

BOOKS AND ARTICLES RECEIVED

CORRECTION

Competitive Procedures for Broadcasting - Renewal and Transfers, by Robert E. Babe and Philip Slayton. Study prepared for Department of Communications, Ottawa, 1980. One of the key recommendations of this study was incorrectly reported on page 46 of the March, 1981 issue of the Record. A synopsis of the recommendations follows.

The authors recommend adoption of competitive procedures for license transfers. In their view, the Broadcasting Act should be revised to reaffirm firmly that no private licensee has a vested interest in any radio frequency, and that the CRTC is to be required to award licenses up for transfer to the party adjudged most qualified in competitive proceedings.

The report does not recommend competitive procedures on renewals. The authors put forth, instead, two other policy options that could be introduced in lieu of competitive procedures for license renewals: (1) the taxing of "surplus" by a public body to support Canadian program production and the scheduling of such production by that public body in prime time; and (2) a number of procedural reforms including creation of an adversarial office for broadcasting procedures comparable to the Director, Investigation and Research, Combines Investigation Act.

The Economics of Canadian Dairy Industry Regulation, by Richard R. Barichello, Technical report No. E/12, Economic Council of Canada and the Institute for Research on Public Policy, 1981.

Intervention and Regulation in Canadian Agriculture: A Comparison of Costs and Benefits Among Sectors, by Tim Josling, Technical Report No. E/14, Economic Council of Canada and the Institute for Research on Public Policy, 1981.

These are among the studies which were commissioned jointly by the Economic Council for its Regulation Reference and by the Institute for Research on Public Policy. They both emphasize the high cost of the present system of Canadian dairy industry regulation.

Barichello estimates the annual cost of the system to milk product consumers at \$686 millions in addition to a cost of \$303 millions to the taxpayers, all in 1980 dollars. He estimates the loss in terms of productivity and national income at \$200 millions. While milk producers as a whole gained some \$671 millions, the gains accrued largely to those who sold their quotas. He estimates sales of quotas at \$432 millions, which were a cost to purchasers of quotas. His recommendations include a reduction in the size of the dairy

industry, a shift away from price supports for industrial milk toward direct subsidy and redistribution of benefits among milk producers.

Josling reaches broadly similar conclusions about the costs of Canadian dairy industry regulation, which he finds to be at a lower level than in the European Economic Community but higher than in the U.S., Australia and Japan. With regard to wheat, he estimates that producers gain about \$300 millions from various subsidies but that consumers gain about \$100 millions from the domestic price subsidy. He concludes that the net loss to the country from the wheat subsidies is small and that the benefits in terms of stabilization have been substantial. He finds the net cost of sugar subsidies to have been very small.

Canada's Oil Monopoly, James Lorimer Company, Toronto, 1981. This is a 626 page abridgement of the seven-volume Combines Branch Director's Green Book The State of Competition in the Petroleum Industry. It contains the whole of the first volume on findings, issues and remedies, and excerpts from the others. The Lorimer edition has become the subject of a copyright infringement action by the Attorney General of Canada and a counter action for damages because some bookstores have withdrawn the book from sale.

James P. Cairns, Monopoly, Detriment to the Public, and the K.C. Irving Case, University of New Brunswick Law Journal, Vol. XXX, 1981.

James P. Cairns, Aetna Insurance, Eastern Sugar and "Unduly" in the Combines Investigation Act: Still More Confusion, Canadian Business Law Journal, Vol. 5, No. 2, 1981.

James C. MacPherson, Economic Regulation and the B.N.A. Act, with comments by Peter W. Hogg and David McQueen, Canadian Business Law Journal, Vol. 5, No. 2, 1981.

Robert E. Babe, Vertical Integration and Productivity: Canadian Telecommunications, Journal of Economic Issues, Vol. XV, No. 1, 1981.

CALENDAR OF EVENTS

NATIONAL CONFERENCES ON REGULATORY REFORM

The Economic Council of Canada and the Institute for Research on Public Policy are sponsoring three conferences on Regulatory Reform to be held in Toronto, Montreal and Vancouver on June 25, June 29 and July 6 respectively. The focus of discussion will be the Economic Council's final report on government regulatory activity which is to be released in June.