

or commercial arrangements of this class which operate to the detriment of the public by enhancing prices, fixing common prices, restricting competition, limiting production or otherwise restraining or attempting to restrain trade, are defined in the Act as combines. Business combinations and associations for most other purposes are not contrary to public policy, including associations to assemble and supply information on trade operations or to effect useful standardization or simplification of products or services. Participation in the formation or in the operation of a combine is an indictable offence, subject to penalties up to \$25,000 or two years' imprisonment. Prosecutions for alleged offences may be undertaken at the instance of the Attorney General of a province or the Attorney General of Canada. Investigations of alleged combines under the Act are conducted under the direction of a Combines Investigation Commissioner. The Act provides for publication of reports of such investigations and for prosecution when a combine is found to exist. The administration of the Combines Investigation Act was transferred from the Minister of Labour to the Minister of Justice, effective from Oct. 1, 1945, by Order in Council under the Public Service Rearrangement and Transfer of Duties Act.

Principal court proceedings following investigations under the Combines Investigation Act completed during the war years between 1939 and 1945, included prosecutions of alleged combines of manufacturers and wholesalers of tobacco products, and manufacturers of corrugated and solid fibreboard shipping containers and materials for the manufacture of such containers. Thirty-six companies and individuals engaged in the tobacco business, including wholesalers and seven manufacturers, were convicted by a jury at Edmonton in 1941 for offences of participation in a combination to fix and enhance prices of tobacco products and in operations of a merger, trust or monopoly allegedly controlling tobacco distribution throughout Canada to the detriment of the public. Fines imposed by the Alberta Supreme Court totalled \$221,500 and ranged in individual amounts from \$250 to \$25,000. Appeals against conviction by 35 of these accused were allowed by four members of the Alberta Court of Appeals in 1942 on the ground that certain of the accused previously had been charged under Section 498 of the Criminal Code and on other grounds of procedure at the trial. In the shipping container cases, 21 companies and one individual were sentenced at Toronto to pay fines amounting in all to \$176,000. All 22 accused were found guilty of offences relating to undue lessening or prevention of competition in the manufacture and sale of corrugated and solid fibreboard boxes or shipping containers, or of liner board and other materials used in the manufacture of shipping containers. Appeals against a number of these convictions were dismissed by the Supreme Court of Canada in 1942. A decision of the Privy Council, holding that these fines should be transmitted to the Minister of Finance for the public uses of Canada and not to the Corporation of the City of Toronto, was delivered in October, 1945.

An inquiry into the nature and effects of international cartels and other similar types of private monopolistic controls affecting Canadian trade was completed in 1945. The inquiry constituted a survey of the principal kinds of international industrial combinations which had restrictive or monopolistic effects upon the production and distribution of commodities entering into Canada's foreign and domestic trade in the pre-war period. It included an examination of needs for the prevention or public control of types of commercial combinations that were capable of unduly restricting Canadian trade. Recommendations in the published report of the inquiry, made by the Commissioner of the Combines Investigation Act to the