

*Dominion Companies Act*

Mr. CAHAN: That applies to another class of companies.

Mr. JACOBS: But they are companies, and it makes no difference to the labourer how a company is incorporated. We cannot make fish of one and flesh of another. If we change one to six months I suggest we should change the other to six months.

Mr. CAHAN: They do not apply to the same companies.

Mr. JACOBS: I know that.

Mr. MacINNIS: I was wondering who asked for the change in the section, the representatives of the companies or the representatives of the employees.

Mr. CAHAN: I can tell the hon. gentleman at once that this does not arise from a suggestion of mine. In the last two years we have had case after case concerning small companies conducted in towns and villages by directors who have handed in their resignation because they were becoming liable for unpaid wages. Their employees have gone to them and besought them to remain in office so that the enterprise might be carried on for a longer time in the hope that some compromise might eventually lead to the reestablishment of the company. Under the old arrangement the only alternative to the director was to resign, to get out and to leave the company to await dissolution.

Mr. MacINNIS: As the government is bringing in this measure they will certainly take some responsibility for relations between employers and employees. Instead of reducing the number of months I think there could be a clause inserted in the bill whereby the onus would be placed upon a company to notify the Secretary of State that such company was no longer able to pay wages. Then it would be the function of the government to take whatever steps were necessary under those circumstances to protect the employees. But we are not going to protect them by simply reducing the number of months.

Mr. CAHAN: So far as I know this clause does not affect only the ordinary day labourer. It includes superintendents, clerks, and a whole body of well paid employees and officials. The ordinary employee has his three months' preferential right with respect to the entire assets of the company.

Mr. GARLAND (Bow River): I have lost my understanding of the English language if the interpretation given by the minister is correct.

Mr. CAHAN: I said in actual operation.

(Mr. Jacobs.)

Mr. GARLAND (Bow River): The clause does not refer to high paid officials, but refers to clerks, labourers, servants and apprentices.

Mr. CAHAN: The term "clerk" has a very broad meaning.

Mr. GARLAND (Bow River): It evidently has, in the mind of the minister.

Mr. GUTHRIE: It really includes the whole staff.

Amendment agreed to.

Section as amended agreed to.

Sections 189 to 205 inclusive agreed to.

On section 206—Registration and transfer offices within and without Canada.

Mr. CAHAN: In order to make this clause consistent with other clauses as amended I propose an amendment to it. The amendment has been printed in the votes and proceedings, and I believe hon. members are familiar with it. There is nothing inconsistent except this, that it provides not only for the registration and transfer of shares but for the registration of bonds and other outstanding securities. The provision with regard to registry is the same as that already adopted in the previous provision, and it applies to all companies. At the present time under the Ontario Companies Act there is a provision that if there is an improper registry application may be made to the court on a summary proceeding. We did not have that provision in the Companies Act of Canada, and therefore I am providing that the court of any province in which the head office or chief place of business of the company is situate, shall have jurisdiction upon the application of any person interested, to order that any improper entry in the books for the registration and transfer of shares of the capital stock of a company may be struck out or otherwise rectified on the ground that at the date of such application the entry as it appears in any such book of registry does not accurately express or define the existing rights of the person appearing to be the registered owner of any shares of the capital stock of the company; and the court, in deciding such application, may make such order as to costs as the court may deem proper.

Then subsection 5 is new. It reads:

An application for the rectification of any entry under the next preceding subsection may be made either by filing with the proper officer of the court a petition or an originating summons or notice of motion; and the court may direct the trial of any issue arising out of such application.