



Competition Bureau
Canada

Bureau de la concurrence
Canada

STRENGTHENING **COMPETITION** TO DRIVE **INNOVATION**

2016–2017 ANNUAL PLAN

Canada 

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“Competition is a key driver of innovation. In open and competitive markets, firms are driven to adopt more efficient production processes, and to offer new and improved products and services to customers.”

Remarks by John Pecman, Commissioner of Competition
Workshop on Emerging Competition Issues
January 19, 2016

WE ARE CANADA'S COMPETITION BUREAU

The Competition Bureau's legislated mandate is to ensure that Canadian businesses and consumers prosper in a competitive and innovative marketplace. We are committed to doing so through all means available, from law enforcement to competition promotion.

OUR RESPONSIBILITIES

Headed by the Commissioner of Competition, the Bureau administers and enforces the *Competition Act*, the *Consumer Packaging and Labelling Act* (except enforcement as it relates to food), the *Textile Labelling Act* and the *Precious Metals Marking Act* (collectively referred to as the Acts).

OUR GUIDING PRINCIPLES

Vision

To be among the leading competition agencies in the world; one that is open, transparent and collaborative, and that vigorously enforces and promotes competition to provide Canadians with the benefits of a competitive and innovative marketplace.

Mission

To promote and protect competition for the benefit of Canadians, the Competition Bureau will administer and enforce the Acts with fairness and predictability, to:

- Prevent and deter anti-competitive behaviour and deceptive marketing practices
- Review mergers to ensure they do not harm competition
- Empower consumers and businesses

OUR CORE VALUES

Openness and transparency

We engage with our stakeholders through a wide range of new and existing means of communication to dialogue and share information, and to explain to Canadians and our partners the benefits of competition for consumers, businesses and the productivity of the Canadian economy.

Collaboration

We work with our partners to advance competition to ensure our marketplace is functioning efficiently.

Integrity and fairness

We act with integrity and fairness and in the public interest at all times. This requires a principle-based approach to enforcing and administering the Acts. Our decisions are based on facts, evidence and sound judgement. We are committed to protecting the confidentiality of sensitive information.

Respect

We interact honestly and respectfully with our colleagues, partners and all Canadians — recognizing their diversity and their individual contributions to healthy competition.

Leadership

We show leadership through our actions, strategic approach and commitment to continuous innovation.

HOW WE DO OUR WORK

In 2015–2016, we adopted a *Competition and Compliance Framework* to maximize compliance with the Acts and ensure a competitive marketplace that benefits consumers, businesses and the Canadian economy. It combines advocacy, outreach and enforcement instruments to promote competition and compliance with the Acts.

ADVOCACY

ADVICE TO
GOVERNMENTS

MARKET STUDIES

REGULATORY
INTERVENTIONS

OUTREACH

GENERAL
INFORMATION

FORMAL GUIDANCE

SPECIFIC
ANNOUNCEMENTS

ENFORCEMENT

FACILITATING
VOLUNTARY
COMPLIANCE

CONTESTED
PROCEEDINGS

CONSENSUAL
RESOLUTIONS

Competition matters are not static. We employ the full mix of advocacy, outreach and enforcement tools, often transitioning between them as situations evolve or more information becomes available. For instance, conduct addressed first through advocacy may eventually be dealt with through enforcement, or vice-versa.

OUR STRUCTURE

Enforcement branches

Cartels and Deceptive Marketing
Practices Branch

- Cartels Directorate
- Deceptive Marketing
Practices Directorate

Mergers and Monopolistic
Practices Branch

- Mergers Directorate
- Monopolistic Practices Directorate

Enforcement support branches

Competition Promotion Branch

- Advocacy and Economic
Analysis Directorate
- International Affairs Directorate
- Policy and Planning Directorate
- Public Affairs and
Outreach Directorate

Corporate Services Branch

- Enforcement Services Directorate
- Finance, Admin and Information
Management Directorate
- Talent Management and
Development Directorate

