

Canada Corporations Act

was announced some time ago that Bill C-4 was to be the business of the House for today. I assume this was known by the house leaders and the hon. member. The fact that the Standing Committee on Finance, Trade and Economic Affairs was to meet today was known some days ago. We have been debating Bill C-4 for over an hour. I am curious as to why the point of privilege has just been raised.

Mr. Speaker: I doubt very much if we should pursue the matter. Generally speaking, I agree with the point raised by the hon. member for Edmonton West. As the hon. member mentioned, the Chair alluded to this situation yesterday in a statement made prior to routine proceedings. However, this is not a question on which the Chair can make a ruling. My only suggestion is that even in the face of a difficult situation we should attempt to pursue our discussion of the matter. The next motion, No. 6, stands in the name of the hon. member for Waterloo.

Mr. Max Saltsman (Waterloo) moved:

That Bill C-4, to amend the Canada Corporations Act and other statutory provisions related to the subject matter of certain of those amendments, be amended in clause 14 by adding to section 118A the following subsection:

"(c) funds derived from the non-resident aspect of each item in subsection (a)

(d) funds applied to the non-resident aspect of each item in subsection (b) and,

(i) payments to non-residents for advertising licences

(ii) payment to charitable, cultural, and political causes."

He said: Mr. Speaker, clause 14, subsection 118A is a provision dealing with the application of funds. It deals with a number of important items, such as from where the funds are derived and where they are applied. It is our feeling that it is most important that stockholders and the public know about the use of corporation funds for political purposes.

One of the chief purposes of the motion before the House is that, if accepted, companies will have to reveal the contributions they make to political, charitable and cultural causes. Another important reason for moving this motion is that in the absence of any differentiation between American and Canadian corporations in this act, it is important to know to what extent there are transfer payments between the corporations in Canada and the parents in other countries regarding advertising, licences and other matters of that kind. The motion is commended

[Mr. Basford.]

to the members of this House as a way of providing additional information to stockholders and companies on how corporations are conducting their affairs.

Mr. Basford: I wish to oppose this amendment, Mr. Speaker. It is not appropriate to include it in Bill C-4 at this time. As the hon. member for Waterloo (Mr. Saltsman) has pointed out, the amendment requires the disclosure of payments by non-residents for advertising and licences. The hon. member says that this would be useful information. However, I am not sure why he has selected this particular kind of payment.

The Corporations and Labour Unions Returns Act, the other disclosure statute in the law of Canada, applies to all companies, whether or not they are incorporated under the Canada Corporations Act. The amendment requires the disclosure of payments by resident corporations to non-residents. The requirement for the disclosure of payments of that kind includes more than 15 different items, such as royalties, rent on real property, payments for or in respect of scientific research and several others. It is doubtful, in my view, that the information the amendment would require would in this context be very useful. If it were to be deemed useful information, I submit that the appropriate place to obtain it would be through amendments to the Corporations and Labour Unions Returns Act. The disclosure of these kinds of payments from resident to non-resident companies would then be required from all companies in Canada, rather than just federal companies.

With regard to the second point of disclosure that is required, I wish to point out two things. I am not sure that the lumping together of all payments to charitable, cultural and political causes would provide meaningful information. I suspect that is a technical error in the amendment. I suspect that the hon. member for Waterloo would like them all shown separately. The wording is such that they could be all lumped together. This would not be very useful information.

Also, the matter of election expenses is before a committee of this House at the present time. If we are to have different laws pertaining to corporate donations to political parties, this should be dealt with in the legislation with respect to election expenses. It should be dealt with in matters pertaining to federal elections and federal political parties.