

*Canada Corporations Act*

committee on finance. In respect of one part of the bill, I think we received a third version if not a fourth version. One must, therefore, conclude that the original preparation must have been pretty sloppy. Certainly, there could be more changes even now. Personally, I find all of the amendments before us acceptable.

It was my hope that the minister would go a little further in certain areas, particularly with regard to costs. He was eventually reasonable in respect of notice to the parties concerned so that we are not going to have a sort of star chamber inquisition or investigation launched into the affairs of a company without its prior knowledge. This was quite permissible under the original version that was put to us and vigorously defended. We now see that perhaps reason has prevailed.

Let me merely say that on re-reading the remarks of the sponsoring gentleman in the other place on second reading, I find he confirms what I said last November, last June and time and time again in the committee, that it is not so much an amendment to the Canada Corporations Act the minister wants but a sort of pseudo securities act. The minister was not able to answer me positively as to the purpose which the information filed would serve.

These regulations relate really to a securities act. I have in mind information in respect of insider trading, disclosure and so forth. That has nothing to do with an act in respect of the incorporation of companies. The filing of returns and provisions as to the handling of proxies are usually corporate matters. In the province of Ontario, and in most common law provinces, there is a securities act alongside this act which deals with those matters aiming to protect the public by greater disclosure.

No one is objecting to greater and better disclosure of corporate information, but this should be done through the appropriate statute. If one intends to protect the public, it should be done under a securities act because shares are going to be placed on the market and people will be invited to invest in those corporations. This has no relation whatsoever to private companies because the public is precluded from any invitation to invest.

Therefore under the new practice, lumping into the same basket private and public companies which are incorporated under the federal corporations act will have the result that few if any persons will want to incorporate either public or private companies under fed-

eral charter. It will be much easier and better to incorporate under provincial companies' acts and then avail themselves of foreign registration under the various provincial acts. It is as simple as that.

• (3:10 p.m.)

All this could have been avoided and can be avoided. If the minister and the government were honest with this House they would agree publicly with the many suggestions made from this side. I have been making such suggestions for about three or four years at least. We want a national securities commission, but not one dominated by the federal government because the federal government has neither the machinery nor the interest. Frankly, it does not have the appropriate jurisdiction. It has partial jurisdiction. In this particular case there should be agreement between the federal government and the provinces that there should be a national securities commission, not to be seated here in Ottawa but in Toronto next to the major stock exchange. There could be branches in Montreal and Vancouver or wherever there should be. Then, Canada would have an appropriate national securities commission. However, we in this House do not have the jurisdiction for even a pseudo securities commission under the provisions of this act. The mountain has travelled a great deal and has not even produced a mouse.

Under the provision for disclosure, where statements are put on a file, a fee must be paid in order to obtain any information for say insider trading. There is no machinery or operation under the Corporations Act for compiling and publishing reports about insider trading as there would be under an appropriate securities act. The information will lie in the various files. Anyone who wishes to inquire about an individual corporation would have to pay a fee and look through all the files. What cumbersome machinery that is! The minister knows he does not have either the machinery nor the authority to collate and publish the information. Under the Corporations Act there is absolutely no authority for the minister to publish the information, whereas it could be done under an appropriate securities act. There is no doubt, in respect of a particular file, an individual who is interested can come and have it looked at; that is so. The minister cannot ask any more than he is authorized to do. I defy him to say that he will be able to publish information or files under the authority of the Canada Corporations Act. This authority does not exist.

[Mr. Lambert (Edmonton West).]