

Canada Corporations Act

Mrs. Grace MacInnis (Vancouver-Kingsway): I will be very brief, Mr. Speaker. I agree with the other members of our group who are very much in favour of these disclosure provisions. I know that for a long time the minister has been in favour of such provisions. There was a good deal of discussion this afternoon regarding the type of disclosure required. I wish to make one further suggestion. As far as the public are concerned, there are certain types of disclosure which go beyond what is being proposed. This is good.

This afternoon I received several letters from my constituency. They are a form type of letter. A certain firm is being transferred to the United States. The people who are losing their jobs are very concerned about this. The public, particularly those who are employed or are likely to be employed in industries, have a right to know on what basis these companies are being moved and whether there is a need for the move. They should be informed of the plans of this industry. I wish to read one letter. Copies were sent to me by several employees, including a die-maker and a welder. The letter reads:

Power Machinery, engaged in the manufacture of chain saws for 25 years, was purchased by the Chicago-based Skil corporation in July, 1968.

Skil corporation plans to move the operation to Chicago; one hundred and twenty-five employees will be out of work and business will be lost for local suppliers. Another secondary industry, so sorely needed in the area, will be gone.

A local consortium, who felt that movement of the plant was not in the best interest of the company or B.C., was put together by management personnel of Power Machinery after officials of the parent company, Skil, announced plans to shut down the operation and shift production machinery to Chicago. Financial backing for the consortium was available.

Negotiations have broken off and Skil corporation has restated that the operation will be phased out in three to six months.

I ask, in the interest of retaining secondary industry and employment in Canada, that you raise this matter in the House of Commons.

I raise the matter now. The minister appreciates the situation in British Columbia in general, and in Vancouver in particular. If this company is transferred, 125 employees will be unemployed. Their families will be without income. The various suppliers will be depressed as a result of the industry being moved. I know the minister feels this will be a danger spot if it happens in Vancouver.

We in British Columbia are most anxious to build secondary industries. Without any warning or public disclosure, this firm has

[Mr. Ritchie.]

suddenly announced that it is transferring to Chicago. The employees will be out of work. There will be all the attendant evils for their families and the suppliers of this firm. A local consortium was prepared to invest the money necessary to keep this firm in Vancouver. Those negotiations have now broken off. The company has stated that the operation will be phased out in three to six months. This action should not be permitted without some type of disclosure as to why it is necessary to deprive these 125 people of Vancouver and their families of this form of employment, particularly at this time when there is such a high level of unemployment in that city.

When the minister is replying, I ask him to take a few minutes to state whether he knows anything about this situation, and to tell us what can be done. These people are appealing to the government, the minister and their elected representative to see if anything can be done about the situation. I know that the proposed disclosure provisions will not solve this sort of problem, but it is the responsibility of the government to ensure that such firms are not moved away without explanation in view of the loss of employment and wages which is entailed.

Mr. Basford: Mr. Speaker, a number of members have used the occasion of this debate on the amendment moved by the hon. member for Regina East (Mr. Burton) to discuss the general principle of public disclosure by private and public companies of economic significance. I do not want to discuss that part of the question at any great length. The principles of greater corporate disclosure were decided when this House gave second reading to Bill C-4 which is now before the House. This subject was dealt with exhaustively in 19 committee meetings of the Standing Committee on Finance, Trade and Economic Affairs.

I want to deal with the amendment and some of its specific recommendations which I oppose. I say to the hon. member for Don Valley (Mr. Kaplan) that I appreciate his position and am sympathetic to it. However, we have been talking in this country for many years about the need for greater disclosure by corporations and about the need to provide that companies of economic significance should make certain information available. Here at least the government is making a beginning, and I hope the bill will be passed