

legislation as it existed, in 1974, and proposing some amendments, we were saying that the federal legislation or practice was almost obsolete and that most Canadian corporations would be incorporated under the various provincial statutes and then apply for transfer in order to come under national jurisdiction.

However that was not the case. A more up to date legislation is now used as a model, and I must add that I was rather surprised to note that the legislation has been used as a model by some provinces which have amended their own statutes on commercial operations in accordance with the federal model.

We hope that there will be more certainty in such matters, because if notaries and lawyers in provinces regulated by common law must advise their clients on a point of law, they have to proceed on the same basis. If in Quebec, on the basis of a similar French procedure, we now get the same results as an English solicitor in Ontario or western Canada basing himself on an English version, it will be quite effective.

[English]

I should like to ask certain questions. On the one side, the attraction of the English language in practice is that there is a certain subtlety to it; it bends, it is malleable and subject to judicial interpretation. On the other hand, on the francophone side, there is always deemed to be a philosophical demand for absolute precision. In other words, the letter of the text must always govern, and if something is not found therein, it cannot exist. In the English version, that is not the case. A certain amount of growth and flexibility exists in it.

What philosophy prevailed in the drafting of the French version that has now been incorporated as the schedule to this act? I do not know. I have not had a chance to look at it. Perhaps the minister or his parliamentary secretary would tell us whether there is a dichotomy in the philosophies of the language used. I have never heard it said before that the French versions of our laws have been wrong and that they do not conform to a certain philosophy of language.

● (1502)

Is this to be an example now for many of our major acts as they apply in Canada? For instance, would we have to review the whole of the Criminal Code to see whether it should be rewritten in the French language rather than being a good and very effective translation of the English? I discern this to be a rather different philosophy of language. If that is so, I must say the Department of Justice and the Department of the Secretary of State and anybody involved in the translation of laws and their compilation will be extremely busy for many years to come. This is an observation I put forward at this time.

I have never seen this done before—outside of a relative few compared to the size of the act—that technical and explanatory amendments, amendments for greater precision have been put forward in the English text and yet the whole French text has been rewritten and brought in as an appendix. This is the reason for the bill being so thick.

Canada Business Corporations Act

There are at this time, however, a few other comments I would like to make about incorporations. One which is allowed under this particular act deals with personal corporations. Since the total French version is brought in I can speak about it, even though somebody might question the English version if there was no particular amendment to this section. We have seen where many services, insurance companies, architects, athletes, entertainment artists and a number of other persons who have incorporated themselves, under the laws of Canada or of the laws of a province, into personal corporations so that they could take advantage of certain tax provisions under the Income Tax Act and thereby be relieved of the heavy taxation levied for general corporations.

In my province the professions were able to convince the government of Alberta that personal incorporation was a good thing. Alberta has a forward looking government which is given to developing private initiative. It has allowed those in the professions to incorporate themselves and associate their business practices with these personal corporations. This gave them a better tax deal. About that there is no doubt. I have always advocated the use of the income tax system on an incentive basis. If this form of organizing one's affairs through a personal corporation gives a better return to the individual, who thus was encouraged to get out and scramble more and to increase his or her economic activities, then so much the better, and Canada gains.

There is always a philosophy which has been abroad in certain political parties, and certainly it is so in the present administration: anyone who makes a dollar must be socked, in other words, hit the hardest. In fact the state claims as an inalienable right its proclaimed share of an individual's economic activity as soon as that activity is concluded, and whether or not the money has been collected does not matter. It belongs to the almighty state. That is a philosophy to which I cannot ascribe, and I repudiate it. It seems to me, in order to regain a sense of the work ethic, of taking our rightful place in the economic world and putting Canada back among the leaders where it was 20 years ago, out of the depths of the rather inferior position into which we have slipped, that we have to give individuals, either in their private capacity or incorporated, the best incentives possible so that they can carry out their economic activities and proposals.

I am not going to go into all of the details. There is no particular point in going into the detail of the changes. I certainly support a bill of this kind. While it was not open to me to get the detail of the study done by the committee in the Senate, I am sure they did very good work, as did the legal affairs committee of this House, but certainly the pattern would be set by the first committee hearings in the other place. I commend this sort of examination by the other House and I say the same about Bill S-4 which precedes it. This bill is one that is equally voluminous but of the same nature.

I trust that we will readily come to a decision on this bill on third reading. I have not seen a speech at second reading from either side of the House which was in opposition to it. There-