

"Canada was endeavored to inform the various courts in the U.S. in which these issues are presented of its role in the international uranium marketing arrangement, and to describe the scope of Canadian laws, policies and actions respecting regulation of its uranium trade. This was first done by diplomatic notes; thereafter, on the advice of the State Department resulting from the guidance of this Court, such representations have taken the form of amicus filings. Regrettably, the courts have failed to fully consider and to accord appropriate weight to Canada's official statements. Supreme Court guidance is called for on the jurisdictional issues presented by this appeal, on the propriety of judicial sanctions for non-production of documents because of prohibition of foreign law, and on the deference to be accorded official statements of a friendly foreign government.

"The courts appear to assume that the lack of Executive Branch comment indicates either lack of interest or lack of importance of the foreign government's views and thus lack of a foreign relations dimension. This suggestst that the Court should consider encouraging the United States Government to resume its position of intermediary for the presentation of the views of foreign governments and should comment upon the foreign policy implications of the views so presented."

There are several other proceedings pending in which U.S. courts will be asked to inquire into the international uranium marketing arrangements and in which similar jurisdictional issues will arise. However, out-of-court settlements have now terminated the direct involvement of Canadian uranium producers in the uranium cases. The last of the settlements reached were in March when Rio Algom, Noranda and Dennison settled with Westinghouse and Tennessee Valley Authority. Those two cases, which still involve other defendants, are scheduled for trial in Chicago next September.

#### U.S. CONGRESS DEBATES MEASURES TO ENCOURAGE EXPORT TRADING FIRMS

The U.S. Senate approved Bill S. 734 on April 8. The bill would protect export trading companies approved by the Department of Commerce from being sued under the antitrust laws. It would also allow banks, presumably including Canadian banks, to participate financially in export trading companies. The bill has been sent to the House of Representatives, but action on it is considered unlikely until 1982. The House of Representatives also has under consideration its own bill, H.R. 2326. The exemption proposed in the latter bill is more limited.

The House of Commons Special Committee on a National Trading Corporation has been considering whether a national trading corporation should be created and, if so, in what form. Its final report is expected to be tabled in July.

#### DEVELOPMENTS IN THE UNITED KINGDOM

The Office of Fair Trading has continued its attacks against unregistered agreements. On April 27 it declared void a previously unregistered price fixing agreement among leading producers of polyester resins. Also, according to the Financial Times of March 10, it is conducting an investigation to determine if there is an unregistered agreement among steel wire manufacturers. Unregistered agreements only bring penalties after they have been enjoined and the injunction has been breached.

On February 27 the Director General of Fair Trading released his first report under his new powers to conduct preliminary investigations of practices by single companies which have the effect of restrictions preventing or distorting competition. It concerns the refusal of Raleigh Industries to supply bicycles to certain discount-prone retail outlets. He concludes that the refusal constitutes an anti-competitive practice. Having failed to obtain a satisfactory undertaking from the company, he has referred the matter to the Monopolies and Mergers Commission. The final results of that case will have an important bearing on the position of sellers in the U.K. who seek to maintain resale prices by refusing to sell to discounters.

A report by the Monopolies and Mergers Commission on full-line forcing and tie-in sales was released on March 19. The Commission does not recommend new legislation but offers guidelines to assist in identifying cases which might warrant investigation under existing legislation.

Recent large mergers have been matters of public concern in the U.K. and four of them are under investigation by the Monopolies and Mergers Commission. One of them is a bid by Lonhro, which already has the Glasgow Herald, to acquire the Observer, a prestigious Sunday paper. A bid by Lonhro for House of Fraser has also been referred to the Commission, and the results of that reference are expected to assist in clarifying Government's position respecting large conglomerate mergers. Lonhro is a conglomerate with widespread interests including hotels, mining, agriculture and textiles whereas Fraser is in department stores.

The U.K. is clearly moving towards a weakening of the state monopoly over telecommunications now held by British Telecom. A bill now before Parliament will provide the Secretary of State for Industry with wide powers to license private firms to compete with British Telecom. The first