

Merger Review in Canada: What Businesses Should Know

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Issue	Considerations
What is a merger?	A merger is broadly defined. The <i>Competition Act</i> defines a merger to mean the acquisition, direct or indirect, whether by purchase or lease of shares or assets, by amalgamation or any other combination, of control over or significant interest in the whole or a part of a business of a competitor, supplier, customer or other person.
When do you need to have a merger approved?	Early in the transaction process: a proposed merger involving an operating business in Canada is subject to a pre-closing notification requirement to the Commissioner of Competition under the <i>Competition Act</i> where specified financial thresholds are exceeded.
What are the main financial thresholds?	A two-part assessment: either assets in Canada or annual gross revenues from sales in, from or into Canada exceeding: - \$93 million (the “size of the target” threshold); and - \$400 million (the “size of the parties and affiliates” threshold).
When would a merger be found to be anti-competitive?	Does the merger result in a substantial lessening of competition (“SLC”)? The criteria under the <i>Competition Act</i> focus on whether a merger or proposed merger will prevent or lessen, or is likely to prevent or lessen, competition substantially.
What is the relevance of market shares?	Presumptive SLC for market share above 30%: amendments made to the <i>Competition Act</i> in 2024 implemented a “structural presumption”: a transaction that results in, or is likely to result in, an increased market share in excess of 30% or market concentration beyond prescribed quantitative thresholds is presumed to be anti-competitive, unless the merging parties can prove otherwise on a balance of probabilities.
If a transaction is not notifiable, is it still subject to <i>Competition Act</i> review?	All mergers are reviewable: even if a transaction does not meet the thresholds for pre-closing notification, the substantive merger review provisions of the <i>Competition Act</i> nevertheless confer authority on the Commissioner to determine whether the merger results in an SLC. A non-notifiable merger may be reviewed by the Commissioner for up to three years after the transaction closes (versus one year if the parties notify).

Process for obtaining clearance	Pre-merger notification waiting period: the parties may close their transaction upon the expiration of a 30-day waiting period following pre-merger notification (unless the waiting period has been terminated or waived). Parties typically seek clearance pursuant to a written request for an advance ruling certificate (“ ARC ”) or a no-action letter.
Timing of merger reviews	Complexity designation: non-complex mergers – maximum of 14 days; complex mergers – 45 days. If a supplementary information request is issued, the review period can be longer.
Filing fee	\$90,198.19 (for mergers closing in 2026)
How is <i>Competition Act</i> risk handled in transaction documents?	Closing conditions and covenants: purchase agreements commonly require the parties to seek <i>Competition Act</i> clearance promptly after signing and co-operate with each other throughout the clearance process. Closing is typically conditional on receiving an ARC or a no-action letter (or, in some cases, the expiry of the applicable waiting period, if applicable).

Have more questions about expanding into Canada? Please [click here](#) or scan the QR code to access Aird & Berlis LLP’s Market Expansion Dashboard, your one-stop-shop for market expansion resources.



Disclaimer: This article offers general comments on legal developments of concern to business organizations and individuals and is not intended to provide legal advice. Readers should seek professional legal advice on the issues that concern them.

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Fiona has extensive experience advising international businesses entering the Canadian market. To date, she has advised more than 100 companies expanding into Canada. Fiona advises clients in this space all day, every day. She has been practising for more than a decade and is a regular speaker and writer on market expansion matters. Fiona is proud to have been recognized by *The Best Lawyers in Canada*, *The Canadian Legal Lexpert Directory* and *Benchmark Canada*.

A proactive and comprehensive approach is required to succeed in a new market. Fiona manages teams of other lawyers and patent agents to provide her clients with a full range of legal services to help their businesses grow. She acts as project manager to ensure her clients receive seamless legal services in all relevant areas.

Fiona takes great care to understand her clients' businesses and deliver advice that is tailored to meeting their specific needs. Her responsiveness, dedication to clear communication and hands-on approach show that she is personally invested in the success of her clients.

Fiona is pleased to offer a multitude of resources answering often-asked questions about expanding into Canada, including [this video](#) and [this one-page guide](#).



Stephen Zolf

Partner

Stephen is Co-Leader of the firm's Communications & Media Group, Competition, Antitrust & Foreign Investment Group and Sports & Entertainment Group. He advises clients operating in the communications and digital media sector in areas including public policy, the legislative framework governing foreign streaming services in Canada and foreign ownership restrictions in the media and telecom sectors. As a principal in the Competition/Antitrust Group, Stephen regularly assists clients on obtaining merger clearance under the *Competition Act* and compliance under the *Investment Canada Act*. His expertise encompasses international trade regulation and sanctions. Stephen is currently Co-Chair of the Firm's Sports, Media & Entertainment Group.

He has been consistently recognized as a leading practitioner of communications and media law by *Chambers and Partners*, *Lexpert*, *Best Lawyers* and *Legal Media Group*. Stephen was the Telecommunications Contributor to Legal Alert (*Carswell*) for over 20 years.



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Rachel summered at the firm in 2025. She recently completed her second year at the University of Ottawa Faculty of Law. At law school, Rachel worked as a student caseworker with Legal Aid Ontario's Family Senior Counsel Program in Ottawa, supporting vulnerable clients on complex and contentious family law matters. She also served as an Associate Editor of the *Ottawa Law Review* and as Treasurer of the Ottawa chapter of the Women's Legal Education and Action Fund. Prior to law school, Rachel earned a Bachelor of Arts in Public and International Affairs from Princeton University.