new royalty collection system. We hope Saskatchewan will follow suit in this regard.

To a further question, the minister replied:

I must say that in terms of the sharing of revenues it is rather a complicated account, but we feel on balance it would be preferable to leave it in provincial hands. But of course it will have some interesting consequences because of our federal-provincial fiscal measures. As time goes on, the return of additional royalties to British Columbia and to Alberta will, of course, mean an increase in the federal obligation to pay to the other provinces under the equalization provision—

The minister added that the royalties derived by Saskatchewan would, in effect, be deducted from the equalization payments the province is receiving. He went on, in his reply, to say:

Basically, at a time when there are extensive pressures on revenue at the provincial level, we feel it would be reasonable to return this royalty to them.

I think this statement makes it very clear that the government was encouraging the provinces to increase their royalties.

Mr. Knowles (Winnipeg North Centre): Five o'clock.

The Acting Speaker (Mr. Penner): Order. I regret to interrupt the hon. member but, it being five o'clock, the House must proceed to further business.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Penner): It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Edmonton-Strathcona (Mr. Roche)—Unemployment insurance—Suggested closing of supplementary office in Edmonton—Government position; the hon. member for Winnipeg South Centre (Mr. McKenzie)—Finance—Government annuities—Reason for failure to adjust interest rates; the hon. member for Burnaby-Richmond-Delta (Mr. Reynolds)—Canadian Commercial Corporation—Allegation corporation favours certain regions in making purchases—Government action.

It being five o'clock, the House will now proceed to the consideration of private members' business as listed on today's order paper, namely, notices of motions (papers), private bills and public bills. There being no item under the heading notices of motions (papers) on the order paper, the House will proceed to the consideration of private bills.

Mr. Foster: Mr. Speaker, there have been some discussions among the parties and, as I understand it, Bill S-11 will be under consideration during private members' hour. There seems to be a feeling that it can be disposed of without much delay. I think there has been general agreement that if we should complete this bill within 10 or 15 minutes, we will go back to Bill C-32 for the remainder of private members' hour, during which time the hon. members for Calgary South (Mr. Bawden) and the hon. member for Palliser (Mr. Schumacher) would speak. Then we will continue debate on second reading of the bill at eight o'clock.

● (1700)

Mr. McKinley: On a point of order, Mr. Speaker, we have agreed that the hon. member for Calgary South (Mr. Bawden) and the hon. member for Palliser (Mr. Schumacher) be heard and that we then call it six o'clock, unless other hon. members wish to speak, and then continue with Bill C-32 at eight o'clock.

Mr. Knowles (Winnipeg North Centre): This arrangement is acceptable to us, Mr. Speaker.

[*Translation*]

Mr. Allard: We agree, Mr. Speaker.

PRIVATE BILLS

[*English*]

BRITISH COLUMBIA TELEPHONE COMPANY

Mr. Hugh A. Anderson (Comox-Alberni) moved that Bill S-11, respecting British Columbia Telephone Company, be read the second time and referred to the Standing Committee on Transport and Communications.

He said: Mr. Speaker, the bill which I am proposing to the House is to amend a special act passed in 1916 incorporating the B.C. Telephone Company. The B.C. Telephone Company is composed of 12,000 employees, maintaining a service for 1,200,000 telephones, operating through more than 200 exchanges which link the subscribers of Canada's second largest telephone system. The B.C. Telephone Company is an investor-owned company. Nine of the 11 directors of B.C. Telephone, including the chairman of the board and the president, are Canadian citizens, as are the 15 officers of the company. As of December 31, 1973, there were 5,657 shareholders, holding 3,236,674 shares. Shareholders residing in Canada held 95 per cent of the total shares. Preferential or preferred shareholders totalled 18,052, of whom 17,819 were Canadian residents, or 98.7 per cent of the total.

The proposed amendments contained in this bill relate to the capital stock of the company, in order that B.C. Telephone can increase its total authorized capital stock to take care of future capital development. The amendments will also provide the company with a greater range of financing alternatives and arrangements that will be consistent with the Canadian Corporations Act. Of course, existing rights of shareholders, particularly voting rights, will remain unaltered.

At the present time, B.C. Telephone's authorized capitalization is $250 million. As of this date, the company has issued almost $200 million of its authorization. The balance of $50 million will not meet the estimated requirements for capital expenditure through 1976. Construction