

life and death power to create jobs, to destroy jobs, to develop provinces or to pull out of them, to develop or not to develop the Arctic, to develop or not to develop the Atlantic provinces.

If you look at some of these corporations such as General Motors, Imperial Oil, CPR with its subsidiaries, or International Nickel, you see corporations which have assets and which are involved in annual financial transactions which, in some cases, bring them profits bigger than those of any Canadian province. Indeed, in many cases the profits are bigger than those of most countries in the world today.

Mr. Fraser: Provinces are not supposed to be making a profit.

Mr. Orlikow: So the decisions of these corporations are important to each Canadian, whether or not he is a direct shareholder in a corporation. Yet despite that we have here a bill which, at its best, tidies up the legislation which we have had and which was passed originally, as the parliamentary secretary said, in 1934, which was itself based on British company legislation enacted in 1929, almost 50 years ago.

To a large extent this bill is based on a study done for the government by R. W. V. Dickerson, a lawyer in Vancouver. If members look at that study they will see that Mr. Dickerson makes it clear that he does not propose any fundamental change in the rights, powers or responsibilities of corporations. In his report Mr. Dickerson accepts that corporations will continue essentially as the private property of the shareholders, and that the bill can only deal with the rights of the corporation and the rights of its owners and shareholders. There is no reference in the bill, nor was there in Mr. Dickerson's study, to the responsibilities of a corporation to society.

Mr. Dickerson says in his study:

A Corporations Act will not solve problems of industrial relations, nor can the many vexing problems of taxation be cured through some alchemy in the corporation law. We have also resisted the idea that corporation law as such has anything to do with the question of foreign investment, control of the economy, and Canadian sovereignty.

The government has accepted that view of Mr. Dickerson and I could not argue with it too much if we had, along with laws dealing with corporations, tax laws or competition laws which would really set forth the feelings of the people of Canada through their government, as to the right of a corporation to make profits. And I do not question that right so long as we have a system in our society according to which a large majority of the economy is operated through free enterprise, through corporations, large and small.

I do not see in the foreseeable future any real changes in that system, regardless of what government is in office, either provincially or federally. Free private enterprise in the foreseeable future in Canada will continue to play a major role in the lives of all Canadians. It is surely in the light of what is happening in the world today that the people of this country, and indeed of every country, have a right to expect that corporations will consider their needs, particularly the large corporations.

We are living in difficult times. We see shortages of food. A world food conference is taking place right now.

Canadian Business Corporations Act

There are shortages of fuel. Every person in the world has been affected and will be markedly affected in the next ten to twenty years at least by the fourfold increase in the price of oil exported by the oil producing countries of the world.

● (1520)

I am not now discussing whether the increase in price was justified entirely or in part. The point is that we have had the increase and the people of the industrialized affluent world, and the people of the have not nations, will feel the effects. Prices are going up, up, up. As they have gone up, so have profits. It may be that price increases were necessary for the basic commodities used by the whole world, or that they can be partly justified. As far as I can see, however, there is no government mechanism in Canada to examine this question. But we do know that the percentage of the gross national product which went to profits in the last year was higher than ever before. Last year, Mr. Speaker, 13.5 per cent of the gross national product went to corporation profits.

I do not believe that all the price increases we have been subjected to in the past two or three years have been justified. Corporation profits are at an all time high. Prices are not based on increases in the cost of labour, although that is a factor, nor on increases in the cost of raw materials, although that is also a factor, but are based almost exclusively on the judgment of the corporations of what the traffic will bear.

There is no real competition for the major commodities used by the large corporations. I do not think anyone would suggest that the price of cars which Canadians buy is set by corporations competing for the goodwill of customers. It is no secret that General Motors sets the price for cars, and the other automobile corporations follow suit. It is no secret that Imperial Oil, which is part of the giant multinational conglomerate Exxon Corporation, sets the price of gas in Canada.

A sharp increase in the price of gas in Nova Scotia a few months ago prompted the provincial Liberal government to set up an inquiry. A representative of Imperial Oil appeared and said that their price was set by world factors, not by the cost of oil laid down in Nova Scotia, Mr. Speaker, but by what the world pattern suggested they could charge.

I think we need to have a lot more say about what corporations are doing in this country, Mr. Speaker, and I do not believe this bill will help in that regard. One just needs to look at the corporation profits, published almost every day in the Montreal and Toronto newspapers, or in the newspapers of any other city in Canada. As an example take Ogilvy Flour Mills. If there is one area in which prices have gone up it is in food. For the three months ending July 31 this year Ogilvy profits were \$2,035,000 compared to \$1,144,000 for the same period last year. Madam Speaker, that is an increase of almost 100 per cent. It is any wonder the cost of food is increasing?

Steel is used in virtually every basic implement we make. Algoma Steel profits for the period reported in 1974 were \$39,910,000 compared to \$18,043,000 for the same period in 1973, an increase of more than 100 per cent. Cominco profits went up to over \$50 million in 1974 com-