

transportation and patents and copyrights, gives the Federal Government complete power to control the handling of grain; it has no power or duties in respect of grain prices. The Canadian Wheat Board, which began to function in the autumn of 1935, was a natural outgrowth of government stabilization measures that were taken during the depression years of the 1930's in regard to the marketing of grain crops. During this period, the Government acquired a considerable quantity of wheat and, in the 1935 session of Parliament, legislation was passed to serve the dual purpose of disposing of the holdings so acquired and, at the same time, arranging for the marketing of new crops.

An account of the organization and functions of the Board of Grain Commissioners appears in the 1941 Year Book, pp. 481-482. An article on the operations of the Canadian Wheat Board is commenced in the 1939 Year Book, pp. 569-580, and concluded in the 1947 edition.

## Section 2.—Combinations in Restraint of Trade\*

The purpose of Canadian anti-combines legislation is to assist in maintaining free and open competition as a prime stimulus to the achievement of maximum production, distribution and employment in a system of free enterprise. To this end, the legislation seeks to eliminate certain practices in restraint of trade that are harmful to a system of free enterprise, practices which serve to prevent the nation's economic resources from being fully used under a system of open competition for the advantage of all citizens.

The first federal legislation in this field was enacted in 1889 and is still effective in amended form as Sect. 411 of the Criminal Code.

**The Combines Investigation Act.**—The Combines Investigation Act (R.S.C. 1952, c. 314), was enacted in 1923, carried into the Revised Statutes of Canada for 1927, as Chapter 26, and amended in 1935, 1937, 1946, 1949, 1951, 1952 and 1954. It provides for the investigation of combinations, mergers, trusts and monopolies that have operated or are likely to operate to the detriment of the public by limiting production, fixing or enhancing prices or otherwise restraining trade. The Act defines such combinations, mergers, trusts and monopolies as "combines" and makes participation in the formation or operation of a combine an indictable offence. The Act also provides for the investigation of complaints about the practice of resale price maintenance, which is forbidden by Sect. 34 of the Act, and complaints about breaches of Sects. 411 and 412 of the Criminal Code† which relate to conspiracy in restraint of trade and certain discriminatory pricing practices respectively.

The functions of investigating and reporting upon alleged violations which formerly were vested in a single Commissioner have, since 1952, been exercised by an agency for investigation and research under a Director of Investigation and Research, and a board known as the Restrictive Trade Practices Commission, which consists of three members, and has the function of appraising the evidence obtained in investigations and reporting thereon.

The report to the Minister of Justice of an investigation into the manufacture, distribution and sale of matches in Canada, submitted in December 1949, alleged that a combine by way of merger, trust or monopoly existed in the wooden match

\* Revised by T. D. MacDonald, Q.C., Director of Investigation and Research, Combines Investigation Act, Department of Justice, Ottawa.

† Formerly Sects. 498 and 498A.