Mr. Stevens: This is what one columnist had to say in that magazine about the minister's National Energy Program under the heading "Canada's Collapse Began with the NEP":

• (2110)

Before NEP, the strontly rising volume of investment in oil and gas exploration and development had been driving the whole economy forward. Every dollar invested by the petroleum industry multiplied two to three times through the economy in purchases of equipment and services.

Since NEP, the industry's investment here has been drastically reduced, by 30 per cent to 40 per cent through 1981 and by at least that much again this year. These are not now recoverable funds. They have either been committed outside Canada or absorbed by government.

Mr. Lalonde: He has got his facts wrong.

Mr. Stevens: The minister says he has got his facts wrong. I would challenge the minister to stand up and debate the question that John Meyer is referring to and show us what he believes is wrong about Meyer's statement.

Mr. Lalonde: Mr. Speaker, I will be very happy to rise to the challenge and bring to the attention of my hon. friend a report issued by the United States Department of Commerce last week. I will not quote a Canadian document because the Conservative party does not believe in anything done in Canada or in Canadianization, so I will go to the Americans and quote the document prepared by the United States Department of Commerce. It foresees that in 1982 the subsidiary companies of American corporations in Canada in the oil and gas business are going to increase their investment by 28 per cent compared to last year. That compares with increases of an average of 18 per cent in the rest of the world by the same corporations. American investors have more confidence in this country that the Conservative opposition does.

Some hon. Members: Hear, hear!

Mr. Stevens: I thank the minister for helping to make my argument, but he missed the point. John Meyer said that investment had been reduced by 30 to 40 per cent in 1981. The government is now collecting figures from the Department of Commerce in Washington that show investment will be up by 18 per cent—

Mr. Lalonde: Twenty-eight per cent.

Mr. Stevens: —by 28 per cent over last year. But having fallen 30 to 40 per cent last year, if the minister is correct, they are still not back to where they were in 1980!

Mr. Lalonde: Try again.

Mr. Stevens: The minister has demonstrated that there has been a slowdown as far as the National Energy Program is concerned and that it has affected our economy.

Let me go on and quote what John Meyer said, quite accurately, in other parts of his column. He said:

For the better part of a decade, government has been reaching out to capture key elements in the economy, to transform them into instruments for implementing its vision of the corporate state—that is, one in which political authority is assured by control over investment and production.

How relevant that comment is in relation to Bill C-105. I have dealt generally with the effect Bill C-105 would have and the fact that it would allow companies to become very predatory in the corporate field. But it will also apply to government owned companies, to those that the minister claims he wants to have incorporated under the Canada Business Corporations Act. I can see the possibility that not only would private concerns be taking advantage of these confiscation provisions that the minister wants us to accept, but Crown corporations will be going after other companies in this country.

John Meyer gives figures to demonstrate the deterioration of our economy, faulting the National Energy Program and pointing out that it is this state interventionist type of approach that is causing such dramatic deterioration in our economy. For example, he states as follows:

Many explanations for Canada's fading economic performance were given through the 1970s. The most persuasive was that having passed through its development phase, the economy had now reached a maturity in which policy emphasis should be on the redistribution of wealth rather than the creation of new wealth.

That, unfortunately, appears to be the government's main thrust—do not create something new but concentrate on redistributing what others have built up in the form of wealth.

I would emphasize that this provision is unique. It will set the precedent of allowing the directors of a company literally to have the power to sell out shareholders because those shareholders have, somehow or other, been deemed to have contravened certain share provisions.

Let us not forget the traditional role of a director as far as a corporation is concerned. In England, directors are treated as a profession. They are invited, as professionals, to join a board, and it is clearly understood that their duty on behalf of the shareholders is to supervise, control and regulate the officers of the company so that they will work in the best interests of the shareholders. It is a trustee-shareholder relationship. They find the more Americanized type of approach very strange where officers of a corporation actually sit as directors.

Perhaps if we turned to some of the text books on corporate law we would get a better understanding of how important it is to preserve this fiduciary relationship between shareholder and director. In Fraser's Handbook on Canadian Company Law, Sixth Edition, 1975, which is edited by Horsley and Sutherland, there appears the following passage on page 1:

Among other advantages of incorporation is the control which the shareholders can exercise over those who manage the company's undertaking, viz., the directors. The latter are special agents and have only such powers as are given them by the governing statute and the regulations of the company.

That has been the corporate law, and the tradition up to the present time. What the minister, in his devious way, is attempting to do is basically to change the whole corporate approach in Canada. He is now suggesting that those directors, after having been elected by shareholders, should have the power, in certain circumstances, to sell out the very shareholders who may have voted to put them in power. It is like setting up a trust and, having appointed various trustees to handle the affairs, in turn giving them by statute the power to sell out the