

practices are qualified by phrases such as "to eliminate or restrict the growth of a competitor or to prevent entry". Exceptions are freight equalization on the plant of a new competitor, pre-emptive acquisition of scarce facilities or resources, and full-line forcing.

COMBINES DIRECTOR MOVED

Mr. R.J. Bertrand has been moved from the post of Director of Investigation and Research under the Combines Investigation Act and appointed Chairman of the Anti-Dumping Tribunal. At the time of writing, no replacement for Mr. Bertrand had been announced. The news of Mr. Bertrand's shift was apparently leaked and was confirmed by Consumer and Corporate Affairs Minister André Ouellet in a reply to a question in the House of Commons on May 20. He denied assertions that Mr. Bertrand had been dismissed.

The official position is that the move is a normal career progression for Mr. Bertrand. Most commentators, however, consider that he was moved because the Government no longer wanted him in that position, partly because of his bad relations with important business interests. In that connection, references have been made to Mr. Bertrand's "Green Book" on the petroleum industry and the positions he has taken on legislative reform. Reference has also been made to his report on the uranium inquiry which is now in the hands of the Attorney General and which has been an embarrassment for the Government. Comments on Mr. Bertrand have ranged all the way from describing him as a dedicated official who did an excellent job in defending the public interest to assertions that the legislative advice which the Government received from his office was faulty and has contributed to the continuing delays in achieving desirable reforms.

FORMER COMBINES DIRECTOR'S REPORT ON URANIUM SENT TO ATTORNEY GENERAL

Replies by Prime Minister Trudeau and Justice Minister Chretien to questions in the House of Commons on May 26 revealed that the report by the Director of Investigation and Research of his inquiry into uranium marketing had been received by the Attorney General of Canada the previous week.

That indicates that the former Director believes that Canadian law was violated by the cartel because he refers a matter of that kind to the Attorney General only when he considers that legal action is warranted. His

other options were to refer the matter to the Restrictive Trade Practices Commission for a public appraisal and report or to discontinue the inquiry.

Should the Attorney General decide upon legal action, there will be a public airing before the courts. Otherwise, the issues raised in the report, as well as the report itself, may well remain secret.

RTPC PLANS PRE-HEARING ON PETROLEUM INQUIRY AS SHELL RESPONDS TO BERTRAND CHARGES

The Restrictive Trade Practices Commission has scheduled a pre-hearing on July 27, 1981, to establish procedures and a timetable for public hearings on the Petroleum Industry Inquiry.

The full response by the industry to the Combines Director's "Green Book", The State of Competition in the Canadian Petroleum Industry, will only be unfolded as the hearings progress, probably in 1982 and beyond. Spokesmen for a number of petroleum companies have issued statements denying any wrongdoing. Late in March, Shell Canada released a 3,000 word preliminary response to the Green Book. The Shell statement said in part:

"Overview

The Bertrand report is the second major investigation into petroleum industry practices in five years. In 1976, Ontario's Royal Commission on Petroleum Product Pricing (Isbister Commission) basically concluded that the oil industry was competitive, and that earnings and profits were not high in relation to other industries. With respect to pricing, the Isbister Commission reported that consumers were being well served.

"Despite this existing evidence, the Bertrand report attempts to paint a damning picture of the role of the major oil companies.

"Individually and collectively, the major firms are accused of a variety of practices which badly served the Canadian consumer.

"The report concludes that these firms, including Shell Canada, 'imposed' extra costs on consumers to the tune of several billion dollars; and that unfair practices were used to lessen competition from independent marketers of gasoline and heating oils. Overall, the report concludes that the industry, because of its nature and structure -- i.e. dominated by large, integrated petroleum firms -- is anti-competitive.