

in 1963 and 1964. I do not know whether it is complete, but in 1963 there were 14 substantial companies which split their shares, and in 1964 a further 14 large Canadian companies did so. That illustrates the point that this is not an exceptional request.

The only reason we take particular notice of this fact is that in such a case as this, a company incorporated by Parliament must apply to Parliament. A company incorporated under the Companies Act merely holds a shareholders' meeting and applies for supplementary letters patent.

I would say, honourable senators, that the motives or reasons for introducing this bill are good; it is quite justifiable for us to assist the company to carry out its objectives in splitting its shares. If second reading is given to this bill, as I submit it should, I will be glad to move that it be referred to the Standing Committee on Transport and Communications.

**Hon. R. B. Horner:** Honourable senators, as a rule I am opposed to this idea. As the senator very well explained, this is a successful company and has been doing this sort of thing right along.

We hear a lot of talk about encouraging Canadians to invest their money in companies connected with transporting Canadian oil and so forth. But I can think of a number of companies where Canadians have not had an opportunity to do so. I certainly do not remember ever having had an opportunity of doing so. But I do remember being pressed very hard by companies that were no good and just took my money. The real killings were made by companies of which I had never heard, and their stocks and shares had been taken up before any Canadian heard about them.

**Hon. Mr. Molson:** Perhaps you were not in on the ground floor. You could have got in on the first floor.

**Hon. Mr. Horner:** Yes—the second floor up; but that would not have been very profitable

since I did not know anything about it nor did any other Canadian. I think if the company was prospering and their shares were up to \$200 or \$300 each it would have been right to call the attention of the Canadian people to that fact. Actually, people got the impression that the stock had not gone up at all.

I wanted to get in this complaint that no attempt has been made to sell good companies to Canadians. I know one company, the Redfern Oil Company of California, who were to come to Calgary. They did so, and they took \$30 million profit from there, and then they sold the company back again and took their millions. There was no effort made to sell that stock to Canadians.

**Hon. W. Rupert Davies:** Honourable senators, I want to say a word or two on this bill. I know very little of the company concerned, but the president is my next-door neighbour. He is a very competent and honest businessman. We have had some business dealings together, and between us have acquired some property in our neighbourhood. I have found him to be competent and honest. I just wanted to make this point clear.

**Hon. W. Ross Macdonald:** I can commiserate with Senator Horner because I did not have the opportunity of getting in on the ground floor either, but I did have an opportunity of getting in on the first floor, and that was back in 1953. I spoke to a gentleman who was quite a financial wizard and one who was a recognized leader in the business world. I asked him about buying this stock at \$18 a share, I think it was, and he told me not to buy it because it was overcapitalized.

Motion agreed to and bill read second time.

#### REFERRED TO COMMITTEE

On motion of Hon. Mr. Molson, bill referred to Standing Committee on Transport and Communications.

The Senate adjourned until Tuesday, December 1, at 8 p.m.