

The Combines Investigation Act in 1927 and 1928.—Certain changes of arrangement and expression were made in the Combines Investigation Act by the Statute Revision Commission in 1927. The Act, formerly c. 29 of the 1923 Statutes, is now c. 26 of the Revised Statutes, 1927, and is now referred to as "The Combines Investigation Act"; formerly its short title was "The Combines Investigation Act, 1923". The wording of the definition of a "combine" has been transposed, and now appears, in sec. 2 of the statute as follows:

"In this Act, unless the context otherwise requires,

- (1) combines which have operated or are likely to operate to the detriment or against the interest of the public, whether consumers, producers or others, and which
- (a) are mergers, trusts or monopolies, so called; or
 - (b) result from the purchase, lease, or other acquisition by any person of any control over or interest in the whole or part of the business of any other person; or
 - (c) result from any actual or tacit contract, agreement, arrangement, or combination which has or is designed to have the effect of
 - (i) limiting facilities for transporting, producing, manufacturing, supplying, storing or dealing, or
 - (ii) preventing, limiting or lessening manufacture or production, or
 - (iii) fixing a common price or a resale price, or a common rental, or a common cost of storage or transportation, or
 - (iv) enhancing the price, rental or cost of articles, rental, storage or transportation, or
 - (v) preventing or lessening competition in, or substantially controlling within any particular area or district or generally, production, manufacture, purchase, barter, sale, storage, transportation, insurance or supply, or
 - (vi) otherwise restraining or injuring trade or commerce,

are described by the word 'combine'."

An investigation by a commissioner into the Proprietary Articles Trade Association, an alleged combine of wholesale and retail druggists and manufacturers, was completed in 1927. This association was organized in March, 1926, for the purpose of fixing and maintaining minimum resale prices of proprietary medicines and toilet articles in Canada. The investigation in 1927 followed an investigation of the same association by the Registrar in 1926, the second investigation being granted by the Minister of Labour on the request of the association for a formal hearing and a more extensive inquiry. The commission found the association to be a combine which had operated and was likely to operate to the detriment of and against the interest of the public, his finding confirming in this respect the decision of the Registrar. The commissioner's investigation disclosed, among other points, that, as a result of the association's operations, prices of proprietary medicines and toilet articles had been advanced and were likely to be further advanced, that opportunities for retail price reductions had been lessened, that manufacturers had been coerced into membership in the association, and that the enforcement, by means of a stop-list, of uniform margins of gross profit to distributors, had prevented consumers from continuing to secure lower prices from low-cost distributors.

The report of the commissioner on the Proprietary Articles Trade Association was made public on Oct. 26, 1927. Immediately after its publication the association withdrew its stop-list and ceased operations. Another organization, the Fair Trade League, established along similar lines, for the protection of prices, chiefly in the grocery trade, also discontinued operations. In certain other trades the effect of the decision in the Proprietary Articles Trade Association case was to discourage the formation of price-maintenance combinations which were under consideration.

Other complaints and inquiries during 1927 and 1928 related to primary, manufacturing, and distributive industries and trades. A number of these, as in