minimum Price	Mean Price	Maximum Price	% difference between minimum and maximum prices
School Uniform Items	€	€	€	
Short Trousers	5.00	13.85	19.00	280.00%
Polo shirt	2.30	11.94	17.50	660.87%
Jogging Suit	13.99	35.84	69.00	393.21%
Total Boys' School Uniform		61.63		

Table 28: Minimum, mean and maximum prices for independent pre-primary simple school uniform
(Source: Office calculations)

192. As highlighted in the table above, the Office noted that the percentage price differences are significantly high in contrast to the percentage price differences noted for State and church schools. This is because the maximum prices indeed appear to be on the high side. In the case of the polo shirt, a 661% price difference may be attributed to the fact that the minimum price of €2.30 corresponds to a generic t-shirt while the maximum price of €17.50 is attributed to a more elaborate polo shirt specific to the school. The significant percentage price differences emanating from this table raise serious concerns since some parents have to pay substantially higher prices for school uniform items when compared to parents from other schools.

193. Given that while certain schools indicated that school uniforms may be purchased from the school directly and others indicated that they may be bought from specific retailers, the Office considered it appropriate to undertake a comparative price analysis of different points of purchase.

	Mean Price of item purchased from school	Mean Price of item purchased from specific retailer	% Mean Price Difference
School Uniform Items	€	€	
Short Trousers	12.66	15.82	24.96%
Polo shirt	10.92	13.98	28.02%
Jogging Suit	37.35	32.82	-12.13%

Table 29: Comparison of mean prices of independent pre-primary school uniform items bought from different points of purchase
(Source: Office calculations)

194. It is difficult to draw a conclusion as to which point of purchase guarantees the best price, since the short trousers and the polo shirt are sold at a higher price by retailers, whilst the jogging suit is sold at a higher price by the schools.

7.2 Primary Schools

195. Similar to independent schools at pre-primary level, all schools at primary level are co-educational with the exception of one school which caters for boys only. Schools indicated a number of different options on the manner by which school uniforms are supplied. Two schools indicated that the school uniform is bought from a specific retailer, while one school said that it is bought directly from the school. The three other schools indicated that some school uniform items are purchased from a specific retailer while other uniform items are purchased directly from the school.

196. As in the case of the pre-primary level, word-of-mouth agreements remain the most popular type of agreement between the school and the suppliers. Three schools selected a particular supplier following a bidding process, with one of them indicating that it subsequently entered into a contract of five years with the successful supplier. Two selected schools indicated that the supplier was chosen

following an expression of interest. Good quality, availability and reliability were the criteria identified by schools for selecting the respective suppliers. In their replies to the questionnaire, schools submitted that no changes in the manner by which the uniforms are supplied were envisaged.

197. The subsequent paragraphs outline the price analysis conducted on school uniform items for independent primary schools. Given that certain school uniform items may not be the same for girls and boys, a separate basket of frequently compulsory school uniform items was chosen for girls and boys, respectively. The table below illustrates the basket of goods chosen.

Complete Uniform - Girls	Complete Uniform - Boys
Skirt	Long Trousers
Shirt Long Sleeve	Short Trousers
Shirt Short Sleeve	Shirt Long Sleeve
Jersey	Shirt Short Sleeve
Blazer	Jersey
P.E. Tracksuit	Blazer
P.E. T-shirt	Tie
P.E. Shorts	P.E. Tracksuit
Cap	P.E. T-shirt
	P.E. Shorts
	Cap

Table 30: List of frequently compulsory school uniform items for complete uniform for independent primary schools
(Source: *The Office*)

198. The subsequent two tables show the minimum, mean and maximum prices together with any resulting percentage price differences for a complete girls' and boys' school uniform at a primary level.

	Minimum Price	Mean Price	Maximum Price	% difference between minimum and maximum prices
School Uniform Items	€	€	€	
Skirt	16.90	24.10	30.00	77.51%
Shirt Long Sleeve	6.05	10.23	17.70	192.56%
Shirt Short Sleeve	5.87	13.37	17.00	189.61%
Jersey	15.49	17.31	20.00	29.12%
Blazer	68.72	69.68	70.00	1.86%
P.E. Tracksuit	30.00	39.79	69.00	130.00%
P.E. T-shirt	4.54	9.45	17.00	274.45%
P.E. Shorts	6.50	9.63	17.00	161.54%
Cap	5.00	5.67	7.00	40.00%
Total Girls' School Uniform		199.23		

Table 31: Minimum, mean and maximum prices for independent primary girls' complete school uniform (Source: Office calculations)

199. For a girl's uniform at a primary level, there are considerable price fluctuations for the majority of the items. Thus, for instance, the P.E. shorts and the short and long sleeve shirts registered price differences exceeding 160% and the P.E. t-shirt reached a price difference of 274%. The percentage price differences emerging from this table continue to corroborate the conclusions derived from previous price analysis that some parents have to pay significantly higher prices. The Office also noted that even the minimum price of the blazer in this case is on the high side.

	Minimum Price	Mean Price	Maximum Price	% difference between minimum and maximum prices
School Uniform Items	€	€	€	
Long Trousers	13.89	24.07	29.10	109.50%
Short Trousers	10.00	14.75	17.47	74.70%
Shirt Long Sleeve	6.05	10.43	17.70	192.56%
Shirt Short Sleeve	5.87	12.02	16.50	181.09%
Jersey	15.49	18.90	25.25	63.01%
Blazer	68.72	70.19	72.25	5.14%
Tie	6.25	6.58	7.00	12.00%
P.E. Tracksuit	30.00	41.16	69.00	130.00%
P.E. T-shirt	4.54	8.51	17.00	274.45%
P.E. Shorts	6.50	9.60	17.00	161.54%
Cap	5.00	5.50	7.00	40.00%
Total Boys' School Uniform		221.71		

Table 32: Minimum, mean and maximum prices for independent primary boys' complete school uniform

(Source: Office calculations)

200. Similar to the results observed for girls' uniform at primary level, boys' uniform items also show a series of percentage price fluctuations. The tie and the blazer are the two items for which the least percentage price difference was noted. However, for the majority of the other school uniform items, price differences exceed 100% with the situation continuing to aggravate itself with differences exceeding 160% and reaching 274%. Again, it was observed that the price of the blazer appears to be on the high side across the board.

201. By means of the following tables, the Office sought to determine whether there are any mean percentage price differences for school uniform items obtained from different points of purchase. For a number of school uniform items, both for girls and boys, such exercise could not be undertaken since for certain items, the majority of schools indicated that they may be bought directly from the school. In view of this, the possibility to compare the prices of the same uniform items purchased from specific retailers with those purchased from the school was very limited.

	Mean Price of item purchased from school	Mean Price of item purchased from specific retailer	% Mean Price Difference
School Uniform Items	€	€	
Shirt Short Sleeve	14.83	11.19	-24.54%

Table 33: Comparison of mean prices of independent primary girls' school uniform item bought from different points of purchase
(Source: Office calculations)

202. In the case of girls' school uniform, only the shirt short sleeve could be used in the comparative exercise. In this instance, it resulted that short sleeve shirts are bought cheaper from specific retailers. However, it was not considered appropriate to derive any conclusions since such peculiarity was only noted for one item.

	Mean Price of item purchased from school	Mean Price of item purchased from specific retailer	% Mean Price Difference
School Uniform Items	€	€	
Short Trousers	16.50	13.88	-15.88%
Shirt Short Sleeve	13.75	10.87	-20.95%
P.E. Tracksuit	41.00	41.48	1.17%
P.E. T-shirt	11.08	4.65	-58.03%
P.E. Shorts	10.67	8.00	-25.02%

Table 34: Comparison of mean prices of independent primary boys' school uniform items bought from different points of purchase
(Source: Office calculations)

203. In the case of boys' school uniform, it was possible to conduct such comparative assessment for a greater number of school uniform items. The table above, shows that the particular uniform items bought from the school are generally more expensive. Only the P.E. tracksuit is cheaper when bought from the school, but the price difference is minimal.

