

Canada Business Corporations Act

to the government benches of the House back in 1980. Whatever hostility from the Canadian public hon. members opposite are sensing, it has not dissuaded them from trying to deceive the Canadian public once again with Bill C-105.

I know the reason. The little amendment the government put in covers the possibility that a shareholder will have his shares sold out from under him, notwithstanding the fact that he is an existing shareholder, but it does not cover the possibility of somebody now taking advantage of this act, if it is passed, and taking advantage of the provisions of the Canada Business Corporations Act to incorporate a new company under the Canada Business Corporations Act. Under that new company there would be share provisions which would be constrained, and then they move in like the old fox in the chicken house. They make an offer to take over the poor subject company, be it provincial—and let us not forget that—or federal. Once they have at least 51 per cent of that poor subject chicken company, then they can remove the directors of that company, cause those directors either to agree to a wind-up of the company in favour of the parent or to sell the assets of that company in favour of the parent, and guess what they are going to offer in exchange for what you owned up until then? They are going to offer you these constrained shares which this act would permit the directors to gobble up and sell to their Liberal friends—or guess who—in contravention of the Canada Business Corporations Act as it now exists.

The minister says this is a very innocent little provision and that all it is designed to do is to allow people who think they would like to share in the petroleum incentive payments somehow to put their houses in order and look after any of those foreign shareholders who might be out there who somehow or other are beyond the Canadian ownership rating that they may desire.

Let us not be fooled. There are many companies in Canada under federal laws which somehow or other have Canadian ownership requirement tests to meet. I will read out various acts, but I can tell hon. members that if they were incorporated and needed some type of licencing or other arrangements under any of the following acts, they would be subject to the provisions we are being asked to rubberstamp in the House this evening. Acts which have Canadian content requirements are the Aeronautics Act, the Canadian Radio-Television and Telecommunications Commission Act, the Broadcasting Act, the Bank Act, the Canadian and British Insurance Companies Act, the Foreign Insurance Companies Act, the Investment Companies Act, the Loan Companies Act, the Trust Companies Act, the Canada mining regulations, the Canada oil and gas land regulations, northern mineral exploration assistance regulations, the Fisheries Act, the Coastal Fisheries Protection Act, the Canada Development Corporation Act, the Telesat Canada Act, regional development incentives regulations and the Western Grain Stabilization Act. Those are acts passed only under the federal jurisdiction which have requirements within them which say that if you want to get a licence, you

have to meet certain Canadian ownership minimum requirements. That would apply to those who want to utilize that “innocent little provision” that the fox over there is attempting to get this House to endorse.

I have in my hand a volume covering all the provincial acts which would be subject to the same provision. For the benefit of those who have forgotten the wording used by the minister, he covers not only federal laws but also provincial laws. The bill states:

—to qualify under any prescribed law of Canada or a province to receive licences, permits, grants, payments or other benefits by reason of attaining or maintaining a specified level of Canadian ownership or control.

It is intended to catch not just those federal companies which have to qualify under the acts to which I have referred but also provincially incorporated bodies which wish to do things which require licences.

The list of statutes I have in my hand is broken down by province. Perhaps hon. members from provinces other than mine would like to know some of the statutes in their provinces which will be affected if this legislation goes through. The following is a list of the statutes of Ontario which we will have to watch from now on, if the fox gets his way: under “financial” there is the Business Corporations Act, the Collection Agencies Act, the Insurance Act, the Loan and Trust Corporations Act, the Mortgage Brokers Act, the Real Estate and Business Brokers Act and the Securities Act. Those are all Ontario acts requiring licencing. In the energy sector the Ontario Energy Corporation Act would be affected. Under “land” there is the Land Transfer Tax Act and the Public Lands Act. Under “publishing” there is the Paperback and Periodical Distributors Act and the Theatres Act. Under “transportation” there is the Ontario Transportation Development Corporation Act. There is also the Co-operative Corporations Act and the Liquor Licence Act. All of those are Ontario acts requiring some type of licencing to include a Canadian ownership requirement. If the provision we are being asked to consider passes—it is certainly a unique provision in corporate legislation in Canada and possibly in the world—all those Ontario acts cover companies which require licencing only after there is a certain COR rating, and a predator, as I said earlier, could use this new Canada Business Corporations Act to move in on you, gobble you up and give you the shares that he in turn, if a foreign element was involved, could sell out at whatever price the directors felt was fair.

I hope hon. members will not take this lightly. The government has shattered our oil and gas industry dramatically through the National Energy Program. This was discussed, for example, in the April, 1982 edition of *Executive* magazine.

Mr. Lalonde: Don't believe that.

Mr. Stevens: The minister says, “Don't believe that”. If he has read it, I am sure he wishes that much that was written had never been written. Leave it to him; he would try to shut off that kind of free press.

Some hon. Members: Oh, oh!