



Government
of Canada

Gouvernement
du Canada

**THE
COMPETITION
BUREAU AND**
*The
Competition
Act*

<http://competition.ic.gc.ca>

Canada



What Is the Competition Act?

The *Competition Act* (the Act) is a federal law governing business conduct in Canada and is enforced by the Competition Bureau (the Bureau). It aims to promote competition in the marketplace by stopping anti-competitive practices. Most businesses in Canada, both small and large, are governed by this Act.

The Commissioner of Competition (the Commissioner) is head of the Bureau, which is part of Industry Canada. The Commissioner is responsible for the administration and enforcement of the *Competition Act*, as well as three statutes concerning the accuracy and adequacy of information provided to consumers:

- the *Consumer Packaging and Labelling Act*
- the *Textile Labelling Act*
- the *Precious Metals Marking Act*.

What Criminal Offences Does the Competition Act Include?

The *Competition Act* covers criminal offences such as:

- **conspiracy to fix prices or price fixing**, when business competitors agree on the prices that they will charge their customers;
- **bid-rigging**, when, in response to a call or request for bids or tenders, one or more bidders agree not to submit a bid, or two or more bidders agree to submit bids that have been prearranged among themselves;
- **misleading advertising**, when a representation is made to the public that is false or *materially* misleading (the representation could influence a consumer to buy the product or service advertised).

What Civil Law Matters Does the Competition Act Include?

The major civil law provisions of the Act cover such matters as:

- **abuse of dominant position**, when a dominant firm engages in anti-competitive acts that substantially lessen competition in a market;
- **exclusive dealing**, when a supplier requires or induces a customer to deal only or primarily in products designated or supplied by the supplier, or to refrain from dealing in another product;
- **refusal to deal**, when someone is substantially affected in his/her business, or is unable to carry on business, because of the inability to obtain adequate supplies of a product on usual trade terms;
- **mergers**, when all or part of one business is acquired by another. The Bureau must be notified in advance of certain large mergers.

How Do I File a Complaint?

If you believe that someone has contravened the *Competition Act* in some way and want to complain, you can telephone, fax, E-mail or write the Bureau at the numbers listed at the end of this publication.

What Are the Responsibilities of the Branches?

Depending on the nature of your complaint, it will be referred to one of the following Bureau branches:

- The **Criminal Matters Branch** investigates criminal offences relating to anti-competitive behaviour, for example, conspiracy to fix prices and bid-rigging.
- The **Fair Business Practices Branch** deals with misleading advertising and other deceptive business practices, and with the laws concerning the adequacy and accuracy of information provided to consumers in the labelling, packaging and marking of consumer goods. Some cases are dealt with as criminal offences; others may be

dealt with by seeking a prohibition order from a civil court.

- The **Civil Matters Branch** investigates competition cases reviewable by the Competition Tribunal, for example, abuse of dominant position or refusal to deal. It is also responsible for the Commissioner's appearances and interventions before regulatory boards and tribunals.
- The **Mergers Branch** is responsible for the review of merger transactions, including those that require prenotification filing.
- The **Economics and International Affairs Branch** coordinates the Bureau's work in the area of international cooperation and liaison with other government departments. It also provides economic advice to the other branches.
- The **Compliance and Operations Branch** is responsible for the development of the Bureau's enforcement policy, compliance program, communications and public education. It is also responsible for the planning, administration and informatics activities of the Bureau.

What Happens After I Complain?

If it is determined that the complaint warrants further investigation, the Bureau has a range of tools at its disposal to resolve competition issues. These tools have been integrated into what we now refer to as the Conformity Continuum and include:

- public education, written advisory opinions, information contacts, voluntary codes of conduct, written undertakings and prohibition orders;
- the legal authority to search and seize documents, to take sworn oral evidence and to demand the production of documents and records;
- the ability to refer criminal matters to the Attorney General of Canada, who then decides whether to prosecute before the courts;
- the power to bring civil matters before the Competition Tribunal, a specialized court that is chaired by a judge and is independent of government;

- the authority to make presentations and intervene on matters of competition policy before federal and provincial boards, tribunals and commissions such as the Canadian Radio-television and Telecommunications Commission and the National Transportation Agency.

The Bureau conducts its investigations in private and keeps confidential the identity of the source and the information provided. However, if someone has important evidence about an offence under the Act, that person may be asked to testify in court.

The Bureau produces videos and publications on various aspects of the Competition Act, the Consumer Packaging and Labelling Act, the Textile Labelling Act and the Precious Metals Marking Act. To find out more about our videos and publications, contact the Information Centre at:

Information Centre
Competition Bureau
Industry Canada
50 Victoria Street
Hull QC K1A 0C9

Toll free: 1-800-348-5358

National Capital Region: (819) 997-4282

TDD (for hearing impaired): 1-800-642-3844

Fax: (819) 997-0324

E-mail: compbureau@ic.gc.ca

Web site: <http://competition.ic.gc.ca>

This publication is only a guide. It provides basic information about the Competition Bureau and the Competition Act. For further information, you should refer to the full text of the Competition Act or contact the Competition Bureau at one of the numbers listed above.