7.3 Secondary Schools

204. The Office conducted a similar exercise for independent secondary schools and selected a total of six schools. Four out of the replies received, indicated that school uniforms are supplied by a specific retailer. Another school indicated that certain items may be bought from a specific retailer, while other items may be bought from the school. The other school indicated that all uniform items are available from an exclusive retailer, however, it is also possible to purchase the material.
205. Contrary to what was noted in previous sections, contracts appear to be the most common type of agreement between the school and the specific retailers. The duration of the contracts vary from three to five years and again the reasons as to why such suppliers and retailers were chosen, were reliability, quality and value for money. In their replies to the questionnaire, the schools indicated that they did not intend to change the manner by which school uniforms are supplied within the next few years.
206. The Office conducted similar price analysis to that carried out for other schools at various levels. Given that the majority of the selected schools are co-educational, it was deemed appropriate to separate girls' school uniform items from boys' school uniform items. The Office identified the following frequently compulsory school uniform items for girls and boys.

Complete Uniform - Girls	Complete Uniform - Boys
Skirt	Long Trousers
Shirt Long Sleeve	Short Trousers
Shirt Short Sleeve	Shirt Long Sleeve
Jersey	Shirt Short Sleeve
Blazer	Jersey
Tie/Cravat	Blazer
P.E. Tracksuit	Tie
P.E. T-shirt	P.E. Tracksuit
P.E. Shorts	P.E. T-shirt
	P.E. Shorts

Table 35: List of frequently compulsory school uniform items for complete uniform for independent secondary schools
(Source: The Office)

207. The subsequent two tables are intended to portray the minimum, mean and maximum prices and the relevant percentage price differences for the selected school uniform items for girls and boys respectively.

	Minimum Price	Mean Price	Maximum Price	% difference between minimum and maximum prices
School Uniform Items	€	€	€	
Skirt	23.50	27.73	38.61	64.30%
Shirt Long Sleeve	7.95	13.40	18.50	132.70%
Shirt Short Sleeve	11.00	15.36	19.00	72.73%
Jersey	19.00	22.40	25.23	32.79%
Blazer	48.00	68.58	80.00	66.67%
Tie\Cravat	7.00	10.30	15.95	127.86%
P.E. Tracksuit	30.50	43.84	53.00	73.77%
P.E. T-shirt	7.50	10.61	13.45	79.33%
P.E. Shorts	5.82	10.75	12.95	122.51%
Total Girls' School Uniform		222.97		

Table 36: Minimum, mean and maximum prices for independent secondary girls' complete school uniform
(Source: Office calculations)

208. For a girls' complete uniform only one item registered a percentage price difference lower than 35%. For the remaining items, significant price differences ranging from

60% to 135% were noted. The shirt long sleeve, tie and P.E. shorts particularly raise concerns since for the relatively same uniform items, some parents pay well over twice the minimum price. It was noted that the prices of many items, in particular the maximum prices, appear to be on the high side.

	Minimum Price	Mean Price	Maximum Price	% difference between minimum and maximum prices
School Uniform Items	€	€	€	
Long Trousers	23.25	27.92	31.50	35.48%
Short Trousers	10.00	18.63	26.75	167.50%
Shirt Long Sleeve	7.95	13.00	18.50	132.70%
Shirt Short Sleeve	10.25	14.34	19.00	85.37%
Jersey	19.00	22.87	25.25	32.89%
Blazer	48.00	69.19	80.00	66.67%
Tie	3.03	7.08	14.95	393.40%
P.E. Tracksuit	30.50	44.53	53.00	73.77%
P.E. T-shirt	4.75	9.44	13.45	183.16%
P.E. Shorts	5.82	10.55	12.95	122.51%
Total Boys' School Uniform		237.55		

Table 37: Minimum, mean and maximum prices for independent secondary boys' complete school uniform

(Source: Office calculations)

209. Again significant price discrepancies can be observed in the case of independent secondary boys' school uniform with the maximum prices, in particular, appearing to be on the high side.

210. In previous sections, the Office compiled a comparative exercise between the different points of purchase. For independent secondary schools, for both girls and boys, such exercise was not considered appropriate due to the fact that only one school sells its school uniform directly from its premises.

211. On the basis of the analysis conducted, it may be concluded that percentage price differences for independent secondary schools uniform items are also considerably high. Once more, it may be observed that some parents are required to pay higher

prices for relatively similar school uniform items without having any choice on quality, price and retailer.

7.4 Comparison between different methods for selecting suppliers

212. Similar to the exercise conducted for church schools, the Office compared the prices of suppliers selected following a call for expression of interest and prices of suppliers selected by other methods. As in the case of church schools, this exercise could only be carried out with respect to some uniform items.

School Uniform Items	Minimum Price €		Mean Price €		Maximum Price €	
	EOI	Other	EOI	Other	EOI	Other
Short Trousers	12.50	5.00	15.75	13.25	19.00	17.50
Polo Shirt	12.50	2.30	14.23	11.28	15.95	17.50
Jersey	25.20	15.81	25.20	18.16	25.20	20.50
Jogging Suit	29.00	13.99	29.75	37.58	30.50	69.00
Cap	5.00	4.93	5.40	5.36	5.80	5.78
Total			90.33	85.63		

Table 38: Comparison of prices between different methods for selecting suppliers for independent pre-primary schools uniform
(Source: Office calculations)

213. For independent pre-primary schools, the total mean price of school uniform items supplied following an expression of interest is 5.5% higher than those provided by suppliers selected by other methods. There was only one instance where the expression of interest resulted in lower prices, namely the jogging suit which was around 21% cheaper.

School Uniform Items	Minimum Price €		Mean Price €		Maximum Price €	
	EOI	Other	EOI	Other	EOI	Other
Long Trousers	23.25	13.89	23.25	24.27	23.25	29.10
Short trousers	10.00	10.58	10.00	15.51	10.00	17.47
Shirt Long Sleeve	11.00	6.05	11.00	10.23	11.00	17.70
Shirt Short Sleeve	10.25	5.87	10.25	11.12	10.25	16.50
Jersey	25.25	15.49	25.25	17.31	25.25	20.00
Blazer	72.25	68.72	72.25	69.57	72.25	70.00
Tie	6.25	6.50	6.25	6.75	6.25	7.00
P.E. Tracksuit	48.00	30.00	48.00	41.49	48.00	69.00
P.E. T-shirt	4.75	4.54	4.75	9.45	4.75	17.00
P.E. Shorts	9.50	6.50	9.50	9.63	9.50	17.00
Cap	5.00	5.00	5.00	5.00	5.00	5.00
Total			225.50	220.33		

Table 39: Comparison of prices between different methods for selecting suppliers for independent primary boys' complete schools uniform
(Source: Office calculations)

214. In the case of independent primary boys' complete school uniform, it may be claimed that the total mean price for school uniforms provided by suppliers selected by means other than following an expression of interest is slightly lower than for those supplied following an expression of interest. However, no definite conclusion can be derived as to which system yielded the better prices, as there are certain uniform items which are cheaper when supplied following an expression of interest while others which are more expensive.

School Uniform Items	Minimum Price €		Mean Price €		Maximum Price €	
	EOI	Other	EOI	Other	EOI	Other
Long Trousers	23.25	26.79	26.75	29.08	29.50	31.50
Short trousers	10.00	17.47	16.32	22.11	19.95	26.75
Shirt Long Sleeve	11.00	7.95	14.00	12.01	18.50	16.07
Shirt Short Sleeve	10.25	11.00	15.73	12.25	19.00	13.50
Jersey	23.00	19.00	24.49	21.25	25.25	24.95
Blazer	70.93	48.00	72.73	65.66	75.00	80.00
Tie	4.23	3.03	5.83	8.33	7.00	14.95
P.E. Tracksuit	30.50	42.00	42.08	46.98	48.00	53.00
P.E. T-shirt	4.75	9.00	8.25	11.23	12.50	13.45
P.E. Shorts	9.50	5.82	11.17	9.92	12.50	12.95
Total			237.35	238.82		

Table 40: Comparison of prices between different methods for selecting suppliers for independent secondary boys' complete schools uniform
(Source: Office calculations)

215. As illustrated in the table above, the total mean price difference between the school uniforms supplied following an expression of interest and those supplied by other methods is trivial. As in the case of independent primary boys' complete school uniform, no conclusions may be derived as some uniform items supplied following an expression of interest where in some cases cheaper and in other cases more expensive than those provided by suppliers selected by other methods.

