

# From Guidelines to Action: Feedback on the Proposed Merger Enforcement Guidelines



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Who owns the economy matters. Social Capital Partners believes working people deserve a fighting chance to build economic security and wealth. A Canadian not-for-profit organization founded in 2001, we lead public policy research and advocate for ideas that push back against extreme inequality and broaden access to wealth and ownership. To learn more, please connect with us on [LinkedIn](#) or [Bluesky](#) or visit [www.socialcapitalpartners.ca](http://www.socialcapitalpartners.ca)

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# Background

Social Capital Partners (SCP) is a nonprofit that uses our private-sector experience and public-policy expertise to develop practical policy ideas that help working people build wealth, ownership and economic security.

As we've witnessed the increasing consolidation of corporate power in Canada in recent decades, we have concluded that it is impossible to achieve our aims of a fairer, more dynamic, more broadly owned economy without strong competition.

This thinking informed our 2023 submission to the consultation on the review of the *Competition Act* and our 2025 submission to the consultation on updated Merger Enforcement Guidelines.

Our most recent submission focused on serial acquisitions and the negative impact they can have on our economy. In the time since that submission, serial acquisitions have continued unabated.

For example:



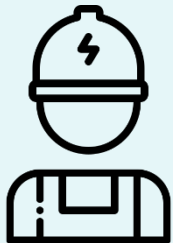
## Pharmacies

In 2025, Neighbourly Pharmacy Inc. announced the acquisition of 33 additional pharmacies across Canada.



## Primary care clinics

WELL Health acquired 13 primary care clinics in 2024, followed by an additional 9 in 2025, with 34 acquisition opportunities in the pipeline.



## HVAC

Starting in April 2025, U.S.-based AIR Control Concepts has acquired four HVAC providers, O'Dell HVAC Group, Longhill Energy Products, Airsys Engineering and Rae Mac Agencies.

We can't say for sure that any of these particular deals will have negative impacts on their customers or communities, but at a time when Canadians are anxious about making ends meet, the evidence shows they come with real risks to both quality and affordability.

Research from the United States has found that consolidation in healthcare services often leads to worse quality of care, while prices for consumers don't improve—and sometimes even rise. Similar research on the heating and cooling industry shows that, in markets where HVAC competition quietly erodes, prices increase.

Economic sovereignty is not just about control over essential physical infrastructure, like ports and telecoms. We allow our sovereignty to be chipped away when critical sectors like healthcare, housing repairs and childcare become consolidated in fewer hands – often foreign hands – in ways that make local markets less competitive and create undue obstacles for entrepreneurs to come in and start a business. When private equity (PE) firms systematically consolidate these sectors through serial acquisitions, they gain leverage over critical services, extract wealth and create higher barriers for Canadian entrepreneurs.

**In an era in which the U.S. government is using its own companies to advance aggressive foreign policy objectives and openly discussing economic coercion against Canada, allowing further concentration of market power is a strategic vulnerability we cannot afford.**

## Summary of our feedback on the proposed Merger Enforcement Guidelines

We appreciate the opportunity to provide feedback and believe that the proposed guidelines meaningfully strengthen the clarity and credibility of merger enforcement in ways that are consistent with SCP's concerns regarding (i) serial acquisitions, (ii) safe harbours and (iii) labour market impacts.

### i. Serial acquisitions

SCP recommended that the Bureau more explicitly address serial acquisitions. We are encouraged to see that the Proposed Guidelines clearly articulate the right to examine all or part of a series of acquisitions as a merger, “even if each is not individually notifiable.” We are also pleased to see the proposed guidelines explicitly acknowledge the risks inherent from serial acquisition, by stating “where a firm engages in a series of acquisitions in the same market, each subsequent acquisition may be more likely to result in a substantial lessening or prevention of competition.” This is directionally aligned with SCP's objective of ensuring that incremental consolidations are properly assessed in a manner that recognizes their cumulative harm.



## ii. Safe harbours

SCP recommended removing or avoiding “safe harbour” framing that could be interpreted as discouraging scrutiny of mergers below certain market share thresholds and are encouraged that the proposed guidelines have moved away from safe-harbour-style signaling.

## iii. Labour market impacts

SCP recommended highlighting how labour market impacts should be considered in merger analysis and strongly welcomes the clear inclusion of labour market considerations in the proposed guidelines. This addition appropriately reflects a growing body of policy attention to labour market power as a dimension of competition.