STRATEGIC PLANNING

The Competition Bureau follows an integrated planning approach to connect its yearly activities with longer-term goals and bring greater transparency to the planning and reporting process. This involves:

STRATEGIC PLANNING

Our planning is informed by environmental scanning to identify trends, opportunities and risks related to competition enforcement. From this, we identify high-level areas of focus each year: opportunities to concentrate our efforts and achieve the greatest potential impact. We also develop detailed operational plans that set out intended objectives and activities for the year ahead and inform the management team's performance agreements. Together, all of these actions shape the priorities and objectives of the Bureau's annual plan.

THREE-YEAR STRATEGIC VISION

To better meet the needs of Canadians, in 2015 the Bureau published its *2015–2018 Strategic Vision*. Based on stakeholder consultations and designed as a roadmap, the strategic vision set out five objectives to guide our work over 2015–2018: pursue compliance, empower Canadians, promote competition, collaborate with partners and champion excellence.

ANNUAL PLAN

The Bureau published its first annual plan in 2014–2015. Each annual plan shares the Bureau's priorities and objectives for the coming year with Canadian consumers and stakeholders in the business and legal communities. It outlines how we intend to deliver on each of our strategic objectives from the strategic vision.

This annual plan and our *2015–18 Strategic Vision* support our *Action Plan on Transparency*, which promotes the development of a more efficient and responsive agency while providing Canadians with greater opportunities to learn about the Bureau's work.

STRENGTHENING COMPETITION TO DRIVE INNOVATION

Digital technologies are reshaping our lives. Today, we can pay for coffee with our smartphones, shop for furniture from the comfort of our living rooms, and stream entire seasons of TV shows.



These innovations are often called “disruptive” because they challenge established ways of doing things. And in many cases, the force that spurs them is competition. Competition fosters the drive to launch products and services that are faster, better, cheaper, more convenient, and fulfill the needs of companies and consumers.

At the Competition Bureau, we play a unique role. We contribute to the Department of Innovation, Science and Economic Development’s mandate by ensuring that both regulations and the marketplace promote the kind of healthy, productive competition that stimulates innovation.

This 2016–2017 annual plan continues — and further focuses — our commitment to that role. In keeping with the objectives of our 2015–2018 strategic vision, it sets out our priorities in enforcement, competition promotion and advocacy for the current fiscal year.

It also demonstrates our commitment to meeting the government’s expectation that we will deliver real results. Through continuous environmental scanning to

identify risks, trends and opportunities, we have identified 10 areas of focus for 2016–2017, where we have the potential to achieve the greatest possible impacts for Canadians according to well defined objectives.

Achieving the greatest possible impact demands a constant drive to improve and excel. That spirit of continuous improvement is also embedded in this 2016–2017 annual plan, with goals that will ensure that the Bureau fosters an environment of innovation among employees and remains a great place to work.

I am proud of what we have accomplished, as we pursue our three-year strategic vision. And I look forward to what we will achieve as a closely collaborative team — as “one Bureau” — in the year to come.

Sincerely,

John Pecman
Commissioner of Competition

OUR OBJECTIVES FOR 2016–2017

1



INCREASE COMPLIANCE

Use all the tools at our disposal to increase compliance with Canada's competition laws and prevent and deter anti-competitive or deceptive conduct that could threaten the health, growth and confidence in the Canadian economy.



In 2016–2017, we will: Continue to focus on high-impact enforcement cases, merger reviews and outreach, including the advancement of a number of ongoing cases and projects.

AREAS OF FOCUS

1. Support innovation in the digital economy by deterring anti-competitive conduct that impedes new entrants, products and services and by stopping deceptive marketing practices in e-commerce.

Competition drives innovation, generating new products and alternative ways of delivering services. Yet anti-competitive behaviour and overly restrictive government regulations can stifle both competition and innovation. Through a combination of enforcement and advocacy tools, we will actively foster business and regulatory environments in which competition and innovation in the digital economy can thrive.