School Uniform Items	Minimum Price €		Mean Price €		Maximum Price €	
	EOI	Other	EOI	Other	EOI	Other
Skirt	23.50	24.00	24.37	29.97	25.23	38.61
Shirt Long Sleeve	12.50	7.95	15.50	12.01	18.50	16.07
Shirt Short Sleeve	17.95	11.00	18.48	12.25	19.00	13.50
Jersey	23.00	19.00	24.12	21.25	25.23	24.95
Blazer	70.93	48.00	72.97	65.66	75.00	80.00
Tie	7.95	7.00	7.95	11.48	7.95	15.95
P.E. Tracksuit	30.50	42.00	39.13	46.98	47.75	53.00
P.E. T-shirt	7.50	9.00	10.00	11.23	12.50	13.45
P.E. Shorts	11.50	5.82	12.00	9.92	12.50	12.95
Total			224.52	220.75		

Table 41: Comparison of prices between different methods for selecting suppliers for independent secondary girls' complete schools uniform
(Source: Office calculations)

216. As highlighted in previous paragraphs, no definite conclusions may be derived. While the total mean price following an expression of interest is higher, certain items are more expensive when supplied following an expression of interest, while other items are more expensive when provided by suppliers selected by other means.

217. Hence, unlike what one would normally expect, the expression of interest did not guarantee lower prices in the case of independent schools. As in the case of church schools, this is probably due to the fact that from the information gathered by the Office, the tenders generally make provision for financial compensation to be provided to the schools by the bidder in return for being awarded the contract, which financial compensation is then reflected in the final price to consumer. Moreover, it could be that fewer suppliers show an interest in the expression of interest to provide uniforms for independent schools, particularly where the student population is not so large.

7.5 Conclusion

218. Independent schools also have a school uniform policy in place. Indeed, from the sample taken only one school in the pre-primary level indicated that it does not have a school uniform. Each school is free to adopt its own system. From the above findings, the following conclusions could be drawn:

- school uniforms are generally very specific and can be bought either from the school or from a specific retailer as indicated by the school – in a few cases, a retailer is selected following an expression of interest;
- in very few cases, it is possible for parents to buy the material rather than the finished product;
- the fact that the uniform can be bought from the school itself does not imply that prices would be less than those offered by retailers;
- highly significant price discrepancies between the minimum and maximum prices for many of the school uniform items at all educational levels were observed. In fact, the major discrepancies between the minimum and the maximum prices were observed mostly with respect to independent schools;
- the highest prices were mostly observed in this chapter; and
- it cannot be said that expressions of interest generally yielded better prices in the case of independent schools.

8 Quality Specifications and Design Features

219. During the consultation held, a number of stakeholders commented on the fact that the preliminary report omitted any reference to the quality of school uniforms and that no assessment was carried out on the relationship between price and quality. In view of this, the Office decided to take into account the quality specifications of school uniforms. Based on the methodology referred to in Chapter 4, the following tables provide an outlook on the quality specifications and design features of certain school uniform items pertaining to State, church and independent schools.

220. For ease of reference, the Office will consider those items which do not have any school logos, are of one colour and do not have any patterns as having a simple design. On the other hand, the Office will consider those items which have school logos, piping, more than one colour and which are made of self-patterned material as having a complex design.

8.1 State Schools

221. In view of the changes in the supply of school uniforms in the past year, the Office could not physically assess the quality specifications of school uniform items pertaining to scholastic year 2010-2011. Nonetheless, the Office included in this report the prices of school uniform items pertaining to scholastic year 2011-2012 and collected the quality specifications thereon.

222. In line with the methodology adopted, the following tables outline the quality features of all State pre-primary and boys' secondary frequently compulsory school uniform items²¹.

²¹ See paragraph 112

School Uniform Items	Minimum Price €	Maximum Price €	School Uniform Item features	Quality Specifications
Polo shirt	9.00	10.00	Complex design	100% cotton
Shorts	5.95	6.50	Complex design	65% polyester and 35% cotton
Baseball Cap	4.25	5.00	Complex design	100% cotton
Jogging Suit	27.00	28.55	Complex design	100% polyester

Table 42: Quality specifications and design features of certain school uniform items of State pre-primary schools for scholastic year 2011-2012
(Source: Office Calculations)

School Uniform Items	Minimum Price €	Maximum Price €	School Uniform Item features	Quality Specifications
Long Trousers	15.00	18.00	Simple design	65% polyester and 35% viscose
Short Trousers	12.00	12.50	Simple design	65% polyester and 35% viscose
Shirt long sleeve	8.95	13.50	Complex design	65% polyester and 35% cotton
Polo shirt	9.00	10.00	Complex design	100% cotton
Jersey	14.65	17.00	Complex design	30% wool and 70% acrylic
Blazer	45.00	55.00	Simple design	Polyviscose Gabardine
Tie	4.00	6.50	Complex design	100% polyester silk
P.E. Tracksuit	27.00	28.55	Complex design	100% polyester
P.E. T-Shirt	5.75	6.50	Complex design	100% cotton
P.E. Shorts	5.95	6.50	Complex design	65% polyester and 35% cotton

Table 43: Quality specifications and design features of certain school uniform items of State boys' secondary schools for scholastic year 2011-2012
(Source: Office calculations)

223. The Office noted that the uniform items have in most cases complex designs. Even though price differences exist between the minimum and maximum prices for the same uniform items, the margins for the majority of the items are not as wide as observed elsewhere in the report. In this case, no comparison could be made on the

quality specifications and features of the uniform items and how these relate to price as these are in all cases the same since identical specifications and features were specified in the tender document.

8.2 Church Schools

224. A similar exercise was conducted for church schools. However, in this case, the Office collected the quality specifications of a number of school uniform items which were common for church and independent schools at the same level and where a 50% or more price difference between the minimum and maximum prices was found, given that the idea was to see whether the most significant price differences could be attributed to quality.

225. The following table identifies the quality features of those school uniform items of church pre-primary schools which were in line with the methodology adopted.

School Uniform Items	Minimum Price €	School Uniform Item features	Quality Specifications	Maximum Price €	School Uniform Item features	Quality Specifications	Percentage Price Difference
Polo shirt	5.00	Complex design	100% cotton	13.72	Complex design	100% cotton	174.40%
Short trousers	5.00	Simple design	50% cotton and 50% acrylic	13.95	Simple design	65% polyester and 35% viscose	179.00%
Jogging Suit	13.50	Complex design	100% polyester	37.00	Complex design	100% polyester	174.07%

Table 44: Quality specifications and design features of certain school uniform items of church pre-primary simple school uniform

(Source: Office calculations)

226. From the table above it can be noted that although the design and quality specifications of both the minimum priced and maximum priced polo shirts and jogging suits are similar, the percentage price difference is very wide, indeed more than 170%. In the case of the short trousers, the design in both cases is simple and although the quality specifications in both cases are different, it is questionable whether this would justify a price discrepancy of 179%.

227. Similar tables were also compiled to outline the quality features of those school uniform items which comprised a primary girls' and boys' complete uniform and which were also in line with the methodology adopted.

