

Canada Corporations Act

public companies, those with at least 50 shareholders, offering shares to the public and placing no restrictions on the transfer of shares. I think that a great many people were astounded to learn that Canada was so far behind in this type of legislation.

Many people were shocked to learn that no Canadian government, before the passage of this legislation, had required private companies, no matter how large or influential, to file financial statements with the department. We welcome this legislation in so far as it will require all public and private companies with assets or gross annual revenue in excess of \$3 million to file annual statements with the department.

Had this legislation been introduced half a century ago or even a quarter of a century ago, it might have been hailed with real enthusiasm by those who are concerned with protecting the consumer's interest. But this is not 1920 nor 1945. In view of the tremendous growth of corporate power, this legislation falls far short of what is required to protect the Canadian public and now it is largely irrelevant. It is all right so far as it goes, but it gives us an inch when we require miles. Consequently we have to point out what is needed and what should be done by the department at this time.

The reason that this legislation falls far short of what is needed—I do not intend to go into its good points because they have been outlined by various people—and has shortcomings is the rate at which the economy of this country has become the happy hunting-ground for large corporations and particularly huge, foreign firms with branch-plants in Canada.

I need only review very briefly what was put on the record yesterday by the leader of this party when he mentioned the latest release in response to a question asked by the hon. member for Waterloo (Mr. Saltzman). He mentioned the acquisition of Canadian businesses by foreign corporations as reported annually by the Director of Investigation and Research under the Combines Investigation Act. In 1963 there were 35 takeovers of Canadian companies; in 1964 the number rose to 87; in 1965, 74; in 1966, 74; in 1967, 79; in 1968 there was a great jump to 155, and in 1969, there were 102 takeovers. It does not take great imagination, after watching the press these days, to see that the figure will jump up again.

While I am dealing with this matter I would like to finish setting the record

straight. Whenever the hon. member for Calgary North (Mr. Woolliams) is referred to, he seems to be out of the chamber. I will not run the risk of failing to set the record straight and will do so even in his absence. Here is exactly what he said, as reported in *Hansard*. Perhaps he will realize that the ears of my colleague, the hon. member for Broadview (Mr. Gilbert), were not at fault when he heard the following statement yesterday, as recorded at page 2339 of *Hansard*. The hon. member for Calgary North said:

At this time when the NDP has been making inroads in Saskatchewan, not only in the farm areas but in the cities, the people of western Canada are worried about becoming a colonial outpost, not of the United States but of central Canada.

Our genial and gallant friend from the prairies who was bent on carrying everything before him, like the great west wind, in his attack on the NDP made a beautiful frontal sortie but he did not realize that he left exposed a beautiful posterior and an extremely vulnerable one. In his anxiety to attack the NDP what he actually said was that the people of western Canada are worried about becoming a colonial outpost, not of the United States but of central Canada. Many of us from the west may be concerned about central Canada, but compared with the dangers of being taken over from outside the country the dangers of being taken over by central Canada are much less of a hazard.

The takeover of Canadian companies at the present time, and the galloping rate at which it is proceeding, has one serious effect which has already been mentioned but which I would like to again emphasize. The most serious aspect of these takeovers entailing the risk of Canada converting to a branch-plant economy, is that it is not Canadians who are making the big decisions for consumers in this country, but outsiders. The outsiders make the big decisions for the consumers of this country. As proof of this I will quote one excerpt of a statement made by someone who is in a good position to know the situation. This is taken from an article published in the *Montreal Star* late last year. It says in part:

• (4:00 p.m.)

—this week, an officer of one of the greatest international corporations, said with complete frankness:

"It is clear that our living standards depend upon the investment decisions made by those who own our corporations."