

tor chasing a debtor may find out whether the debtor has anything worth suing for. The creditor may ascertain that by a motion for discovery against the debtor. There are three reasons for striking it out; first, to avoid unnecessary disclosure; second, to avoid a great deal of work; and third, because it is the most easily evaded of all requirements. I wish to move to add at the end of paragraph (i) the words "since the last annual return".

Mr. R. B. BENNETT: "Since the last annual meeting".

Mr. MEIGHEN: I presume if one says "since the last annual return", if there had been no return previously it would be right from the beginning.

Mr. A. K. MACLEAN: I think "return" is better.

Mr. R. B. BENNETT: No, because then you have to start at the beginning of things. You require a return of the total amount paid by way of commission in respect of any shares, bonds or debentures or allowed by way of discount in respect of any bonds or debentures. That starts the whole history of the enterprise. It is retroactive legislation going back perhaps twenty years. The next provision, the number of shares forfeited, is also retroactive.

Mr. MEIGHEN: Would the interpretation not be that on the first call, as no annual return has been made before, there would be nothing to comply with under paragraph (i); but the next time there would be, and then the objection of my hon. friend is overcome.

Mr. R. B. BENNETT: Absolutely. If my hon. friend thinks that is sufficiently clear, it meets the very point I am making.

Mr. GLASS: Reverting to section 105, is there anything imposing on the corporation the requirement of having the statement which is laid before the meeting of the shareholders printed and circulated to shareholders who may not be there? It seems to me that all of that information should be available to any shareholders, even if he is living at a distance and unable to be present.

Mr. MEIGHEN: A shareholder can be represented by a proxy who can send him the information. Companies would object to circulating printed statements of their affairs, as it would amount in the end to newspaper advertising.

[Mr. Meighen.]

Mr. GLASS: If a shareholder is unable to be present at a meeting and does not happen to have a proxy, but at some future date desires to see that statement, is it available for him?

Mr. R. B. BENNETT: Yes, at ten cents a hundred words, the exact cost of it.

On section 14—Section 113 amended—Penalties:

Mr. A. K. MACLEAN: It seems to me that the penalty provided by this section is excessive.

Mr. R. B. BENNETT: The penalty of one thousand dollars or imprisonment for one year or both is a maximum. It may be only a dollar.

Mr. A. K. MACLEAN: I should not like to see it within the power of any court to impose such a serious penalty.

Mr. CARVELL: It might be an ordinary country magistrate.

Mr. A. K. MACLEAN: There are many things directors may neglect to do, and they are sometimes not of any importance. The shareholders may not object, as a matter of fact, or, perhaps, none would object, with the exception of one man, who, possibly, may have some personal grievance against one or more directors, and with this weapon in his hand he may make it very disagreeable for them.

Mr. MEIGHEN: There are offences coverable by this section that would be inadequately penalized by a lesser maximum. The hon. senator from Montreal, or from Hochelaga, whom every one will recognize not only as a very eminent lawyer, but a particularly capable man on a Bill of this kind, spoke at great length in the Senate, insisting strongly on the clause.

Mr. A. K. MACLEAN: The fact that we do not find it in any Companies' Act would make one suspicious of it.

Mr. MEIGHEN: We had a corresponding section in our own Act. It is true this is not borrowed from any other Companies' Act.

Mr. A. K. MACLEAN: There are many things which the directors or officers of a company may fail to do without doing any injury to the company, or to any of its shareholders.

Mr. MEIGHEN: I know that.

Mr. R. B. BENNETT: They are covered by the word "wilful," which precedes the