School Uniform Items	Minimum Price €	School Uniform Item features	Quality Specifications	Maximum Price €	School Uniform Item features	Quality Specifications	Percentage Price Difference
Skirt	16.50	Simple design	65% polyester and 35% viscose	29.50	Complex design	100% Wool	78.79%
Shirt long sleeve	10.50	Simple design	65% cotton and 35% polyester	17.50	Complex design	65% polyester and 35% cotton	66.67%
P.E. tracksuit	18.70	Complex design	100% polyester	40.80	Complex design	100% polyester	118.18%
P.E. t-shirt	3.60	Complex design	100% cotton	9.70	Complex design	100% cotton	169.44%
P.E. shorts	4.35	Simple design	100% cotton	11.50	Complex design	100% polyester	164.37%

Table 45: Quality specifications and design features of certain school uniform items of church primary girls' complete school uniform
(Source: Office calculations)

228. It can be noted that for two school uniform items, the P.E. tracksuit and P.E. t-shirt, both the minimum and maximum prices have the same quality specifications and design features and yet the percentage price difference between the two is of 118.18% and 169.44%, respectively. The significant percentage price difference of 78.79% between the minimum and maximum prices of the skirt may be due to the fact that the more expensive skirt is made out of 100% wool and has a complex design unlike the cheaper skirt which is made from a combination of polyester and viscose. The quality specifications and the design features of the shirt long sleeve and the P.E. shorts are different but it is unlikely that the price discrepancies between the minimum and the maximum prices can be completely attributed to the difference in the quality specifications.

School Uniform Items	Minimum Price €	School Uniform Item features	Quality Specifications	Maximum Price €	School Uniform Item features	Quality Specifications	Percentage Price Difference
Long trousers	10.25	Simple design	65% polyester and 35% viscose	20.75	Simple design	65% polyester and 35% viscose	102.44%
Shirt long sleeve	6.05	Simple design	65% polyester and 35% cotton	12.35	Simple design	65% polyester and 35% cotton	104.13%
Jersey	12.00	Complex design	70% acrylic and 30% wool	19.55	Complex design	50% acrylic and 50% cotton	62.92%
P.E. tracksuit	18.70	Complex design	65% polyester and 35% cotton	41.00	Complex design	100% polyester	119.25%
P.E. t-shirt	3.60	Complex design	100% cotton	14.00	Complex design	100% polyester	288.89%
P.E. shorts	4.35	Simple design	100% cotton	12.50	Simple design	100% polyester	187.36%

Table 46: Quality specifications and design features of certain school uniform items of church primary boys' complete school uniform
(Source: Office calculations)

229. The Office noted that the quality specifications and the features of the minimum priced and maximum priced long sleeve shirts are the same, yet there is a percentage price difference of 104.13%. Similarly, the long trousers registered a percentage price difference of 102.44%, notwithstanding the similarity in quality specifications and features of the uniform item. With respect to the P.E. tracksuit, it is doubtful whether the discrepancy in the quality specifications would justify the maximum price being more than twice the minimum price. With respect to the P.E. shorts and P.E. t-shirt, it is noted again that it is highly questionable whether the use of the material 100% polyester as opposed to 100% cotton would raise the price to almost three and four times as much respectively.

230. Similar tables were also compiled to outline the quality features of the girls' and boys' secondary school uniform items which were in line with the methodology adopted.

School Uniform Items	Minimum Price €	School Uniform Item features	Quality Specifications	Maximum Price €	School Uniform Item features	Quality Specifications	Percentage Price Difference
Shirt long sleeve	10.48	Simple design	65% polyester and 35% cotton	17.50	Complex design	65% polyester and 35% cotton	66.98%
Tie	3.40	Complex design	100% polyester	6.50	Simple design	100% polyester	91.18%
P.E. t-shirt	6.40	Complex design	100% cotton	14.50	Complex design	100% cotton	126.56%
P.E. shorts	6.40	Complex design	Polycotton twill	11.75	Complex design	100% polyester	83.59%

Table 47: Quality specifications and design features of certain school uniform items of church secondary girls' school uniform
(Source: Office calculations)

231. The Office noted that for most of the school uniform items, the minimum and maximum priced items have the same quality specifications, but in some instances differ in the design features. In the case of the P.E. t-shirt, there is a percentage price difference of 126.56%, notwithstanding that the features and quality specifications are the same. In the case of the long sleeve shirt, the difference in design may partly explain the percentage price difference of 66.98% between the minimum and maximum prices. It is interesting to note that even though the quality specifications of the minimum and maximum priced tie are the same, the tie which has a complex design is cheaper than the one with the simple design.

School Uniform Items	Minimum Price €	School Uniform Item features	Quality Specifications	Maximum Price €	School Uniform Item features	Quality Specifications	Percentage Price Difference
Shirt long sleeve	6.05	Simple design	65% polyester and 35% cotton	10.25	Simple design	65% polyester and 35% cotton	69.42%
Tie	3.10	Complex design	100% polyester	8.00	Complex design	100% polyester	158.06%
P.E. t-shirt	3.75	Complex design	100% polyester	8.50	Complex design	100% cotton	126.67%
P.E. shorts	7.60	Complex design	65% polyester and 35% cotton	12.50	Simple design	100% polyester	64.47%

Table 48: Quality specifications and design features of certain school uniform items of church secondary boys' school uniform
(Source: Office calculations)

232. Significant price discrepancies exist for the long sleeve shirt and the tie even though the maximum and minimum priced shirts and ties have the same quality specifications and design features. In the case of the P.E. shorts, it is highly unlikely

that the variation in the quality specification would justify a price difference of 64.47%.

8.3 Independent Schools

233. As illustrated in Chapter 7, significant price differences were registered for similar uniform items in several instances. As a result, a similar exercise was also conducted for independent schools to assess whether such price differences are a result of differences in quality specifications and design features.

234. Table 49 provides a tabular representation of the minimum and maximum priced pre-primary school uniform items vis-à-vis their quality specifications and design features.

School Uniform Items	Minimum Price €	School Uniform Item features	Quality Specifications	Maximum Price €	School Uniform Item features	Quality Specifications	Percentage Price Difference
Short trousers	5.00	Simple design	100% cotton	19.00	Simple design	65% polyester and 35% viscose	280.00%
Polo shirt	2.30	Simple design	100% cotton	17.50	Complex design	100% cotton	660.87%
Jogging suit	13.99	Complex design	100% polyester	69.00	Complex design	65% polyester and 35% cotton	393.21%

Table 49: Quality specifications and design features of certain school uniform items of independent pre-primary simple school uniform
(Source: Office calculations)

235. In the case of the jogging suit, one queries whether the partial variation in the quality specifications would justify a price discrepancy of almost five times as much. Moreover, in the case of the short trousers again one queries whether the choice for a combination of polyester and viscose should yield a price of almost four times as much to cotton. In the case of the polo shirt, the considerable difference in price may be attributable to the difference in the design feature, in that the minimum price of €2.30 corresponds to a generic t-shirt while the maximum price of €17.50 is attributed to a more elaborate polo shirt specific to the school. Having said this, however, it is questionable whether this in itself justifies a discrepancy in price of more than 6 times as much, particularly where the quality specifications are the same.

236. Similarly, the Office drew up other tables for independent primary girls' and boys' school uniform items.

School Uniform Items	Minimum Price €	School Uniform Item features	Quality Specifications	Maximum Price €	School Uniform Item features	Quality Specifications	Percentage Price Difference
Skirt	16.90	Simple design	65% polyester and 35% viscose	30.00	Complex design	Linen	77.51%
Shirt long sleeve	6.05	Simple design	65% polyester and 35% cotton	17.70	Complex design	Linen	192.56%
P.E. tracksuit	30.00	Complex design	100% polyester	69.00	Complex design	100% brushed back polyester	130.00%
P.E. t-shirt	4.54	Simple design	100% cotton	17.00	Complex design	100% cotton	274.45%
P.E. shorts	6.50	Simple design	65% polyester and 35% cotton	17.00	Complex design	Polycotton twill	161.54%

Table 50: Quality specifications and design features of certain school uniform items of girls' independent primary school uniform (Source: Office calculations)

237. In the case of girls' primary level, the Office found a mixture of school uniform items with different designs and also with different quality specifications. In this case, the P.E. t-shirt having a complex design costs more than three times the one having a simple design. While the Office acknowledges the fact that there are remarkable price differences between the minimum and maximum, no comparisons could be made for other items due to the differences in the quality specifications.

