

What text would you suggest, Professor?

The CHAIRMAN: If the explanatory notes are finished, may I suggest that as Mr. Lesage and Professor Williamson are now on common ground they should meet and complete the drafting?

Agreed.

Mr. WILLIAMSON: I missed one point, Mr. Chairman, on the mimeographed page which deals with section 12(a) clause 11. In the second line the words "means any class of shares", should I think read "means shares of any class". It is not a major change.

The CHAIRMAN: Again, that is a matter of drafting that you can discuss with Mr. Lesage.

Mr. LESAGE: Yes, Professor, we can discuss these points together, and perhaps we can deal with section 49 at the same time.

The CHAIRMAN: If it is agreeable to the committee we will turn to the explanatory notes and, in particular, to section 121F on page 34.

Mr. MOREAU: There are one or two questions that I would like to ask Mr. Lesage on that section.

Would the deletion of subsection (2) of section 121F involve any other consequential amendments?

Mr. LESAGE: I would say it would probably involve a similar amendment to section 125A (2).

Mr. MOREAU: Yes, that is the other section I had in mind.

Mr. LESAGE: I do not think it would have direct consequential effect on the text, but it would have the effect of indicating to the companies that the government may at any time and without notice change its policies and open all the files. This may have very serious bearing on the incorporation of companies at the federal level.

Mr. MOREAU: I appreciate that point. I just wondered whether the deletion of that section would naturally result in any other amendments.

Mr. LESAGE: No, I do not think so, unless you wanted to follow your idea and come to something similar in section 125A.

Mr. LAMBERT: Any suggestion of the deletion of section 121F(2) and any similar deletion would go to the heart of this whole matter.

Mr. MOREAU: I would agree, Mr. Lambert, through you, Mr. Chairman, that it is quite an important principle. There is a matter of principle involved; there is no question about that.

Mr. LAMBERT: In my book, if it is deleted the whole thing becomes meaningless. In other words, there would be no provision in any circumstances for withholding information. There is provision here for certain exceptional cases in which you have to go before a chief justice.

Mr. MOREAU: Section 117.

Mr. LAMBERT: The whole thing flows from it.

Mr. MOREAU: I did not want to get into a debate on this matter because I had thought we might finish the bill and the explanatory notes, but if Mr. Lambert is talking about section 121F I would add that it applies in the other way to the section we were talking about earlier, section 117, where the company could apply to the chief justice to withhold certain information from the shareholders at the annual meeting.

In the instant case, the Secretary of State must apply to the chief justice to release anything. I think there is a very important difference in those two sections. I wonder what would be the consequences so far as this act is concerned. I know Mr. Lesage is concerned about incorporations of federal companies as opposed to provincial companies. But the Kimber commission in