

vices, Consumer Research and the Consumer Standards Directorate. The Bureau of Corporate Affairs administers legislation and regulations pertaining to corporations. Its branches include Corporations, Bankruptcy, Securities and Research. The Bureau of Intellectual Property administers laws pertaining to patents, copyright and industrial design, and trade marks, with a branch responsible for each of these three fields. The Field Operations Service supervises the Department's operations across Canada, staffing regional and district offices in Vancouver, Winnipeg, Toronto, Montreal and Halifax and in 25 other cities. They ensure that laws and regulations administered by the Department are uniformly applied and interpreted in all parts of the country. The field force includes consumer consultants and information officers in each region, complaints officers, inspectors and specialists in the fields of bankruptcy and false and misleading advertising.

The Bureau of Competition Policy has four branches, specializing in Combinations, Mergers and Monopolies, Trade Practices and Research. The Restrictive Trade Practices Commission (Combines Investigation Act) is also in the Department and reports directly to the Minister.

**Anti-combines legislation.** Canadian anti-combines legislation seeks to eliminate restrictive trade practices in order to stimulate maximum production, distribution and employment through open competition. Legislative measures, including some formerly included in the Criminal Code, were amended in 1960 and consolidated into the Combines Investigation Act (RSC 1970, c.C-23).

In general terms, the Combines Investigation Act makes illegal the operation of combines that prevent, or lessen "unduly", competition in production, manufacture, purchase, barter, sale, storage, rental, transportation or supply of an article of trade or commerce, or in the price of insurance. Although the exchange of statistics or defining of product standards are not to be construed as illegal practices, this exemption is no longer valid if the purpose of the exchange of information is to reduce the possibility of increased competition in the fields of prices, production quantities or quality, customers, markets or distribution channels, or if it has the effect of restricting entry or expansion into that particular business, trade or industry. While combines which relate to export trade only are generally exempt from these constraints imposed by the Act, any such arrangement that may have an adverse effect on the volume of export trade or on the businesses of Canadian competitors or domestic consumers is still subject to prosecution.

Under the Act it is illegal to participate in a merger or a monopoly that has operated, or is likely to operate to the detriment of the public, whether consumers, producers or others.

Price discrimination and "predatory price cutting" are treated very explicitly in the Act. No supplier may make a practice of discriminating among his competing trade customers by offering more advantageous prices to one over another. Under the law, if a second buyer is willing to buy on the same terms and in the same quantities, he must be given the same price. Prices established by a supplier cannot be set lower in one locality than another, or unreasonably low anywhere, if the policy is designed to eliminate or lessen competition or has that effect.

Advertising or display allowances to competing trade customers must be offered in proportion to their purchases and any expenses required to be incurred by customers must also be in proportion to their purchases. No service may be exacted in return for allowances unless all different types of customers are able to perform that service.

Other sections of the Act forbid misleading or deceptive advertising, either as to normal price or as to presumably factual statements describing goods or property offered for sale.

The "resale price maintenance" clause of the Act is possibly one of the most explicit in the field of restrictive practices. The suggested list price for goods offered for resale at the wholesale or retail level can be only that — a suggested price. No supplier of goods for resale may prescribe the final price at which the goods must be sold, nor can he cut off supplies if a merchant refuses to abide by the suggested prices. Some relief to the supplier is offered by the qualifications that no one can be automatically considered to have practised resale price maintenance if the goods are withheld because there is sound reason to believe that the merchant was making a practice of using the products of the supplier as "loss-leaders" or as bait advertising, or engaging in misleading advertising or failing to provide the service that the final purchaser had a right to expect.

The Director of Investigation and Research is responsible for investigating combines and other restrictive practices, and the Restrictive Trade Practices Commission is responsible for