

That section 11 be deleted and the following substituted therefor:

"This act shall apply to a company only from the date of the issue of the proclamation by the governor in council declaring this act to be applicable to such company."

Mr. MACKENZIE: I move accordingly.

Mr. BRACKEN: Would the minister explain the effect of this amendment?

Mr. HOWE: Yes. As I explained to hon. members, there are at the moment some thirteen companies which would be affected by the proclamation of the act. It is the feeling of the department that the act need not apply to certain of these companies which will be wound up in the next two or three months. The purpose of the amendment is to permit the government to select companies at present in process of being wound up and to apply the act only to those others which will require its application for a fairly long period.

Mr. FLEMING: If I may make an observation, it will be noted that the proposed amendment is not confined to existing companies. The reason given by the minister for the amendment relates purely and simply to existing companies, because he says it may not be expedient to apply the act to certain companies now existing. But the amendment goes much farther than that. It applies to any company whether in existence to-day or hereafter created. Certainly if there is any merit in the bill there can be no justification for a series of orders in council applying its provisions in turn to any one of the numerous companies which may be set up as crown companies in the future. My suggestion to the minister, in the light of the ground he has put forward, is that the amendment be confined to existing companies. If there is reason for not applying it to companies which are in process of being dissolved and their charters surrendered, well and good; but once you make that exception, surely there should not be any reason for not making a general proclamation of the act. Is it reasonable to make individual proclamations of the act making it applicable to a particular company? The minister has put this bill forward as one which was required to lay down a course of procedure and a method of financing for crown companies in general, with the exception of statutory companies. That is a long way from his amendment. If the amendment passes in the form in which it has been introduced it will mean that it will be possible to defer any general proclamation of the act and reserve to the governor in council the power to say to which individual company, whether in existence now or hereafter created, the act shall have application.

Mr. HOWE: My hon. friend's colleagues spent several hours in arguing that there should be a separate bill for each company, and now he is arguing that there should be one bill of general application.

Some hon. MEMBERS: No.

Mr. HOWE: If a company is brought into existence it must have a body and legal existence. This is the standard provision for companies under part I. Since my hon. friend's colleagues have argued strongly for a separate bill for each company, he should not object strenuously to a separate order in council for each company. He seems to be taking a strange position.

Mr. FLEMING: It is not a strange position, as the minister will see if he will apply a little logic. Here is an amendment which cuts right across the principle for which the minister has been arguing throughout the consideration of this measure. If there is any merit in the legislation, surely the ordinary rule should apply, that there shall be one proclamation of the act. The minister says: We have a situation which makes it desirable for us not to apply this measure to certain existing corporations. But he did not answer my point. I tried to make myself clear and thought I had spent enough time in doing so. I do not want to take up more time than is necessary for a clear understanding of the situation. The effect of the amendment will be this. It will lie within the power of the minister—it is always a question of giving the minister more power, and that is what we object to—to decide whether the act shall or shall not apply to any particular crown corporation as long as it is a joint stock company. That being so, the amendment cuts right across the principle for which the minister has been arguing right along, the principle which he says he has sought to give effect to in introducing a general bill of this kind applicable to all crown companies incorporated under part I of the Companies Act. Far from cutting across the position for which I have been contending all the way through, the position I now take is precisely in keeping with that which I have taken all along, and what I have said is put forward with a view to making a constructive suggestion in order to be helpful to the minister, though I do not think he has accepted it in that light. I think the amendment proposed ought to be further considered. I should be surprised if in introducing this amendment the minister had in mind anything more than the existing companies to which he has referred.