School Uniform Items	Minimum Price €	School Uniform Item features	Quality Specifications	Maximum Price €	School Uniform Item features	Quality Specifications	Percentage Price Difference
Long trousers	13.89	Simple design	65% polyester and 35% viscose	29.10	Simple design	100% polyviscose	109.50%
Shirt long sleeve	6.05	Simple design	65% polyester and 35% cotton	17.70	Complex design	Linen	192.56%
Jersey	15.49	Complex design	50% wool and 50% acrylic	25.25	Complex design	50% cotton and 50% acrylic	63.01%
P.E. tracksuit	30.00	Complex design	100% polyester	69.00	Complex design	100% brushed back polyester	130.00%
P.E. t-shirt	4.54	Simple design	100% cotton	17.00	Complex design	100% cotton	274.45%
P.E. shorts	6.50	Simple design	65% polyester and 35% cotton	17.00	Complex design	Polycotton twill	161.54%

Table 51: Quality specifications and design features of certain school uniform items of boys' independent primary school uniform (Source: Office calculations)

238. Significant discrepancies in quality specifications and design features seem to be prevalent also for independent boys' school uniform items. Therefore, the Office could not draw conclusions on all the school uniform items in the above table. With respect to the P.E. t-shirt, the same comment made in the previous paragraph applies. With respect to the long trousers, it is doubtful whether the difference between the minimum and maximum price could be attributed to the quality specifications.

239. Quality assessment on certain school uniform items was also conducted for independent secondary schools. In the subsequent tables, the Office will outline the quality specifications, design features for both girls and boys to assess whether significant percentage price differences are attributable to differences in quality specifications and design features.

School Uniform Items	Minimum Price €	School Uniform Item features	Quality Specifications	Maximum Price €	School Uniform Item features	Quality Specifications	Percentage Price Difference
Shirt long sleeve	7.95	Simple design	65% polyester and 35% cotton	18.50	Complex design	60% cotton and 40% polyester	132.70%
Tie	7.00	Complex design	100% polyester	15.95	Complex design	100% polyester	127.86%
P.E. t-shirt	7.50	Complex design	100% cotton	13.45	Complex design	100% cotton	79.33%
P.E. shorts	5.82	Simple design	65% polyester and 35% cotton	12.95	Complex design	100% cotton	122.51%

Table 52: Quality specifications and design features of certain school uniform items of girls' independent secondary school uniform
(Source: Office calculations)

240. With respect to independent girls' secondary schools, it was noted that in the case of the tie and the P.E. t-shirt, even though the quality specifications and the design features were similar, the percentage price differences were of 127.86% and 79.33% respectively. With respect to the shirt long sleeve, the discrepancy in price may be attributable to the complex design rather than the partial difference in the quality specifications.

School Uniform Items	Minimum Price €	School Uniform Item features	Quality Specifications	Maximum Price €	School Uniform Item features	Quality Specifications	Percentage Price Difference
Shirt long sleeve	7.95	Simple design	65% polyester and 35% cotton	18.50	Complex design	60% cotton and 40% polyester	132.70%
Tie	3.03	Simple design	Gabardine Polyviscose	14.95	Complex design	100% polyester	393.40%
P.E. t-shirt	4.75	Complex design	100% cotton	13.45	Complex design	100% cotton	183.16%
P.E. shorts	5.82	Simple design	65% polyester and 35% cotton	12.95	Complex design	100% cotton	122.51%

Table 53: Quality specifications and design features of certain school uniform items of boys' independent secondary school uniform
(Source: Office calculations)

241. In the case of boys' secondary level, the Office considered that the quality specifications and design features permitted it to comment only with respect to the shirt and the P.E. t-shirt. The percentage price difference between the minimum and maximum prices of the P.E. t-shirt is of 183.16%, notwithstanding that it has the same design features and quality specifications. The same observation made in the previous paragraph can be made in the case of the long sleeve shirt.

8.4 Conclusion

242. In this chapter, the Office tried to assess whether the significant percentage price differences encountered in previous chapters, were a result of differences in quality specifications and design features. Definite conclusions could not be derived for all uniform items, since in some cases the quality specifications and design features of the same uniform items were very different. Nevertheless, for many uniform items for both church and independent schools, even though the quality features and design features were the same or very similar, the percentage price differences were very significant. Indeed, such instances suggest that the considerable differences in prices are not attributable to differences in the quality specifications or design. This continues to justify the concerns of the Office. Parents, given that they do not have any choice on price, quality and retailer, particularly because the majority of school uniform items have a complex and specific design, end up paying higher prices for items of a similar quality to that of the minimum priced items.

243. In the case of State schools, the Office could not conduct a comparative assessment similar to that of church and independent schools due to the fact that suppliers providing State school uniform items are bound by the quality specifications and design features requested in the expression of interest document. Moreover, no physical quality assessment could be undertaken, since over the last scholastic year there were changes in the suppliers of school uniform items and the data on which the Office derived its conclusions pertained to scholastic year 2010-2011.

9 Conclusions and Recommendations

244. The national consultation launched on the preliminary report continued to shed further light on the practices being adopted on the supply of school uniforms. From the meetings held and the feedback received, it transpired that the school uniforms market in many instances is still subject to limited competition, resulting very often in higher prices and lack of choice. There is a general tendency for schools to have very specific uniforms. This severely restricts the possibility for parents to shop around, whilst increasing the market power of suppliers. Indeed, it was noted that school uniforms specific to a school bought from a designated retailer are generally bought at a higher price than school uniforms purchased from general retailers.
245. The supply of school uniforms for State schools is currently undergoing a period of transition, since in the next few years it is envisaged that all educational levels within the State colleges will have their own specific uniform. The Office conducted a comparative price analysis between generic and specific uniform items and between uniform items pertaining to the old system and the new system for scholastic year 2010-2011. Although the base year for the report was 2010-2011, the Office also examined, in the case of State schools only, the relevant prices of school uniform items for scholastic year 2011-2012, in order to monitor the effects that the call for expression of interest and the tendering process had on prices on a two year period. As a general conclusion, it was found that school uniforms consisting of generic items may be purchased at a cheaper price than school uniforms which are specific to the school and are bought from a specific retailer. It was also noted that following the expression of interest, the prices of boys' secondary school uniforms for scholastic year 2011-2012 were generally cheaper than those of scholastic year 2010-2011.
246. The prevailing situation for church schools is that most of the schools have specific uniform items and therefore, these have to be purchased either directly from the school or from a specific retailer indicated by the school. There are some exceptions with respect to a few uniform items of some of the schools which may be purchased from any general retailer. Moreover, it was noted that the majority of schools offer the option of purchasing the material. In terms of the price analysis conducted,

significant percentage price differences between the minimum and maximum prices were registered for the same uniform items. This was observed for most of the frequently compulsory school uniform items at different educational levels for both boys and girls.

247. Similar restrictions on choice were also observed for independent schools as school uniforms have to be purchased from a specific retailer or from the school itself. Even in this case, significant price discrepancies between the minimum and maximum prices were observed for the majority of frequently compulsory school uniform items and for certain items it was found that parents have to pay more than twice the minimum price charged for the same uniform item of another independent school.

248. In the final report, the Office sought to assess whether the significant price differences registered for a number of school uniform items were the result of differences in the quality specifications of those items. It was found that, in several instances, the quality specifications of both the minimum priced item and the maximum priced item were the same or at least not very dissimilar. Yet, in the case of church schools and independent schools, this still resulted in percentage price differences exceeding 50%. Moreover, the Office also looked into the design features of the school uniform items and found that the majority of school uniform items have complex designs.

