KEY AUTHORS



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OUR COMPETITION EXPERTISE

Lenczner Slaght has extensive experience in all areas of competition litigation. We regularly act in cases involving alleged breaches of the Competition Act, including misleading advertising, price fixing, and other conspiracy cases. We also represent defendants in competition class actions. Our clients include leading multinational manufacturers, auto parts companies, and technology companies, among others. Our courtroom experience, combined with our deep understanding of strategic business issues, allows us to provide effective representation for both Canadian and international clients in the most vigorously contested disputes.

Competition

YEAR IN REVIEW

"In 2025, there will be more enforcement action, both by the Competition Bureau exercising its new powers and through expanded private enforcement of competition laws."

What was the most interesting development of 2024, and why?

The most interesting development was legislative change. In 2024, the third wave of recent Competition Act amendments received royal assent, and prior amendments that had been delayed to allow businesses time to prepare came into effect. This is part of an ongoing expansion of the powers and scope of the Competition Bureau enabling it to more effectively foster competition in Canadian markets. For example:

The Act now explicitly prohibits "greenwashing" as a reviewable deceptive marketing practice, defined as inaccurately representing to the public that a product or business activity protects or restores the environment or mitigates the causes or effects of climate change;

- The Act now contains stronger powers for both the Commissioner and private parties to address anticompetitive agreements before the Competition Tribunal; and
- The Act contains a variety of tools to allow the Commissioner to more effectively address potentially anti-competitive mergers.

What's the primary takeaway for businesses from the past year?

As the Commissioner for Competition recently stated: "we are in 'a new era' of competition law, of compliance and of enforcement". Businesses can expect a more robust Competition Bureau, with a larger budget and more powers to investigate and prosecute anti-competitive conduct.

However, there remains little guidance from the Competition Bureau on what many of the recent legislative changes mean and clarity is needed. While the Competition Bureau is consulting in several areas and is expected to release enforcement guidelines and policy statements in 2025 respecting many of its new and expanded powers, including the new greenwashing amendments, there is currently much uncertainty about how many of its new powers will be exercised. It will also take time for courts and the Competition Tribunal to release decisions that clarify the amendments and evolve the law. It is important for businesses to re-evaluate their compliance with competition laws to account for the new changes. This may be particularly important for businesses that operate in areas likely to attract increased scrutiny from the Competition Bureau in the years ahead, such as those that make environmental claims about the products or services they offer.

What's one trend you are expecting in 2025?

There will be more enforcement action, both by the Competition Bureau exercising its new powers and through expanded private enforcement of competition laws. This is likely to increase the amount of competition litigation involving businesses.

Of particular note, in June 2025, Competition Act amendments expanding private rights of action before the Competition Tribunal will take effect, which is likely to dramatically increase private enforcement. While private access to the Competition Tribunal is not new, under the amendments, private parties may (with leave) challenge a far broader range of reviewable practices than they can now, including deceptive marketing practices and anti-competitive agreements that are not criminally actionable under section 45.

The test for private standing before the tribunal has also been amended. Currently, a private applicant must prove it is directly and substantially affected by the conduct in guestion. For some applications, the amendments lower the requirement for proving that an applicant has been affected and require the application to be in the "public interest". Other applications need only be in the public interest. While we await guidance from the Competition Bureau on how these tests will be applied, both are expected to be far lower thresholds than the current test for standing.

Finally, there will be a new monetary remedy intended to incentivize private parties to bring matters to the Competition Tribunal. The available remedy, calculated based on the benefit the respondent derived from its anti-competitive conduct, is potentially quite substantial. The award may be paid to the applicant or any other person affected by the conduct. This collective relief option may mean that certain private actions operate similar to class action litigation.

