

Sect. 33B provides that where a supplier grants advertising or display allowances to competing trade customers he must grant them in proportion to the purchases of such customers; any service he exacts in return must be such that his different types of customers are able to perform; and if such customers are required to incur expenses to earn such allowances, such expenses also must be proportionate to their purchases.

Sect. 33C makes it an offence for any person, for the purpose of promoting the sale or use of an article, to make any materially misleading representation to the public concerning the price at which such or like articles have been, will be or are ordinarily sold.

Sect. 34 prohibits a supplier of goods from prescribing the prices at which they are to be resold by wholesalers or retailers or from cutting off supplies to a merchant because of the merchant's failure or refusal to abide by such prices, i.e., the practice of "resale price maintenance". The Section also provides that it shall not be inferred that a person practised resale price maintenance simply because he refused or counselled the refusal of supplies to a merchant if there were reasonable cause to believe and the supplier did believe that the merchant was making a practice of using articles of such supplier as "loss-leaders" or as bait advertising or was making a practice of engaging in misleading advertising in respect of such articles or of not providing services that purchasers of such articles might reasonably expect.

The Director of Combines Investigations and Research is responsible for investigating combines and other restrictive practices, and the Restrictive Trade Practices Commission is responsible for appraising the evidence submitted to it by the Director and the parties under investigation, and for making a report to the Registrar General of Canada. When there are reasonable grounds for believing that a forbidden practice is engaged in, the Director may obtain from the Commission authorization to examine witnesses, search premises, or require written returns. After examining all the information available, if the Director believes that it proves the existence of a forbidden practice, he submits a statement of the evidence to the Commission and to the parties believed to be responsible for the practice. The Commission then sets a time and place at which it hears argument on behalf of the Director in support of his statement, and hears argument and receives evidence on behalf of any persons against whom allegations have been made in the statement. Following this hearing, the Commission prepares and submits a report to the Registrar General, ordinarily required to be published within thirty days.

Under the provisions of the Act, general inquiries may be made into restraints of trade which, although not forbidden or punishable, may affect the public interest. The courts, including the Exchequer Court of Canada, in addition to imposing punishment for a contravention of the legislation, may make an order restraining persons from embarking on, continuing or repeating a contravention or directing the dissolution of a merger or monopoly as the case may be. Application also may be made to the courts for such an order in lieu of prosecuting and convicting for a contravention of the legislation. Prosecutions for offences against the substantive provisions of the legislation (other than Sect. 33C which is punishable only on summary conviction) may be taken either in the provincial courts or with the consent of the accused in the Exchequer Court of Canada.

In the period Jan. 1, 1964 to June 30, 1966, the following reports of inquiries under the legislation were published:—

- (1) Alleged Combine in the Matter of a Call for Tenders by the Town of Duvernay for the Construction of Sewers and Water Mains.
- (2) Sale of Plumbing and Heating Supplies and Related Products in the City of Montreal and Elsewhere in the Province of Quebec.
- (3) Production, Distribution and Supply of Newspapers in the Sudbury-Copper Cliff Area.
- (4) Distribution, Supply and Sale of Plumbing Supplies and Related Products (Alberta).
- (5) Road Surfacing in Ontario.
- (6) Ottawa Milk Pricing, November 1961.
- (7) Pricing Practices in the Pencil Industry.