249. The Office has found that the market for school uniforms is highly influenced and characterised by the behaviour of the following three distinct groups:

- (i) schools;
- (ii) parents; and
- (iii) suppliers.

The Office has found that the recurrent behaviour of these groups has led to a pattern that in itself inhibits competition.

250. Schools on their part have throughout this fact-finding exercise and consultation process insisted that school uniforms confer a distinct identity. In some cases, they have tried to bring to the fore their distinct identity by creating elaborate designs and resorting to unusual colours. Schools have also emphasized on the importance that children attend in the precise determined school uniform from the very first day of school. In general, all schools have expressed their concern that unless there is a designated supplier, whether he is chosen directly by the school or through a tendering process, there is no guarantee of supply.

251. Parents, on their part, tend to be passive consumers, in the sense that they abide faithfully by the precise directions given to them by the school seeking to purchase the uniform items generally from the designated retailer or from the school where the latter itself sells the uniform. This is inevitable in those cases where the uniform items are specific and complex and there is no alternative source of supply.

252. The established suppliers on the market associated with particular schools, who as noted earlier generally act at the same time as retailers, except in those cases where the school itself sells the uniform, find that exclusive arrangements guarantee a certain amount of business for them and alleviate the risks of competition. Indeed, some of these suppliers even consider that they should not provide the uniforms of schools which are being provided by other suppliers, just like they would not approve if other suppliers had to start supplying the uniforms they sell. They consider that the current arrangements guarantee supply and economies of scale.

253. The Office considers that to have a more competitive market, this behavioural pattern has to change. Already, during this exercise some positive developments were observed. In particular, it transpired that more suppliers are willing to enter the market and exert pressure on established structures. State schools' bidding process in itself intensified competition between suppliers. However, clearly more progress is required.

254. In the first place, schools have to understand that they play a major role in the school uniforms market, as the market revolves very much around the schools' uniform policy. Indeed, this market is very particular because, while the schools

dictate their school uniform policy, they are neither the sellers nor the purchasers, except in those cases where the schools themselves sell the uniform. Whilst the Office respects the schools' position that uniforms confer distinct identity and that all students must turn up in the precise school uniform dictated by them, the Office would appeal to the schools that a distinct identity can be conferred by less restrictive measures, for instance, in the case of the full uniform, a distinct identity may be conferred by means of the tie/scarf or badge – there is no need on top of this to have for instance a patterned skirt or a striped/checked shirt.

255. Secondly, the Office would appeal to schools to revise school uniform policy requiring strict adherence to the designated source of purchase in those cases where parents are able to find an alternative source of purchase, satisfying the required uniform specifications. Instances were reported where schools disapproved the purchase of uniforms other than from the designated supplier. In taking this approach, schools may be inadvertently deterring competition from other suppliers.

256. Thirdly, in reply to the concern of schools relating to guarantee of supply, cases have been reported to the Office, where although there was a designated supplier, the complete uniform was not available at the beginning of the scholastic year. Indeed, reliance on one supplier may have the opposite effect to guarantee of supply, because should the designated supplier fail to provide the full uniform, one cannot resort to other sources of supply on the market.

257. From the point of view of schools and parents, the school uniform is an essential item and has to be bought according to the exact specifications required by the school. The parents have generally found themselves in a very vulnerable position where they have to buy the uniform from the specific retailer indicated by the school or from the school itself at the prices indicated by that sole retailer/school. This has severely restricted their freedom to shop around, while increasing the market power of that specific retailer/school. This market power in turn has often resulted in prices above competitive levels. The Office would appeal to parents to participate more actively in the market, to shop around and look for availability of the school uniform items on the market rather than restrict themselves to

purchasing from one designated retailer. This would in turn trigger entry of new suppliers and retailers into the market, thereby increasing competition.

258. The Office is also concerned that exclusive arrangements entered into by schools, which are not preceded by a selection process and are not limited in time, may foreclose competitors from the market, thus severely hindering and restricting competition, whilst allowing established suppliers to benefit from reduced competition with the consequent negative impact on parents, vis-à-vis price, quality and choice.

259. In view of the above, it is imperative that schools, when setting their uniform policy, ensure that they do not hinder the process of competition in the market. The Office must remark at this stage that the schools in general have, by virtue of this market study, particularly through the consultation carried out, understood their key role and given their commitment that they would reflect on their current policies and endeavour to improve them as recommended by the Office.

9.1 Recommendations

260. With the aim “making this market more competitive” clearly in mind, the Office would like to set forth its recommendations.

261. Clearly, it has emerged from this study that the ideal scenario would be to have a uniform made up mostly from generic items with a few distinctive features, as for example the tie and badge, that would make that particular uniform unique. The advantages of this model, hereinafter referred to as the ‘less complex uniform model’, would be that it would allow different suppliers to stock different uniforms and would encourage new entry into the market. This would result in increased competition on the market, bringing about better prices, better quality and wider choice. This model would enable parents to become active consumers benefitting from the possibility of being able to shop around. It would also address the schools’ concerns with respect to security of supply and distinct identity.

262. In the light of this, therefore, the Office refers to and reiterates its recommendation provided in the preliminary report that:

.... school uniform designs should be kept as simple as possible avoiding any unnecessary elaborate designs or unusual colours. Particular characteristics, such as complex patterns, embroidered school names and piping which make the uniform specific to the school and more expensive should also be avoided. A distinct identity could, for instance, be conferred by school badges which could be sold separately. Moreover, schools should ensure that school uniform items which need not necessarily be specific to the school such as shirts, skirts, trousers, P.E. t-shirts and P.E. shorts may be purchased from any general retailer who wishes to offer uniforms for sale. Even blazers may be sold by general retailers where school badges are sold separately and then sewn on by the parents themselves.

263. Indeed, the Office notes with satisfaction that a few schools do avail themselves of the less complex uniform model, particularly in the case of boys' full uniforms. Interesting to note is that these schools still feel they have a distinct identity and do not consider that their students are at a disadvantage compared to students attending schools having more elaborate uniforms.

264. Where the less complex uniform model is opted for and the uniform has only a few specific items, the Office recommends that the schools adopt one of the options mentioned in paragraph 269 to ensure the supply of those few specific items.

265. The reality, however, is that many schools already have complicated uniforms in place. The question here is whether these schools should change their uniform to a simpler one or maintain the same complicated uniform. The Office understands that schools may have valid reasons for not wanting to change the uniforms already in place. Indeed, some schools, particularly where the uniform has been used for a long time, feel attached to their particular uniform, because over the years that uniform has become synonymous with the school. The change may also cause some unnecessary expenses for parents who may have already purchased the uniform and

may even wish to pass it down to siblings. It may also involve loss of stock for suppliers.

266. In this scenario, the Office, while recommending that the less complex uniform model, as described above, would be the ideal model and while wanting to encourage schools to take this step forward and opt to change their existing uniform for a simpler one, cannot oblige schools to change their uniform for a more generic one.

267. In the former case, where the school decides that it wants to change its 'complicated' uniform to a simpler one or where it opts to change some of the complex items of its uniform, the school should phase out the old uniform over a sufficient period of time to minimise any negative effects on parents and suppliers. In this case, the schools must also give consideration to any commitments they may have entered into with suppliers in any lawful agreement.

268. Where the schools decide to retain their complex uniforms, more attention has to be paid to the process of competition. It must be remembered that the more specific the school uniform, the more differentiated it is, reducing elasticity of demand and increasing the possibility to raise prices. Indeed, a complex uniform may form a product market in itself. Thus, promising exclusivity to one supplier and obliging all parents to purchase from that supplier may be tantamount to conferring a monopoly to that supplier. Although, in this case, one may argue that there is nothing to stop other suppliers from replicating that uniform and from parents purchasing from the latter, the reality is that other suppliers may be hesitant to provide that uniform, particularly where the student population of that school is small and where the school is recommending the first supplier to the parents.

