

St. Lawrence training cruise



Canadian Forces photo

HMCS Margaree carries a crew of 250 and a helicopter.

A Canadian Forces helicopter-destroyer, *HMCS Margaree*, sailed from Halifax, Nova Scotia on August 27 on a six-week training cruise up the St. Lawrence River to the Great Lakes to make six ports of call in Canada and one in the United States. She is open to the public at each port.

One of the highlights of the trip was the participation by the vessel in the tercentary celebrations at Kingston, Ontario, where she tied up from August 31 to September 4. The ship will also take part in centennial observances at Burlington, Ontario from September 29 to October 1.

The *Margaree* was at Chicago from September 12 to 17; will visit Hamilton, Ontario from September 20 to 24; Toronto, from September 24 to 27 and

Matane, Quebec from October 2 to 4. At each Canadian port she will pick up naval reservists for familiarization exercises; she will return to Halifax early in October.

The *Margaree*, a Maritime Command anti-submarine warfare ship commanded by Commander R.G. Campbell of Toronto, carries a crew of 250 officers and men, and a *Seaking* helicopter. Its four-man crew is also trained for rescue missions, airborne logistical support; pollution-control measures, surveillance of fishing fleets and commercial shipping.

For the first five months of this year, *HMCS Margaree*, and *HMCS Protecteur*, served in NATO's Standing Naval Force Atlantic, as Canada's contribution to the multi-nation naval force.

New law would require majority of Canadians on boards of directors

Under a proposed new law introduced recently in the House of Commons by Consumer and Corporate Affairs Minister Herb Gray, all chartered firms would be required to have a majority of resident Canadians on their boards of directors. Foreign-controlled corporations would not be allowed to count Canadian directors who are also employees to calculate the required percentage. Only "outside" Canadian directors count as "Canadian content". Where, however, a holding company,

earns less than 5 per cent of its gross revenues from all operations in Canada, it would need to have only one third resident Canadian directors.

(A resident Canadian is defined as a resident Canadian citizen or a landed immigrant who has been in the country less than six years and has not yet obtained Canadian citizenship. This permits landed immigrants to participate directly in the economic life of Canada.)

The Canada Business Corporation law

would update, reform and generally streamline federal corporation law to achieve uniformity with the most up-to-date provincial statutes and greater clarity, to eliminate empty or antiquated formalities, and to improve protection for minority shareholders.

The aim of the legislation is to create a practical, more equitable balance of interests among shareholders, creditors, management and the public — a balance that safeguards investors while allowing management as much flexibility as possible, consonant with the public interest.

Other changes

Other highlights, include the conception of incorporation as a matter of right, rather than privilege, simplification of incorporation procedures, and new definitions of the rights and duties of directors.

The bill does away with the existing requirement for the names of at least three proposed incorporators on applications for incorporation. One individual would be able to incorporate by completing simple, straightforward formalities and forwarding the required forms and fees. There would no longer be a need to state aims or objects of proposed corporations: the bill says corporate entities have all the capacity, rights, powers and privileges of an ordinary person and may pursue any lawful act, unless limited by restricting articles of incorporation.

The bill reduces the amount of administrative discretion in the present Act, substituting clearly-defined rules and standards and attempting to set out the rights of all parties involved in the business and affairs of federal corporations.

Directors are given unequivocal powers to manage the business of corporations, but the rights of shareholders are increased and new standards of fiduciary duty and care for directors set out. In certain cases, dissenting shareholders get the right to require corporations to buy back their shares.

Corporations, for their part, may acquire their own shares but usually only up to the value of any surpluses they may have.

The details of corporate formalities required under the new law — proxies, "insider trading", financial disclosure, take-over bids — are removed from the