# Operationalizing the guidelines

While formalizing the proposed guidelines would be an important step, the real test will be in how the guidelines are operationalized.

We know that the final Merger Enforcement Guidelines will not be a document that is meant to contain details related to operationalization, but we hope that the Bureau will actively and publicly pair their enforcement power with the targeted operational recommendations we outlined in our 2025 submission. Specifically, we recommend that the Bureau:

## Identify and more closely track PE firms operating in Canada

Given the outsized role that private equity (PE) firms play in leading anti-competitive efforts to consolidate markets through below threshold acquisitions, the Bureau should allocate dedicated resources to identifying and following the activities of the leading PE firms operating in Canada. This may involve engagement with expert stakeholders, monitoring key data sources, partnering with local governments to monitor mergers regionally, continuing to advocate for the development of a Beneficial Ownership Registry to increase transparency around consolidation patterns and/or introducing legislative tools that compel closed-end funds to report on any acquisitions within Canada.

## Issue an open call on the impact of serial acquisitions on consumers and local economic resilience

Seeking feedback from across the country on the impact of roll-ups is an opportunity to access critical information on patterns of transactions that are often opaque and impact a diffuse cross-section of customers. The open call would ideally be done in partnership with local governments and could be specific to sectors like healthcare or be targeted more broadly. Similar efforts are being undertaken in other jurisdictions, with the White House tasking the DOJ, the FTC and the Department of Health and Human Services with issuing a joint Request for Information seeking input on the increasing power and control of the healthcare sector by PE firms. Given the interconnectivity of trade and economic power across the United States and

Canada, it would be strategic to follow the United States' lead and conduct parallel research to inform potential joint action.

## Leverage market study powers to obtain information on non-reportable mergers in sectors ripe for serial acquisition

Given the opacity of serial acquisition patterns, the Bureau should take a proactive role in undertaking market studies to understand the state of sectors that are particularly vulnerable to serial acquisition. We suggest a particular emphasis on sectors in the care economy (e.g. long-term care homes, daycares, pharmacies etc.) as these markets are showing clear signs of distress and play a critical role in the health and functioning of our society.



## Communicating the guidelines

We also believe that maximizing the effectiveness of the proposed guidelines requires increasing the accessibility of merger information. Canadians are more interested than ever in competition and the impact it has on our economic strength and resiliency. This energy should be leveraged and capitalized on by ensuring that access to pertinent information is available. Specifically, we recommend that the Competition Bureau:

### Update the Report of Merger Reviews to be more accessible

SCP welcomes recent changes to the Report of merger reviews, including weekly updates and the inclusion of ongoing reviews. However, examples from jurisdictions like Australia and the European Union, offer valuable models for providing additional information that could improve public transparency regarding merger activity. Specifically, we recommend that the Bureau update the database to include:

- Plain-language summaries of the proposed mergers
- Plain-language summaries of merger decisions
- Relevant decision documentation (not including any sensitive information)
- Links to any additional merger reviews that either party has been involved in

- An option to be notified of new merger reviews as they are announced

## **Prioritize plain and accessible language in guidance and public information.**

Canadians increasingly recognize the importance of competition policy to how people experience the economy. This growing awareness calls for a commitment from the Bureau to ensure that both its guidelines and public information are as accessible as possible. It's no longer just lawyers and consultants delving into this content, but working Canadians who are concerned with the impact of mergers and acquisitions on their wages, consumer choices and economic well-being. SCP recommends that the Bureau make a concerted effort to prioritize clear, plain-language communication, including providing concrete examples to help Canadians understand the real impacts of economic activities.

## **Conclusion**

The proposed guidelines represent meaningful progress in preserving and protecting competition in Canada. We strongly support their formalization.

However, we believe that the operationalization of these guidelines will be the real test of their impact. Guidance documents shape expectations, but enforcement outcomes shape behaviour. Serial acquirers are sophisticated actors who model regulatory risk into their strategies. If the Bureau does not demonstrate visible capacity to track, analyze and challenge roll-up patterns, market participants will correctly interpret updated guidelines as symbolic rather than substantive.

At a moment when Canada faces unprecedented economic pressure from the United States, allowing continued consolidation of key sectors through unchallenged serial acquisitions weakens our economic resilience and strategic autonomy. The Bureau has the mandate and the opportunity to act.