269. The Office recommends the following options where the uniform or parts of it is/are complicated²²:

1. All willing suppliers and retailers could be given the possibility to supply and sell the uniform in question. In this respect, the schools should be ready to

²² These recommendations are without prejudice to any commitments entered into in any lawful contract.

make available on request to suppliers and retailers all necessary information, particularly concerning the colour codes, quality of material and the patterns/designs of uniform items. Parents would have the benefit of purchasing the uniform from the retailer of their choice. Of course, the parents would have to ensure that they have bought uniform items compliant with the schools' specifications. The schools would not need to enter into the merits of the prices being charged. The market will determine the price by virtue of the power of the parents to shop around and through the effort of suppliers and retailers to gain market share.

2. The schools could regularly issue a call for interested suppliers and retailers to come forward to supply and sell their uniform. The schools would not restrict themselves to one supplier or retailer or to a predetermined number of suppliers or retailers. All those satisfying the objective criteria set by the school for the supply of the uniform will be selected and recommended to the parents. It would be up to the parents then to shop around and determine from where they should purchase the uniform. Again the schools would not need to enter into discussions relating to price – prices will be left to market forces. The benefit of this option in comparison to the option outlined in the previous paragraph is that the schools would have their mind at rest that there are a number of suppliers and retailers providing their uniform according to the required specifications and that supply of each school uniform item is guaranteed.

The first two options have the advantage that it would be up to the parents to decide whether they want to purchase everything from one retailer or make savings with a little further effort by purchasing from different retailers depending on who is offering the best price for each item.

3. A tendering/expression of interest process could be adopted. An open, transparent and non-discriminatory bidding process should enhance price competition and quality standards to the benefit of parents and schools. It should also guarantee security of supply.

An exclusivity agreement entered into following a bidding process must be limited in time. This is important so as to limit the foreclosure effects on competitors and to give the latter a chance to compete again for the supply of the school uniform after the lapse of a certain period of time. Moreover, where the agreement is limited in time, it would be in the interest of the successful supplier himself to continue to offer a good service and honour his commitments fully throughout the duration of the contract. The duration may vary depending on the relevant circumstances, such as the size of the school, the market share of the successful supplier and the extent to which access to the market for the supply of school uniforms is restricted by similar agreements entered into by other schools. It must be borne in mind that the longer the duration, the greater the likelihood of foreclosure of competitors and the lesser the disciplinary force on the supplier to offer a good service. Generally speaking, agreements up to two years should not pose significant problems. For agreements exceeding two years, a careful assessment has to be made of the pro-competitive and anti-competitive effects of the agreement. In this respect, Article 5 of the Competition Act provides the legal framework for carrying out this exercise.²³ Agreements exceeding five years should be avoided as these are more likely to foreclose competitors and are less likely to be beneficial for parents. No obstacles should exist for terminating the agreement at the end of its duration and it should not be automatically or tacitly renewable.

The Office found that the State schools' expression of interest process for scholastic year 2011-2012 did yield lower prices in the boys' secondary level. It must be observed, however, that the system worked in the cited case because no remunerative compensation is paid to State schools by suppliers in consideration for winning the contract. The Office considers that the benefit of the tendering process may be distorted if the schools ask the

²³ Article 5(1) prohibits agreements which appreciably restrict or distort competition and Article 5(3) provides the criteria that must be satisfied for an agreement to be considered pro-competitive and as having sufficient benefits to outweigh the anti-competitive effects. Although Article 5 of the Competition Act applies to agreements between at least two undertakings and although schools may not all qualify as undertakings for the purposes of the Competition Act, it is recommended that guidance be sought in terms of this Article for the purposes of determining the pro- and anti-competitive effects of the agreement. Moreover, one must note that Article 9 may also apply to such agreements, particularly with respect to the suppliers, since it applies to unilateral conduct.

suppliers for compensation, particularly because the schools may give priority in allocating the tender to the supplier who offers the best compensation for the school rather than the best uniform at the best conditions for the parents.

The tendering process should yield more beneficial effects if it is restricted to the wholesale level only and the successful bidder is obliged to sell to retailers upon request. This would create competition at the retail level, since different retailers would be in a position to purchase those particular school uniform items for resale to parents from the selected supplier. In this case, the price quoted in the bid would be the wholesale price and not the final price to the consumer. It will be the market in this case that would decide the final retail price. Where the tender is restricted to the wholesale level, the school would be able to allocate different parts of the uniform to different bidders depending on who is offering the best price and conditions for each item, without causing any inconvenience to parents, since it would be up to the retailers to stock all the items making up the uniform.

The limitation of a tendering/expression of interest process is that, since the school is not itself obliged to purchase the uniform in terms of the contract, the possibility that other retailers may start supplying the uniform in question may deter suppliers to enter into a contract imposing onerous conditions, given that their competitors may still supply that uniform or parts of it without being bound by those conditions. This is likely, in particular, for State colleges, which have a larger population of students wearing the same uniform. It is important in this case that the contract does not impose fixed prices for the duration of the contract, but only maximum prices, so that the successful bidder would be able to compete with those supplying the same uniform at a lower price.

It is important for suppliers to note that where a bidding process is adopted, suppliers should not collude and co-operate between them on the terms and conditions to be offered by each of them when submitting their different bids or enter into unlawful agreements between them in connection with the

tender. Indeed, such behaviour would be in serious violation of the Competition Act and sanctions may be imposed. Furthermore, schools should be careful to detect any signs of collusion and inform the Office where they suspect that collusion has taken place.

270. As has been seen in previous chapters in this report, schools have sometimes entered into a verbal or a written agreement not preceded by a bidding process with an individual supplier conferring exclusivity upon the latter, whether directly or indirectly, as in the case where the school uniform is specific. The Office considers that an agreement of this sort is more likely to have anti-competitive effects for the following reasons:

- since no bidding process precedes the agreement, the competitive process guaranteeing the best price and conditions for the parents is cast aside;
- these agreements have a direct impact on the parents, who are not even party to the agreement;
- the agreement confers significant market power on the supplier vis-à-vis the parents of the school concerned, since a specific uniform may constitute a product market in itself;
- where the uniform is specific, parents are locked in with that particular supplier and have no opportunity to resort to other suppliers; and
- competitors are foreclosed from supplying that uniform.

271. In the light of the above, the Office considers that these agreements are not recommendable. If this, notwithstanding, schools do enter into exclusivity agreements not preceded by a tender, it is advised that they still take sufficient steps to guarantee transparency and the best prices and conditions for parents, for instance, by obtaining a number of quotations from different suppliers, by keeping parents well informed of the process and by avoiding verbal agreements with one particular supplier or retailer.

272. Moreover, these agreements must be limited in time and the school should ensure that the pro-competitive effects of the agreement, like security of supply, outweigh the anti-competitive effects of the agreement, like limited choice for the parents, whatever the duration. Again in this respect, schools are referred to Article 5 of the Competition Act. In this case, this exercise is even more significant given that the agreement is not preceded by a bidding process. In determining the duration, regard must be had to all the relevant circumstances, such as the size of the school, the market position of the supplier and the extent to which access to the market for the supply of school uniforms is restricted by similar agreements adopted by other schools. The longer the duration, the greater the likelihood that there will be anti-competitive effects. It must be emphasized that particularly in this scenario, where the agreement is not preceded by a bidding process, agreements exceeding five years should be avoided. No obstacles should exist for terminating the agreement at the end of its duration and it should not be automatically or tacitly renewable.

273. Finally, where a school decides to enter into an exclusive arrangement, not preceded by a bidding process, it is advisable that such arrangement is entered into at the wholesale level only in order to leave scope for competition at the retail level. Thus, different retailers would be in a position to purchase those particular school uniform items for resale to parents from the exclusive supplier.

