schedule thereto lays down some of what we could call the bylaws. It is also interesting to note what is Part I.

Mr. Knowles (Winnipeg North Centre): The bill is letters patent.

Mr. Lambert (Edmonton West): As the hon. member for Winnipeg North Centre says, it is, in effect, letters patent. Last year, when the Canada Corporations Act was amended, certain provisions were left in the act whereby certain types of companies would need to come to the House for incorporation. Certain types of operations still cannot obtain letters patent from the registrar of Canadian corporations.

The second part of the hybrid bill test is whether Bill C-219 affects private interests in such a way that, if it were a private bill, it would, under our Standing Orders relating to private business, require notice to be given or served inasmuch as private interests, as a class in small or great degree, may be benefited or adversely affected. I have said that if Part II were deleted from the bill, and this could happen in its progress through the House, the result would be the creation of a private corporation that could survive as an entity without further action. The only public interest would be the transitional one, the right of the government under clause 4 to appoint provisional directors only, and to designate, under clause 10, the original head office. Yet, it is interesting to note that there is no reference whatsoever to the government of Canada. What is all the more convincing, Mr. Speaker, is that clause 31 in Part II reads:

> The company is not an agent of Her Majesty or a Crown corporation within the meaning of the *Financial Administration Act*.

Therefore, this clause definitely removes the company from an area in which there would be a public interest. It is not a Crown corporation, and it is not an agency under the Financial Administration Act. Thus, the private business Standing Orders of this House are not precluded from applying to this corporation on any principle that this bill is for the incorporation of a Crown company. It is not a Crown company. Since the proposed company is not a public corporation, it must be a private corporation owned by private interests. There is provision, of course, that the public in the right of Canada and the public in the right of provinces can own shares; but this provision is neither mandatory nor exclusive. One has only to examine the bill to see that this is so. There is not one word in the bill to the effect that the Crown in the right of Canada must own at least one share—not one. It may have holdings in excess of 10 per cent. It "may," I said.

Mr. Knowles (Winnipeg North Centre): It does not have to.

Mr. Lambert (Edmonton West): I defy anybody on the government side to indicate one word which indicates that one share or more of the corporation must be owned by the Crown in the right of Canada. There is nothing that says so. Nor is there anything in the act which excludes private ownership in whole or in part, and therefore the public nature of the bill almost disappears.

Clause 6(1) provides that the objects of this private corporation shall be carried out in anticipation of profits and in the best interests of the shareholders as a whole. I have indicated to you, Mr. Speaker, and to the House that such shareholders may be exclusively private persons. It is interesting to note that, although this private corporation has powers sufficiently flexible under clause 6(1) to acquire, develop and operate local works wholly situated within a province, the bill contains no clause which specifically provides that such works are to be for the general advantage of Canada or for the advantage of two or more provinces.

I would, however, refer Your Honour to clause 7, where the bill speaks of a charter. This is the charter that we are being asked to pass upon. I would further direct Your Honour's attention to that part of the bill dealing with the personal liability of directors. For the moment, I cannot find the clause number but there is personal liability for directors. Therefore, we are right into the area of company incorporation by private charter.

• (4:00 p.m.)

Just making these references, Mr. Speaker, outlines, part of what we consider to be the criteria of a private bill. As well as asking for the incorporation of a company for the benefit of a class of private citizens, because the public shareholders, if any, can only appear subsequent to the incorporation, the bill asks for preferred treatment under section 33 of the Income Tax Act, for preferred exemption, from certain provisions of the Corporations Act, and for preferred exemption from the insolvency and winding-up laws.

In addition, this corporation and the private shareholders of this corporation will enjoy a most special privilege not enjoyed by all those persons who will not be shareholders and not enjoyed by any other corporation, federal or provincial, Canadian or foreign. It will only be this corporation and its shareholders that will have the opportunity to buy Polymer Corporation Limited, Eldorado Nuclear Limited, Northern Transportation Company Limited, possibly Northern Canada Power Commission as well as the public percentage of Panarctic Oils Ltd., and some others. These are to be sold by the government of Canada to the corporation and no other.

Conversely, this private corporation will, if the government exercises its discretionary power to sell, have a monopoly option to buy these publicly-owned corporations and properties. I emphasize the word "monopoly", Mr. Speaker, because words "fair and reasonable price", as used in clause 39, presumes in the everyday language of commerce and law, the existence of an alternative buyer in a free and open market. To reiterate, Mr. Speaker, a monopoly is a special interest which is the exclusive property of a specific entity, whether that entity is a class of persons or a corporation. On the basis of this, there is no doubt that this is a hybrid bill. I could perhaps advance further arguments, but I think this is sufficient.