

Mr. MOREAU: Do you see any adverse effects to the economy if they incorporated in Ontario or Quebec rather than requesting a federal charter? I do not see any difference.

Mr. LESAGE: Well, it is not up to me, as a civil servant, to express views on policy.

Mr. GREENE: Mr. Lesage, if I understand your evidence correctly, your view is that the Companies Act is to define the relationship between the federal incorporating authority and the incorporating body, not the public.

Mr. LESAGE: You are very correct. By definition, the Companies Act is one which relates, first, to the procedure of incorporation and, second, to the relations between the company and its shareholders. It has nothing whatsoever to do with the public generally except for the filing of prospectuses of those companies offering their shares to the public. This is the only exception but it is an exception to the principle behind the Companies Act, and it is the same in the 11 jurisdictions. If the provinces want to break that principle they go through another legislation, through the securities commission, but not through their Companies Act.

Mr. GREENE: In other words, if we feel that there should be more open disclosure of corporate affairs, it should not be done through the Companies Act?

Mr. LESAGE: No, not at all. I feel that it should be done in another statute. That is exactly my view.

Mr. WATSON (*Châteauguay-Huntingdon-Laprairie*): Mr. Lesage, coming back to this question of American takeover of Canadian industry, by leaving this section in, could it be conceivably helpful to the minister seeking information with regard to a private company, or do you feel that this should be handled by separate legislation.

Mr. LESAGE: Separate legislation.

Mr. WATSON (*Châteauguay-Huntingdon-Laprairie*): But at the moment there is not any separate legislation?

Mr. LESAGE: No. It is a matter of government policy whether or not, constitutionally, it has jurisdiction and, although I do not know, I doubt it.

Mr. GREENE: Could this conceivably be of some use to the government if it were seeking information about the status?

Mr. LESAGE: It could be of some use for that purpose; but this is not the purpose for which it was inserted in the bill. I have told you the purpose. It was only to have an omnibus clause, as other jurisdictions have. If this is going to cause more trouble than good I would rather that we continue as we have done in the last 100 years.

Mr. DOUGLAS: I was under the impression, Mr. Lesage, that in a number of provincial jurisdictions under their Companies Act, when dealing with public companies, you are permitted to pay a small fee, in return for which you can have the information which is available regarding that company, such as the names of directors.

Mr. LESAGE: Yes, we have that too.

Mr. DOUGLAS: And the last financial statement filed?

Mr. LESAGE: No. We have the provision with respect to the names and addresses only of the directors. We maintain that by our section 125. This is information which has always been available and will continue to be available under section 125.

Mr. DOUGLAS: But not the financial statement?

Mr. LESAGE: No. Even the draft uniform act, which is going very far in corporate law, does not contemplate the filing of financial statements with the