2. Raise awareness throughout the procurement community and among potential bidders about bid-rigging related to infrastructure spending, given increasing public-sector investment.

In recent years, Bureau investigations have led to numerous charges against individuals and companies for bid-rigging on road, water treatment and other infrastructure contracts in Quebec. Given the federal government's commitment to increase public-sector infrastructure investments, we will complement our enforcement efforts in 2016–2017 with proactive outreach to industry members and education to help procurement officials recognize and prevent bid-rigging. We will deliver 30 presentations on

bid-rigging/compliance to targeted audiences. We will also use innovative data-screening mechanisms to detect potential bid-rigging.

3. Increase small and medium-sized businesses' awareness of the importance of complying with the statutes administered by the Bureau.

We released a revised *Corporate Compliance Programs* Bulletin in 2015–2016 to help businesses of all sizes develop credible and effective compliance programs. Building on that work, we will leverage and expand our outreach to small and medium-sized businesses, further raising awareness of the importance of complying with the statutes administered by the Bureau. Through targeted outreach, we will promote the adoption of corporate compliance programs among small and medium-sized companies, expanding our reach by leveraging the networks of businesses associations across the country.

We will actively foster business and regulatory environments in which competition and innovation can thrive.

2



EMPOWER CANADIANS

Create an environment of competitive prices, greater product choice and informed decision-making for the benefit of all Canadians.



In 2016–2017, we will: Continue to provide consumers with information and support to protect themselves against the harms of anti-competitive behaviour.

AREAS OF FOCUS

4. Provide timely and accurate warnings to reduce the risk of Canadian consumers being victims of civil and criminal deceptive marketing.

Consumers have more power than ever in today's fast-changing digital economy. Given our capacity to empower Canadians to make more informed decisions, over the coming year we will develop and implement a Bureau-wide public outreach strategy to promote greater awareness of competition policy and compliance with the *Competition Act* and labelling statutes.

Partner with domestic enforcement agencies to develop a Consumer Deceptive Marketing Advisory System (CDMAS).

Through targeted information and outreach activities, we will continue to highlight the dangers of domestic and international deceptive marketing practices by distributing consumer-friendly information products via new platforms. This will include partnering with other Canadian agencies to create a Consumer Deceptive Marketing Advisory System (CDMAS) that will alert consumers to common deceptive marketing conduct so they can better protect themselves.

Increase the Bureau's use of social media and other digital engagement capabilities.

We will continue to use existing outreach channels, delivering announcements to more Canadians through increased use of social media and other digital platforms. We will publish at least two social media posts per announcement and use more infographics to engage the public and stakeholders.

We will continue to highlight the dangers of domestic and international deceptive marketing practices.

3



PROMOTE COMPETITION

Promote and advocate for a more competitive marketplace, emphasizing smart regulation focused on achieving legitimate regulatory objectives.



In 2016–2017, we will: Continue to advocate for the lessening or removal of competition barriers in regulated markets and transfer knowledge to businesses and consumers about the benefits of increased competition.

AREAS OF FOCUS

5. Foster innovation through a pro-competitive approach to regulation.

Competition is a key driver of innovation that allows Canadians to benefit from lower prices, greater product choice and higher quality services. As part of our legislative mandate, we promote competition in a number of regulated sectors where innovation is changing the competitive landscape.

Over the coming year, we will advocate for an innovation-friendly, pro-competitive approach to regulation, providing advice to federal, provincial and territorial governments on how to support greater competition. Our activities will include a market study of technology-led innovation and emerging services in the Canadian financial services sector, as well as the submission of at least three promotion or advocacy pieces about new forms of competition.

6. Strengthen our analytical frameworks and address competitive implications through workshops with stakeholders.

Building on the success of our January 2016 workshop which addressed disruptive business models and non-price effects, such as innovation, quality and consumer choice, we will host a workshop for domestic and international

partners to examine emerging competition issues, address the implications for markets affected by innovative technologies, services and business models, and deepen our understanding of innovation and competition.