274. At this stage, the Office would like to point out that where a supplier is an exclusive supplier or where the school itself sells the uniform or parts of it on an exclusive basis to its students and the uniform or those parts is/are specific, that supplier or school may be enjoying a dominant position on the market for that particular uniform. It is important, therefore, for that supplier or school not to abuse of its position, for example, by charging excessive prices. In this respect, attention is drawn to Article 9 of the Competition Act.

275. The Office would also like to make the following recommendations that should apply independently of which model or option is selected:

1. Schools should constantly consult and engage parents in discussions on their uniform policy before they take any decisions on the colour, design

and quality of the school uniform and method of supply. Moreover, schools should be open in a consistent manner to suggestions, observations and complaints from parents concerning price and quality of uniforms and the service offered. It is important that this is borne in mind, since it is the parents who are, after all, the final consumers.

2. Parents should be informed of the retailers selling the school uniform, to the extent that this may be within the knowledge of the school, in order to reap the benefits of additional choice on price, quality and point of purchase.
3. Parents should be offered the possibility to purchase the material of the uniform, in which case all necessary information, particularly on the colour code, patterns/designs and quality of material, should be made available to parents.
4. Schools should not opt for long lists of uniform items, as the inclusion of unnecessary items other than what is really essential would be an additional burden and cost to parents. Where schools would like to include uniform items, which are not strictly essential, but which may be convenient for the students to have, they should state clearly that those items are optional.
5. The pattern/design of the school uniform is ideally owned by the school and not by an individual supplier. This ensures that when there is a change in the supplier, as where a contract is awarded subsequent to a bidding process, the pattern/design of those particular school uniform items would remain the same, thus avoiding a situation whereby parents would need to purchase uniform items afresh subsequent to the adjudication of a new tender or change in supplier.
6. Suppliers, particularly where they are exclusive suppliers, as in the case where a tendering/expression of interest is resorted to, should ensure that all sizes are stocked appropriately to reduce or eliminate any discrimination or discomfort for pupils who do not fall within the normal range of sizes and

to provide for the possibility of tailor-made uniforms for students who may need extra small or extra large sizes. Moreover, suppliers must ensure that the normal range of different sizes are available and should not try to amalgamate different sizes into one/few categories of sizes, to make cost savings at the expense of students ending up in uniforms not fitting them properly.

7. Where there are different costs involved in the production of different sizes, the difference should be reflected in the price. Thus, for instance, the price of a polo shirt in the pre-primary level should not be the same as that in the secondary level.
8. Where particular suppliers are selected, for instance, following a tendering/expression of interest process, schools should inform suppliers that they have been chosen to supply the uniform or parts of it well before the start of the scholastic year to ensure that suppliers do not incur extra costs and that the uniform items are readily available well before the beginning of the scholastic year. This would avoid undue pressure on the said suppliers and parents.
9. The uniform items of mixed schools should as far as possible be the same for both boys and girls, so that parents wishing to pass down those uniform items to siblings will have a greater possibility of doing so.
10. Retailers should consider the possibility of selling school uniforms online for the convenience of parents, alongside the sale of uniforms from retail outlets or school premises.

276. Finally, the Office would like to emphasize that the supply and sale of school uniforms is an economic activity. All those carrying out this economic activity must therefore ensure that they act within the parameters of the Competition Act and avoid engaging in restrictive practices which harm competition.

9.2 Concluding remarks

277. The Office expects that by virtue of the preliminary report, subsequent consultation and this final report, the market for the supply of school uniforms would become more competitive. Clearly, a joint effort from all the parties involved is required, particularly from the schools which have a greater responsibility in trying to adhere to the recommendations outlined above. It must be emphasized that if the above recommendations are observed, the market should not remain concentrated in the hands of a few suppliers. Rather, there should be a plurality of suppliers and retailers providing different uniforms of different schools. This would avoid the situation where parents of one school are all tied to the same outlet in one location, as is mostly the prevalent situation. The market will open up for more suppliers and retailers willing to supply school uniforms, thus becoming more competitive. This in turn would exert a downward pressure on prices and suppliers and retailers would be keener to offer good quality and service. Parents ultimately will have more choice and will more generally benefit from 'value for money'. At the same time, the schools' interest in having their students turning up with a full complete uniform in line with the required specifications would not be prejudiced.

278. On its part, the Office will continue to monitor the market. As part of its advocacy role, the Office will continue to encourage schools, suppliers and retailers to comply with competition law and engage in sound trading practices. At the same time, the Office will use its enforcement powers to carry out any necessary investigations in terms of the Competition Act where it has reason to believe that anti-competitive practices are taking place.

Annex 1

College:

Name of School:

1 System Type: Tick 'X' where appropriate

	Old System [^]	New System [*]
Year/Form 1		
Year/Form 2		
Year/Form 3		
Year/Form 4		
Year/Form 5		
Year 6		

[^]Old system refers to the agreements entered into between the head of schools and manufacturers/retailers prior to the introduction of the tendering process by the Education Department

^{*}New System entails agreements awarded through a tendering process issued by the Education Department

2 Information on manufacturers, retailers and contract agreements

	Name of manufacturer	Name of Retailers	Contract Duration		Additional Terms & Conditions of Contract
			Start Date	Finish Date	
Year/Form 1					
Year/Form 2					
Year/Form 3					
Year/Form 4					
Year/Form 5					
Year 6					

3 Prices for each uniform item

	Price €				
	S	M	L	XL	XXL
Long Trousers					
Short Trousers					
Skirt					
Shirt - long sleeve					
Shirt - short sleeve					
Jersey					

or indicate equivalent size

Polo Shirt					
Tie					
Blazer					
P.E. Kit:					
Zip-Up Jacket					
Track-Suit Trousers					
P.E. T-Shirt					
P.E. Shorts					
Cap					

4 Any additional comments deemed necessary for the exercise

**5 Name of person who completed the template:
E-mail and contact details:**

Annex 2

QUESTIONNAIRE

SCHOOL UNIFORM PROCUREMENT

Kindly fill in the following questionnaire.

Section 1: Description of the school

1. Does the school form part of any group of companies/orders/schools which have an organisational/company policy?

- Yes
 No

2. If your reply to question 1 is yes, kindly indicate to which group of companies/orders/schools the school belongs to.

3. For how long has the school been in operation?

4. What is the school's student population?

Total: _____ Males: _____ Females: _____

5. Does the school collect any fees or donations?

- No
 If Yes, tick where applicable;
 Fees
 Donations

Section 2: School Uniform Procurement

6. What is the practice adopted by your school on uniform procurement? Tick where applicable:

- uniform is bought directly from school;
- School dictates to parents a **particular** retailer outlet(s) from where to buy uniform;
- Parents are free to buy uniform from **any** retail outlet;
- Parents may buy material and pattern to sew uniform;
- Other (please specify)

7. Do you envisage that the system currently adopted by your school on uniform procurement will change in the next few years? Please explain.

8. Who is/are the supplier/s of your school uniform?

9. What kind of commercial relationship exists between the school and the supplier/s? (e.g. long term contract, procurement, word-of-mouth agreements)

10. a. What is the duration of the existing contract between the school and the supplier/s?

b. When is the renewal of such contract due?

11. a. On what criteria was/were the particular supplier/s mentioned in question 8 chosen?

b. How was/were the supplier/s in question 8 chosen (example, expression of interest, call for tenders)?

12. Who is/are the retailer/s of your school uniform?

13. What kind of commercial relationship exists between the school and the retailer?
(e.g. long term contract, procurement, word-of-mouth agreements)

14. a. What is the duration of the existing contract between the school and the retailer/s?

b. When is the renewal of such contract due?

15. a. On what criteria was/were the particular retailer/s mentioned in question 12 chosen?

b. How was/were the supplier/s in question 12 chosen (example, expression of interest, call for tenders)?

Section 3: Prices of School Uniform

16. Please provide the prices of each uniform item. (Price lists provided may also be any circulars provided by the school).

<p>Other comments:</p>

Thank you for filling out the questionnaire.