

Canada Corporations Act

men will find that disclosure does not hurt very much once one gets used to the idea. When businessmen talk about keeping things close to their vest, one would think there were great secrets in business. There is no secrecy in business, in my experience. Very often competitors know almost exactly what their opposite numbers are doing in certain fields, except in the area mentioned earlier where they really manage to keep it a secret.

● (8:10 p.m.)

Industrial spies garner secrets. Travelling salesmen go around and manage to catch a few words here and there. Employees have a way of telling secrets. In addition, there are official agencies which exist simply to supply information to other people. The group that knows the least is not the businessman's competitor but the public. It is the public we are concerned about in this debate; it is the public that ought to know about these activities.

The other day an interesting little blue book was sent to our offices from the Restrictive Trade Practices Commission. It is entitled, "Business Forms". It tells an interesting story about those who manufacture business forms in Canada. These people have no secrets from one another. They have formed a little club and have appointed an executive secretary. They even tell each other what they sell, how much they sell it for, and to whom. But the public does not know about this. The minister may say, "That is exactly why we have a Restrictive Trade Practices Commission. It must find out these things".

Instead of playing cops and robbers in order to find out what is going on, would it not be better if we asked these people to lay everything on the line? They may have good reason for carrying on as they do. I do not want to pass judgment on them at the moment; that is not my job. Unless there are good reasons for not doing so, the kind of activity that has been carried on in secrecy should be exposed. Is it not far better for companies to expose their operations than run the great risk of arousing suspicion in the public mind and be chased all the time by the Restrictive Trade Practices Commission which wishes to find out how honest their operations are, to what extent they are competing and whether, so to speak, they are holding hands?

Another question that has been raised is this: What is the point of asking for disclosure at the federal level when so few compa-

[Mr. Saltzman.]

nies in Canada come under federal jurisdiction, and when there is no agreement with the provinces under whose jurisdiction such companies are incorporated? If we examine our laws I think we will find that almost every worth-while piece of legislation has been introduced at the federal level. If there is public acceptance of the legislation, as I think there will be of this legislation relating to full disclosure, it is not long before the provinces pass similar laws. On other occasions provinces have introduced good legislation and the federal government has followed suit. I believe this is good legislation. I think the minister himself believes that disclosure is good. After all, he fought very hard for the minor changes which appear in this bill. We are asking the minister to recognize the importance of the principle and to go all the way.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, in rising to speak in this debate may I say that I find the bill complex and somewhat difficult to understand. I have serious doubt whether it will do what it is intended to do. I would feel much happier about this portion of the bill we are discussing if I could be sure that the position the government has taken with regard to disclosure will bring about the desired effect.

Bill C-198 of the previous session died on the Order Paper and was replaced by the bill we are discussing. I should like to refer to a press release which is mentioned in a brief which the Parkin Company presented to the Standing Committee on Finance, Trade and Economic Affairs. It speaks of a press release concerning Bill C-198, issued by the Minister of Consumer and Corporate Affairs (Mr. Basford) on May 22, 1969. The press release states in part:

The disclosure amendments also constitute the government's first legislative action in an area commented upon by the Watkins Committee on Foreign Ownership and the Structure of Canadian Industry. "This will meet the concern about how hard it is to get information about important private companies, particularly those which are wholly owned by foreign companies," Mr. Basford said. "There is no question of discrimination against foreign-owned companies, however, since we have decided it is in the public interest to have public disclosure by all federally-incorporated companies which are significant to the economy."

Another memorandum released by the Department of Corporate and Consumer Affairs on May 22, 1969, said the following about section 121E of Bill C-198 of the previous session:

This section makes the financial statements of companies to which paragraphs (a) and (b) of