Combatting cartels is one of the most important jobs — for us and for competition authorities worldwide. In the coming year we will host a workshop related to Anti-Cartel Day, building on the success of the March 2016 panel discussion we hosted in collaboration with the Canadian Chamber of Commerce and other partners.

We will advocate for an innovation-friendly, pro-competitive approach to regulation.

4



COLLABORATE WITH PARTNERS

Collaborate with domestic and international partners to promote strong competition principles and expand opportunities for Canadian participation in world markets.



In 2016–2017, we will: Continue to collaborate with domestic and international partners to further promote and protect a competitive marketplace, address anti-competitive activity that crosses borders, and promote sound competition policies internationally.

AREAS OF FOCUS

7. Facilitate more transparent interaction with other domestic regulators and enhance our ability to effectively administer labelling statutes by concluding additional memoranda of understanding.

Collaboration with domestic and international counterparts is key to effective enforcement of the *Competition Act* and to ensuring Canadian consumers and businesses prosper in a competitive and innovative marketplace. We will strengthen our partnerships with other competition agencies and with stakeholders at home and around the world. As part of this, we will conclude several memoranda of understanding with domestic agencies to expand and strengthen our collaboration efforts.

We will strengthen our partnerships with other competition agencies and with stakeholders at home and around the world.

8. Enhance and strengthen our network of international partners to address anti-competitive activity and deceptive marketing practices that cross borders and promote convergence in competition law policy.

We will support the government's trade liberalization efforts by engaging on competition with authorities in the Asia-Pacific region and other regions. We will also participate in two technical assistance programs to share expertise and deliver training to newer competition authorities.

To help Canada fulfill its free-trade treaty obligations, we will advance negotiations on competition-related instruments.

Finally, we will inform and advance competition policy by focusing our participation in multilateral fora such as the Organisation for Economic Co-operation and Development (OECD), the International Competition Network (ICN), the International Consumer Protection and Enforcement Network (ICPEN) on topics related to efficiencies, innovative business models, the digital economy, market studies and evaluation of the impact of competition authorities' activities.

5



CHAMPION EXCELLENCE

Promote a culture of excellence throughout the Bureau founded on openness, collaboration and engagement, and securing tangible results.



In 2016–2017, we will: Continue to promote a culture of excellence centered on building talent and a healthy workplace based on the principles of transparency, continuous improvement and engagement, aligned with the Government's broader efforts to build an agile workforce, ensure sound stewardship and work as one.

AREAS OF FOCUS

9. Deliver a talent management strategy focused on planning, attracting, growing, engaging and retaining talent at all levels.

We will renew our approach to how we manage our talent by launching a talent-management strategy focused on how best to attract, develop and retain top talent at all levels of our organization. The strategy will encompass giving our employees opportunities to move, develop and learn at all levels, complemented by targeted training in the core areas of our business which will inspire us towards greater innovation and value to Canadians and help the Bureau deliver on its mandate to ensure Canada has a competitive and innovative marketplace.

10. Undertake concrete actions to build and sustain a healthy, respectful and supportive work environment and improve internal communications focused on continuous engagement.

By engaging in ongoing dialogue with employees, we will continue to build a respectful, healthy workplace and promote open dialogue on mental health. We will address areas identified for improvement by employees in the Public Employee Service Survey by implementing activities in the Bureau's action plan. In addition, we will continue to foster a strong culture of diversity, inclusiveness and commitment to the use of both official languages through ongoing activities and new initiatives.

We will continue to foster a respectful, healthy workplace and raise mental health awareness.

