

Canada Corporations Act

considered the pros and cons of federal legislation and of the legislation of certain provinces which make a speciality of corporate law, decided they preferred to go with provincial incorporation because the facilities were so much better.

I could speak at considerable length on the area of investigation and inspection. Again, we will want to see what provisions are made with respect to empowering the various inspectors and whether their powers will be greater than those given to the police when they are seeking drugs. Is it thought necessary that they should have the power to walk into any company and on presentation of credentials seize books and do what else they want?

I believe that some legislative acts passed within the last few years are nothing but an infringement of civil rights. In the present case we must see what is intended and what powers will be granted to the various inspectors. Taken with amendments relating to companies that come under the Income Tax Act, I feel that we are moving rapidly toward a much more regulated society. I for one do not subscribe to that policy. However, I am quite prepared to recommend to the House that we give this bill second reading for the purpose of its referral to the committee for examination.

The examination of the bill in committee may take some time. It is a fairly complicated measure, and the committee will have plenty of work before it. The committee must deal with competing legislation, and it is possible that the government's white paper on tax reform will shortly be turned over to it; therefore, we will be faced with a scheduling problem. Progress will also depend on reaction from the public. I am sure a number of bodies will want to make very careful representations on the bill. In conclusion, may I say that I, too, want to see a viable, lively, federal Companies Act, but one which is a useful instrument and does not merely become the authority for a great deal of snooping.

Mr. Max Saltsman (Waterloo): Mr. Speaker, when the minister was introducing the bill I was asked a question behind the curtains. Somebody asked, "What does it all mean?" The thought that occurred to me as a rather fast explanation of the bill was that it will just make it a little more difficult for corporate structures to get away with things. The minister has been castigated by some of the financial newspapers. One had the headline,

"Corporation Act Changes Rouse Businessmen," and another, "Business Protest to Corporations Act Mounts." From these headlines it would seem that the minister was introducing an earthshaking document. However, all he is really saying is that after 34 years the executive have finally come to the conclusion that public investors are entitled to expect that there will be disclosure of business activities, that inside trading will be restricted and reported and that proxy solicitation will be somewhat more straightforward than it has been in the past. After 34 years these are the earthshattering amendments that he proposes.

I do not want to commence my remarks with a negative attitude, Mr. Speaker. The fact that it has taken so long to produce these amendments is not something for which we can blame the Minister of Consumer and Corporate Affairs (Mr. Basford). By and large I am glad to see these changes being proposed in our laws affecting corporations. The time has long past when businesses, particularly large ones, and in many cases foreign-owned corporations, can say, "What we do is of no concern to the public or to our shareholders." The proposed legislation is a worth-while step in terms of taking a look at what is going on inside the corporate structure of the country, but I would suggest that the bill can be only a prelude to measures of far greater significance.

Just finding out that there are bad things going on is not enough. Obviously the purpose of finding out is to take some kind of action, but there has been little indication of the kind of action the minister is prepared to take if his investigations reveal that corporations are not always acting in the public interest. I for one do not necessarily view corporations as bad things. In some cases I believe they have been bad things. But, Mr. Speaker, if you look at the kind of industrial society in which we live, and at the kind of technological progress that is taking place, it is quite obvious that only very large corporations having large resources are able to take advantage of these technological changes. The implication is that we will have to live with corporations, with very large organizations. The question is not whether we are going to be happy about it, but to what extent we can make corporations responsive to the needs of people.

The important thing about all our institutions is the degree of responsiveness that they demonstrate to the needs of Canadians. This