

Canada Corporations Act

their own operations and of bettering their profit and loss picture. They have ignored the well-being of the economy as a whole.

I think this is very well demonstrated by the fact that the Minister of Industry, Trade and Commerce (Mr. Pepin) very recently in a year-end review indicated that a survey of major corporations in Canada indicated that their capital spending plans in 1970 would be 14 per cent higher than their capital spending in 1969. I think it is quite obvious that this is not in line with the policy of restraint which the government has been advocating and pleading with corporations to adopt. Certainly, I think this demonstrates a degree of irresponsibility on the part of the private, corporate sector of the economy.

Finally, of course, we have the fact that much of our economy has been sold to foreign interests. I will have more to say about that later in my address. Thus, Mr. Speaker, I feel that we need a much more fundamental consideration in dealing with this legislation than is evident in the bill now before us. The tinkering changes that are proposed by the minister will be of little value unless basic changes are effected and unless we consider some of the basic questions. Obviously, the government is unwilling to take any basic steps in order to deal with some of the problems of corporate operations.

As I indicated earlier, Mr. Speaker, I want to deal with two particular matters which are contained in this legislation. The first has to do with the question of financial disclosure. This is of particular interest to me because in some of my work over the past several years, prior to my entering the House of Commons, I had many occasions to look into the affairs of corporations and companies, as provided for under the laws of the province of Saskatchewan, where I live, and the laws of Canada.

Sometimes I was able to obtain the information I needed because the company involved was a public company and had to file certain information. But on many occasions I found that information I needed in order to adequately study questions of public interest could not be obtained because the companies in question were registered as private companies. Thus, information was denied to me and anybody else who might have been interested. Therefore, last year I introduced a private member's bill in the House of Commons, Bill C-61, which was an act to amend the Canada Corporations Act. It had to do with the filing of returns.

[Mr. Burton.]

This bill provided that every company, whether or not it was a public or a private company, would be required to submit financial statements to the Secretary of State, with a further copy to be made available to the Department of Consumer and Corporate Affairs. This financial statement would be filed with the department and would be available for public inspection.

The bill that I proposed last year was entirely in line with the recommendations of the Watkins task force, which was commissioned by a Liberal government a number of years ago. The legislation now before us proposes some changes with respect to financial reporting on the part of private companies. It proposes that any company with a gross revenue of over \$3 million a year or assets of over \$3 million be required to submit financial returns which would be open for inspection. This is a step in the right direction. Indeed, it is obvious that the present law based on the classical capitalistic concept that businesses or individuals can do whatever they want, regardless of the effect on other people, is simply not good enough today.

I suggest that the proposal advanced by the minister in this bill is still not good enough. I suggest that there is a good case to be made for corporations under the \$3 million level in revenue per year, or assets, being required to make available to the government and to the public information on their financial operations. I suggest that the minister should give consideration to a further amendment to his bill to provide that companies coming below the \$3 million mark be also included. I have often found from my experience and studies that there are companies under the \$3 million mark, either with respect to revenue or assets, which are operating in a way that would make adequate disclosure of information with respect to their financial operations a matter of public interest.

There is an old saying that big oaks from little acorns grow. Many big companies grow from very small businesses. Once they reach the \$3 million level, information will have to be made available; but I suggest that it is important to secure information about some of them while they are still below the \$3 million level of activity.

The importance of obtaining adequate information was highlighted in the Watkins