

Private Bills

the bill amending the Canada Evidence Act. The second order of business will be item 17, the bill in respect of the Historic Sites and Monuments Act. We will then return to the drug prices bill which is item 13, an act to amend the Patent Act, the Trade Marks Act and the Food and Drug Act which we have been discussing today.

PRIVATE BILLS**BONAVENTURE AND GASPÉ TELEPHONE COMPANY, LIMITED**

The house resumed, from Tuesday, December 3, consideration of the motion of Mr. Cyr (for Mr. LeBlanc, Rimouski) for second reading and reference to the standing committee on Transport and communications of Bill No. S-12, respecting the Bonaventure and Gaspé Telephone Company, Limited.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, when one reads this bill, which is private members' legislation, or public legislation in the hands of a private member, he will note that the purpose of Bill S-12 is to resolve the doubt as to whether the company may dispose of its undertaking to a company incorporated under and subject to the laws of any province of Canada. One might presume there is a legal problem involved, and that is the end of the matter.

This bill was discussed in the house on December 3, some weeks ago. I wonder whether the sponsor is aware of the fact that this is not a small company which started with a capitalization of a couple of hundred thousand dollars to provide local telephone communication in a small rural area, but that it is a company totally owned by the Anglo-Canadian telephone company which in turn is owned by General Telephone. This makes it a subsidiary of one of the largest telephone companies in the world. In fact, this is one of the largest corporations in the world with telephone communications in Australia, the West Indies, and across the United States. Therefore, the question involved is not whether there is a legal qualification in relation to the sale of this company. I say this is not the question because we can refer to previous debates in connection with the bill and see what was said about it. This house dealt with Bill S-33, respecting The Bonaventure and Gaspé Telephone Company, Limited. The

[Mr. Macdonald (Rosedale).]

Senate dealt with the bill in 1968 and the following was said about it:

• (4:00 p.m.)

Honourable senators, the purpose of this bill is very simple—

I presume it is very simple for exactly the same reason.

—for, as shown by the explanatory note, attached to the bill, its object is to resolve doubts as to whether The Bonaventure and Gaspé Telephone Company, Limited, may dispose of its undertaking to a company incorporated under or subject to the laws of a province.

When Bill P-6, respecting The Bonaventure and Gaspé Telephone Company, Limited, was dealt with in the Senate in 1955, the following was said about it:

One of the main purposes of the bill is to ask parliament for authority to increase the authorized capital to \$2 million, and to divide this into shares of a par value of \$25 each. The par value of the present shares is \$100, and the proposal is that existing shareholders will receive new shares in the proportion of four for one.

Then, it was said:

A further effect of the bill is to change the date of the annual meeting, which at present is fixed for the first Thursday of September in each year. The bill repeals section 8 of the act of incorporation and thereby makes the date of the annual meeting conform with the company's fiscal year—

And so on. Then, we find these words used in the Senate debate on the bill:

The bill would also give effect to the company's desire that amalgamation and acquisition or sale of property may be carried out with the consent of the majority of the shareholders, and under the supervision of the Board of Transport Commissioners. Since the present act was passed, parliament has given the Board of Transport Commissioners jurisdiction over telephone companies. The bill provides that all matters pertaining to this company shall come within the jurisdiction of the board.

Finally, the bill would give the company the right to furnish radio and television services and other improved means of communication, in line with the right enjoyed by other companies.

How the sale was to take place was outlined exactly in the debate which took place in 1968, when the following was said:

The special 1907 act which set up The Bonaventure and Gaspé Telephone Company, Limited—and I would refer honourable senators to chapter 64 of the 1906-1907 statutes—was amended by chapter 86 of the 1955 statutes in order, among other things, to empower the company to sell its business under the following conditions: first, the sale has to be approved by a meeting of shareholders called together for this purpose, at which meeting two-thirds of the shares issued must be represented by shareholders present in person or by proxy; second, the sale cannot take effect unless first