

Canada Business Corporations Act

In 1980 the oil industry's profits alone represented almost 30 per cent of all profits earned by the non-financial sector of the economy, giving the industry a commanding position in our country's economy. As we pay more at the pump it represents a massive transfer of wealth from consumers to producers. Every time we buy a gallon of gas we are transferring more money. Given that Canadian consumers and taxpayers have and will continue to finance the growth of this industry, our only guarantee for a fair return on our investment in terms of retail pricing and security of supply is to have control of the petroleum industry rest with publically-owned Crown corporations such as Petro-Canada. It seems to me that this is too important a sector of the economy to be left in the control of the private sector, which will continue to hold the nation up for ransom for higher prices, more tax concessions and more exports of this precious non-renewable resource.

What does the government of Canada propose in the face of that evidence, which I suggest to my friends on the other side is solid and incontrovertible? I ask them to respond to that. The government comes up with these hokey PIP and COR programs which are complicated, convoluted, bureaucratic and unworkable. Even when it introduced this amendment to the Canada Business Corporations Act to allow directors of companies who have foreign shareholders to force the loosening of those shares in some way, it backed off and did not even deal with existing shares as a result of the outcry from the Conservative Party and the industry. This is a sham. There is no way that this party could support this bill.

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, I had hoped to learn something from the energy critic for the NDP during his remarks on Bill C-105. I heard him talk about Eric Kierans. I heard him talk about taxation and I heard him talk about Petro-Canada five or six times, but I would like to bring it to your attention, Mr. Speaker, that these bills are being debated under special House rules adopted on March 22 and I suspect that the NDP by now has used up more time allocated to them than the Progressive Conservative Party during this debate.

I suspect that they have very little time, if any, to deal with the tax measures which will come before the House because, to my understanding, at this point they are well into their six hours of the total allocation of seven hours for second reading debate.

I suggest that the NDP energy critic should learn to speak faster and to say something when he speaks rather than just use the time of the House as he has done.

It is important that we study this bill and understand that it does not just comprise technical amendments to the Canada Business Corporations Act. This is a serious bill which alters the framework of corporations in Canada. It is not an energy bill at all. It masquerades as part of the National Energy Program because it does not deal specifically with energy corporations. Indeed, it deals with corporations in general

where the percentage of ownership or control of those corporations may in some way entitle a corporation that was Canadian owned or had a certain portion of Canadian ownership to have special privileges in accordance with the laws of a province or the federal government. The corporations could be involved in the manufacture of tractors, liquor or, indeed, in any commodity. Little by little, piece by piece, a province could stipulate that a corporation must have a certain percentage of Canadian ownership, and if that corporation was incorporated under the Canada Business Corporations Act where part of its operation involved a benefit to have constrained shares or shares owned only by Canadians, the provisions of this bill would then come into effect.

Therefore, I suggest that we are not dealing with a measure involving energy security. We are not dealing with Canadian ownership of energy companies in Canada. We are dealing with a very dramatic amendment to the way corporation law exists in Canada.

I say to you and to the House, Mr. Speaker, that when we deal with the basic fabric of the corporate law of Canada we must do it very carefully. We need to understand where we are heading and how Canada works in the capital markets of other countries. We need to know how shareholders and investors in other countries, and indeed other governments, view business conditions in Canada. We must regard the way financiers and lenders and those who buy the shares consider the business organization arrangements in Canada.

There are countries which have massive controls on the ownership of shares where companies can only be incorporated if there is a high percentage of that country's nationals who form the shareholders of the country. If you look at those countries which have imposed these restrictions, you will find that they are primarily undeveloped, have a poor gross national product and do not grow.

The hon. member spoke about Mexico. I am told that the gross national product of the state of Texas is well in excess of the gross national product of the entire country of Mexico. When we regard it in those terms, it becomes evident where we are headed. A free enterprise, open and private market society must be operated with as few restrictions and controls on corporate and business activities as possible.

● (2200)

Before getting into the details of the bill, having in mind the time, perhaps I should call it ten o'clock. I will go into those details tomorrow.

PROCEEDINGS ON ADJOURNMENT MOTION

[Translation]

A motion to adjourn the House under Standing Order 40 deemed to have been made.