QUICK REFERENCE

OUR THREE-YEAR VISION AND FOCUS FOR 2016–2017

2015–18 STRATEGIC OBJECTIVES



INCREASE COMPLIANCE

Focus on high impact enforcement cases, merger reviews and outreach; including advancement of ongoing cases and projects

1. Support innovation in the digital economy by deterring anti-competitive conduct that impedes new entrants, products and services and by stopping deceptive marketing practices in e-commerce
2. Raise awareness throughout the procurement community and among potential bidders about bid-rigging related to infrastructure spending, given increasing public-sector investment:
 - Deliver a minimum of thirty bid-rigging/compliance presentations to targeted audiences
 - Use data screening mechanisms to detect potential bid-rigging
3. Increase small and medium-sized businesses' awareness of the importance of complying with the statutes administered by the Bureau:
 - Leverage membership networks of small and medium sized businesses associations to expand reach
 - Engage in targeted outreach with small and medium businesses across the country to promote the adoption of corporate compliance programs



EMPOWER CANADIANS

Provide consumers with information and support to protect themselves against the harms of anti-competitive behaviour

4. Provide timely and accurate warnings to reduce the risk of Canadian consumers being victims of civil and criminal deceptive marketing:
 - Partner with domestic enforcement agencies to develop a Consumer Deceptive Marketing Advisory System (CDMAS)
 - Increase the Bureau's use of social media and other digital engagement capabilities

2015–18 STRATEGIC OBJECTIVES



PROMOTE COMPETITION

Advocate for the lessening or removal of competition barriers in regulated markets and transfer knowledge to businesses and consumers about the benefits of increased competition

2016–17 AREAS OF FOCUS

5. Foster innovation through a pro-competitive approach to regulation:
 - Undertake a market study of technology-led innovation and emerging services in the Canadian financial services sector
 - Complete three competition promotion/advocacy pieces pertaining to new forms of competition
6. Strengthen our analytical frameworks and address competitive implications through workshops with stakeholders:
 - Address markets impacted by innovative technologies, services and business models by hosting a workshop that examines emerging competition issues
 - Host a workshop related to Anti-Cartel Day



COLLABORATE WITH PARTNERS

Collaborate with domestic and international partners to further promote and protect a competitive marketplace, address anti-competitive activity that crosses borders, and promote sound competition policies internationally

7. Facilitate more transparent interaction with other domestic regulators and enhance our ability to effectively administer labelling statutes by concluding additional memoranda of understanding
8. Enhance and strengthen our network of international partners to address anti-competitive activity and deceptive marketing practices that cross borders and promote convergence in competition law policy:
 - Support trade liberalization efforts of the Government by engaging in competition related cooperation with competition authorities in the Asia Pacific region and other regions as well as at least two technical cooperation and capacity-building projects
 - Fulfill Canada's free trade treaty obligations by advancing negotiations of competition related cooperation instruments
 - Inform and advance competition policy by focusing our participation in multilateral international fora (e.g., Organisation for Economic Co-operation and Development (OECD), International Competition Network (ICN), International Consumer Protection and Enforcement Network (ICPEN), etc.) on topics related to efficiencies, innovative business models, the digital economy, market studies and the evaluation of the impact of competition authorities' activities

2015–18 STRATEGIC OBJECTIVES



CHAMPION EXCELLENCE

Promote a culture of excellence centered on building talent and a healthy workplace based on the principles of transparency, continuous improvement and engagement, aligned with the Government's broader efforts to build an agile workforce, ensure sound stewardship and work as 'one'

2016–17 AREAS OF FOCUS

9. Deliver a talent management strategy focused on planning, attracting, growing, engaging and retaining talent at all levels
10. Undertake concrete actions to build and sustain a healthy, respectful and supportive work environment and improve internal communications focused on continuous engagement:
 - Implement activities in the Bureau's Action Plan in response to the 2014 Public Service Employee Survey
 - Build a respectful, healthy and inclusive workplace and mental health awareness through ongoing dialogue
 - Foster a strong culture of diversity and inclusiveness and commitment to the use of both official languages through ongoing activities and new initiatives

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