

# **Empowering Consumers and Punishing Monopolies** through Competition

Competition drives businesses to lower prices, improve product quality, innovate, and bring valuable new products to market. For too long, parts of our economy have been hampered by anti-competitive practices and concentrated ownership. This newsletter outlines how the Government of Canada is tackling this issue by increasing competition in key sectors while tackling anti-consumer practices from big business.

#### Amendments to the Competition Act

Over the last year, the Government of Canada made generational and transformative amendments to the Competition Act through Bills C-56 & C-59 to protect Canadians by:

Allowing the Industry Minister and Competition Commissioner to launch investigations into anti-competitive behaviour

- Empowering the Competition Bureau to compel information from companies
- Allowing private litigants to bring cases to the Competition Tribunal, and increasing maximum penalties
- Preventing mergers that lead to market concentration, by looking at past business conduct, and repealing dubious defences for mergers
- Allowing the Competition Bureau to address all anticompetitive agreements
- Preventing bogus discount claims and drip pricing that increase the cost of items through hidden mandatory additional fees
  - Preventing greenwashing of products and business claims

## **Addressing Inflated** Gas Prices



While gas prices today are \$1.74/litre on average in Metro Vancouver compared to a high of \$2.25/ litre in 2022, prices in the Sea to Sky and Sunshine Coast are roughly the same without the 18.5 cent Translink fuel surcharge that is mandatory in Metro Vancouver. This raises serious questions.

That is why I called for Industry Minister François -Philippe Champagne to use his new power to request that the Competition Bureau identify and investigate what is going on. Our communities deserve answers.

PacifiCar B.C. forward

Meeting with business leaders in the Sea to Sky



With its new power, the Competition Bureau have court orders requiring Air Canada and WestJet to hand over information for its investigation into Canadian airline competition, where prices are frustratingly high. This builds on our work to strengthen air passenger rights, which now:

- Makes compensation mandatory for flight disruptions over 3 hours
- Limits exemptions to air carriers' compensation obligations for disruptions
- Makes standards of treatment such as food and water mandatory for all disruptions
- Establishes clear requirements for delayed baggage and refund requirements

# **Tackling Greenwashing & Deceptive Marketing**



Bill C-59 creates new powers to prevent false and deceptive marketing, including greenwashing. Greenwashing is when false or



misleading statements are made about the environmental impacts of a product or company. These statements give the false impression that some companies are environmentally sustainable or making genuine efforts to reduce their environmental impact.

I tabled an amendment to the *Competition Act* to require companies back up the environmental claims they make about their company with evidence. This amendment was approved by Parliament and became law on June 20. If

companies do not comply, they face consequences that could include fines of up to \$10 million, three times the financial benefit of their claims, or up to 3% of annual worldwide gross revenues.

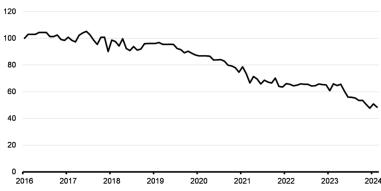
This new "truth in advertising" rule pushed the Government of Alberta to finally shut down its \$30 million Canadian Energy Centre, and led fossil fuel companies to put disclaimers on their environmental claims, or completely shut down their communications. This raises serious questions about the information they had been feeding us to date.



Check out my explainer video on my greenwashing amendment by scanning the QR code!

### **Increasing Telecommunications Competition**





The cellular services index measures the change in prices experienced by consumers for cellular services, from January 2016 to February 2024. The index is part of the telephone services sub-group of the Consumer Price Index (CPI).

#### **Grocery Sector Competition**



The Grocery Code of Conduct is a major step forward to enhance transparency and fair dealing in the grocery sector, protecting consumers and increasing competition in the sector. It has now been signed by all major retailers in Canada, including Loblaws, Sobeys, Walmart, and Costco. The Code includes:

- Leveling the playing field for suppliers and smaller retailers by providing guidelines for fair negotiations, including for the application of penalties and fees
- Dispute resolution provisions to protect suppliers and small grocers who often have much less bargaining power than grocery retailers
- Mandating supply chain transparency to help smaller grocers compete against their conglomerate counterparts

To increase telecommunications competition, we have taken actions, such as:

- Requiring providers reduce cell phone plans by 25% within two years, leading to a decrease of over 40% since 2019
- Making large telecoms provide smaller companies access to their fibre networks

We have also updated Canada's Wireless Code to:

- eliminate contract cancellation fees
- allow free mobile device unlocking
- allow you to transfer your phone number to a new service provider for free
- allow you a 15 day grace period to change providers/plans at no cost

# **Tackling Junk Fees**

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High service fees/charges, surprise ticketing fees, non-sufficient funds and transaction fees charged by banks are all examples of frustrating junk fees that we are getting rid of.

#### Bill C-59 At Work: Cineplex fined \$38.9 million over \$1.50 online booking fee

Recently, Cineplex has been ordered to pay a record \$38.9 million fine after the Competition Tribunal used its new powers to find the theatre owner guilty of deceptive marketing practices (through drip pricing) by not presenting clients with the full price of a movie ticket when purchasing seats online.