

eral Companies Act, a director, in order to be elected or appointed, must be a shareholder. Under practically all of provincial statutes of which I know, as, for instance, in Ontario, the provision is that if he is an elected director and qualifies by acquiring shares within ten days afterwards, that is sufficient to meet the requirement. So we have put a provision of that kind in the federal act.

We have also brought the federal act into conformity with many of the provincial ones in the matter of proxies, because the federal act required that the proxy must himself be a shareholder. Showing a preference for the broader provision in the provincial acts, we have adopted the position that the proxy need not himself be a shareholder.

You will be pleased to note that all the schedules that are attached to the Companies Act are to be repealed by this bill. The thinking behind that is that the statute is explicit as to what must be included in a petition for incorporation, and all the forms that are provided are so out of date in relation to the methods and what is to be included in petitions to incorporate companies nowadays, with the various classes of stock, etc., that usually they are not used. A solicitor who is preparing the papers has the whole thing typed out anyway. As Mr. Lesage, the director of the Companies and Corporations Branch, says, "By eliminating the forms, maybe I am not a good civil servant, but at least the lawyers will have to work a little harder to prepare the material to present to the Department of the Secretary of State." Perhaps there is something in that.

We took advantage of the opportunity to tidy up many other provisions, and include others not already in the bill. We had requests which we considered and weighed carefully, and then we made certain changes; but I think you can understand those from reading the report.

Before I close, I want to say that we had at least half a dozen meetings of the Banking and Commerce Committee on this bill. On most of those occasions we heard witnesses and had briefs presented to us, some by individuals who did not appear as witnesses and others who appeared. There was very full discussion and questioning. Then we had a number of meetings of the main committee to discuss various headings—some of those I have discussed with you today—and to get the view of the committee.

Then we appointed a subcommittee which sat even during recesses of the Senate and worked on its own. Finally, it produced, for better or for worse, the document which is now before you. I must commend the efforts of the members of that subcommittee, and in

a particular way the efforts of two who were so faithful in their attendance and so expert in the contributions they made. I refer to Senator Leonard and Senator Choquette. Some members of that subcommittee were not at as many meetings as others, but we held meetings at which every member had his say. The document that resulted is the one you received the other night. Then we had cause for further reflection and went back at it last night, and this is the result of the combined thinking of the members of the committee, for you to accept, reject or amend as you, in your judgment, may think fit.

Hon. Lionel Choquette: Honourable senators, as you all know, I am not a corporation lawyer, and it would be presumptuous on my part to try to add anything to what has already been so clearly explained by the chairman of the committee.

Hon. Mr. Connolly (Ottawa West): You look like one.

Hon. Mr. Choquette: However, I would like to speak for a moment or two in connection with the motion for the adoption of the report of the Standing Committee on Banking and Commerce on Bill S-22, to amend the Companies Act.

I believe that the report speaks for itself. Over fifty amendments to the bill, some of great importance and others of lesser importance, are now commended for the favourable consideration of the Senate. I have already concurred in them, and I support them unconditionally. However, I would like to speak, not so much of the substance of the amendments as of the process and procedure which have brought this project to fruition.

I was much honoured at having been asked to serve on the subcommittee appointed by the main committee to consider the representations made by many responsible bodies representing Canada's lawyers, accountants, manufacturers, and others, and to report on the bill to the main committee.

I do not flatter myself that my appointment was due to any particular expertise on my part in the field of corporation law, but I need hardly add that some of the best qualified people in Canada in that field did serve on the subcommittee.

Let me name my colleagues on that subcommittee: Senator Molson, one of Canada's leading industrialists; Senator Leonard, an outstanding corporation lawyer and executive; Senator Bouffard, a leader in corporation law of the Bar of Quebec; Senator Cook, a leading corporation lawyer and executive from Newfoundland; Senator Walker, a leader of the Ontario Bar in corporation matters; and Senator Wallace McCutcheon, who, in addition to being a lawyer—he says he has re-