

prices, the manufacturer in question had cancelled the dealer's franchise. The cancellation was made by the Toronto branch manager of the manufacturer, acting upon his own responsibility as the officer in charge of sales in that district. The report expressed the opinion that the evidence, in which there was considerable conflict, was not strong enough to prove that the motive of the Company official who cancelled the franchise had been resale price maintenance.

In November 1954, the Commission submitted a report to the Minister concerning an alleged combine in the manufacture, distribution and sale of wire fencing in Canada. The report expressed the conclusion that from 1933 to mid-1952 Canadian manufacturers of wire fencing operated under arrangements directed principally to the maintenance of prices and elimination of price competition. It also expressed the opinion that while the arrangements referred to had been formally terminated in mid-1952, because of the long existence and continuous operation of these arrangements, the acceptance of common prices by the manufacturers had, nonetheless, virtually become a custom of the trade. In making the report public on Nov. 30, 1954, the Minister indicated that the usual consideration would be given the question of what further steps ought to be taken.

A report of an inquiry concerning an alleged combine in the distribution and sale of coal in the Timmins-Schumacher area in Ontario was submitted by the Commission to the Minister on Nov. 22, 1954, and made public by him on Dec. 14, 1954. The report concluded that, since 1947, the retail dealers handling substantially all of the coal trade in the area had been parties to a price fixing agreement; and that, because of the location of this particular market, no effective competition could be expected from outside the area. The Commission also stated that evidence showed that when the coal dealers or some of them found that price competition could not be controlled to their satisfaction through their own efforts, they prevailed upon suppliers to come to their assistance by discontinuing supplies to the dealers who were not maintaining prices. In releasing the report, the Minister indicated that the usual consideration would be given the question of what further steps ought to be taken.

As a result of the recommendation of the MacQuarrie Committee\* that the practice of "loss-leader" selling should be studied, an inquiry was instituted for the purpose of determining the prevalence and effects of the practice and recommending to the Minister of Justice suitable amendment, if necessary, of the Combines Act. The information supplied to or gathered by the Director of Investigation and Research was compiled in book form and laid before the Commission in February 1954. This book was then supplied by the Commission to parties who wished to make submissions or supply further information and, with this in view, the Commission arranged for public hearings to be held at various centres in Canada in May, June, July and September 1954. A report is being prepared for submission to the Minister of Justice.

During 1953 and 1954, a variety of matters were disposed of on preliminary inquiry, and in a number of other cases investigations were proceeding. Numerous consultations and interviews were held with individuals and representatives of business groups interested in discussing the possible application of the Act to conditions encountered or to arrangements being considered.

\* Committee to Study Combines Legislation comprising Mr. Justice J. H. MacQuarrie of the Supreme Court of Nova Scotia; Dr. W. A. Mackintosh, Principal of Queen's University; Professor Maurice Lamontagne, then Director of the Department of Economics, Laval University; and Mr. George F. Curtis, Dean of the University of British Columbia Law School. The Committee reported upon resale price maintenance in October 1951 and made its final report in March 1952.