

The maintenance of a competitive economy in Canada as a matter of public policy was reaffirmed by Parliament in amendments made to the Combines Investigation Act in 1946, whereby some of the recommendations made in the report "Canada and International Cartels" were given legislative form. Under amending legislation enacted in 1946, the Commission may receive and investigate complaints respecting practices alleged to be offences under Sect. 498 and 498A of the Criminal Code, which concern offences related to those covered by the Combines Investigation Act. The amending Act of 1946 also authorized the Exchequer Court to prevent by Court order certain uses of patents or trade marks in undue restraint of trade.

An alleged combine in the manufacture and sale of dental supplies was reported by the Commissioner in July, 1947, following investigation into the activities of the Canadian Dental Trade Association and the operations of its members. Eighteen member companies were indicted by a Grand Jury at Toronto, Ont., for offences under Sect. 498 of the Criminal Code, the indictment charging a conspiracy in undue restraint of trade. The trial began on Feb. 23, 1948, in the Supreme Court of Ontario before a judge sitting with a jury and ended on Mar. 18, 1948, when the presiding judge directed the jury to bring in a verdict of not guilty on the ground that the evidence submitted by the Crown had not been adequately authenticated. The Crown appealed from this verdict to the Ontario Court of Appeal.

Five bread-baking companies operating in Saskatchewan, Alberta and British Columbia and two bakers' associations in the latter two Provinces were named as parties to an alleged combine in a report submitted in November, 1948, by the special commissioner appointed under the Act to conduct the investigation.

An investigation into the manufacture and sale of optical goods resulted in a finding by the Commissioner in a report issued in April, 1948, that a combine existed among certain manufacturers and wholesalers of optical goods. The report disclosed that in 1939 a system of patent licensing had been instituted by the principal manufacturer under which minimum resale prices were established at each stage of distribution for all but a small proportion of the types of spectacles and their parts in popular demand. Other arrangements were entered into by the parties to the alleged combine to eliminate competition in other ways. Action initiated in 1943 in the Exchequer Court to impeach certain patents involved in the licensing system had not been completed by the end of 1947. One patent had expired and four had been held invalid. Judgment had been reserved in one case and in another the trial was not completed.

A number of other major investigations at varying stages of completion are in progress. Preliminary inquiries have been made into a variety of complaints received during the year and, in many cases, the matters were disposed of when it was found that further investigation was not warranted. In other instances the preliminary examination was followed by the abandonment of features of trade programs which, if put into effect, might have led to question under the Combines Investigation Act.

**International Trade Organization\*.**—Preliminary conferences among members of the United Nations at London, New York and Geneva in 1946 and 1947 with a view to establishing an International Trade Organization led to the adoption of a charter at the World Conference on Trade and Employment at Havana in 1948. The Havana Charter, which was signed by the representatives

\* See also reference to this Organization at pp. 860-861