

COMPETITION ACT CSTA Compliance

All CSTA Staff, Officers and Committee Chairs must comply with the content and spirit of the Canadian Competition Act. In keeping with that, all CSTA activities will be conducted to abide strictly by the Competition Act. The principles discussed below apply to every meeting or conference call, no matter how informal, in which CSTA members and staff gather under CSTA's auspices

Procedures

- Staff and Board members must understand the Competition Act as it applies to association activities
- An agenda must be prepared in advance of meetings and minutes recorded.
- A CSTA staff member or Board member must be present at all association meetings
- The staff or Board member must stop any discussion which may not comply with the Act
- If the Executive Vice-President or President has concern with a topic scheduled for discussion, a legal opinion may be obtained before the meeting takes place.

Topics to Avoid

In general, care should be taken to avoid discussions of topics which may purposely or inadvertently lead to a discussion, and possibly an arrangement, with respect to pricing or activities involving exclusionary, disciplinary or predatory activities in any given market for goods or services. CSTA staff and board members will take steps to terminate discussions relating to competitively sensitive information such as:

- territory or customer allocations
- sales and production quotas
- proposed price increases for goods or services
- marketing methods and levels of inventory
- terms of delivery, credit, warranties, or other similar terms of sale
- specific bids or responses to tenders; and
- proposed reductions in production capacity

Topics that Can Be Discussed

Although all matters to be discussed should be carefully reviewed, the following items could ordinarily be discussed without a problem:

- industry management, trends and tools;
- economic trends;
- technological developments;
- government policies, legislation and judicial decisions;
- industry-wide public relations efforts; and
- educating industry participants generally.

Sharing Information is OK

Information sharing is, in and of itself, not a problem. However, exchanging information which would reduce competition, such as commercially sensitive market information, pricing policies or costs, should be avoided.

Information involving standard terms for contracts, minimum product standardization with respect to packaging, credit information and environmental protection research, typically would not present a problem.

It is important that members of the organization not be coerced into providing information or complying with a plan that arises from the sharing of information. Similarly, they should not be required to modify their methods of carrying on business, their sales strategies, or their pricing policies in order to reflect the results of any of the information sharing.