

The first Dominion legislation in this field was "An Act for the Prevention and Suppression of Combinations Formed in Restraint of Trade", passed in 1889 and now in force in amended form as Sec. 498 of the Criminal Code. Legislation providing special facilities for the investigation of combines was first enacted in 1907 and was included in the Customs Tariff of 1907. In 1910 the Combines Investigation Act of that year was enacted. The latter Act was replaced by the Combines and Fair Prices Act, 1919, which, in turn, after declaration of its constitutional invalidity by the Judicial Committee of the Privy Council, was replaced by the present Combines Investigation Act in 1923 (R.S.C. 1927, c. 26).

The Combines Investigation Act.—This Act provides means for the investigation of trade combinations, mergers, trusts, and monopolies alleged to have operated in restraint of trade and to the detriment of the public. The Act was amended in 1935 and 1937. In 1931 its constitutional validity was upheld by the Judicial Committee of the Privy Council following a reference of questions on this point by the Governor in Council to the Supreme Court of Canada. The Combines Investigation Act provides for publication of reports of investigations of alleged combines. Participation, or knowing assistance, in the formation or operation of combinations or monopolies, that are detrimental to the public and come within the scope of the Act, is an indictable offence. Provision also is made in the Act for the reduction or removal of customs duties, at the instance of the Governor in Council, in cases where it is found that, with respect to any commodity, there exists any combine to promote unduly the advantage of manufacturers or dealers at the expense of the public, and that such disadvantage to the public is facilitated by existing customs duties.

Investigations in 1938.—An investigation into an alleged combine in the distribution of tobacco products in the province of Alberta and elsewhere in Canada was made during the year. The finding of the Commissioner in a report submitted on Aug. 31, 1938, was that a combine existed in the distribution of tobacco products. The report was referred to the Attorney General of Alberta, and charges were laid against 44 tobacco companies and distributors. Court proceedings in this case were pending at the end of the year.

During the year an investigation was instituted to determine whether a combine exists in connection with the manufacture and sale of corrugated and solid fibreboard boxes and related products. The investigation extended over into the early part of 1939. Another investigation commenced in 1938 and not completed at the end of the year was an inquiry into the distribution of fruits and vegetables produced in British Columbia.

Investigations made during 1938, in addition to those mentioned above, have covered a wide variety of products and of trade practices, and have dealt with complaints in connection with classes of trade including manufacturing, primary production, wholesaling, and retailing. Steps to deter and prevent undue price enhancements by combinations or monopolies, unreasonable practices for the elimination of competitors, and other detrimental restraints of trade, have been taken along lines designed to be preventive where possible.

Section 14.—Mothers' Allowances.

Seven of the nine provinces of Canada provide for the payment of allowances to mothers who are widowed or without adequate means of support. The province of Manitoba was the first to make such provision in 1916, and the example has been followed by the other western provinces and by Ontario, Nova Scotia, and Quebec.