

Private Bills

May I call it five o'clock, Mr. Speaker.

The Acting Speaker (Mr. Laniel): Order, please. In view of the fact that the House will proceed to another item of business at eight o'clock tonight I think it would be appropriate at this time to put a motion to adjourn the debate. I wonder if the hon. member for St. John's East (Mr. McGrath) would put the motion for adjournment of the debate.

Mr. McGrath: Yes, Mr. Speaker. I move the adjournment of the debate.

Motion agreed to and debate adjourned.

The Acting Speaker (Mr. Laniel): 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 private bills.

PRIVATE BILLS

MIC MAC OILS (1963) LTD.

Mr. Tom H. Goode (for Mr. Sulatycky) moved:

That Bill S-16, respecting Mic Mac Oils (1963) Ltd. be read the second time and referred to the Standing Committee on Transport and Communications.

Mr. Peters: On a point of order, Mr. Speaker, could I inquire if the mover of this bill has the consent of the sponsor?

• (5:00 p.m.)

The Acting Speaker (Mr. Laniel): The Chair might ask the hon. member concerned at this time if he has permission from the hon. member for Rocky Mountain (Mr. Sulatycky) to move this motion for him. Under the rules of this House we have to take the word of an hon. member. The motion having been put, I will call on the hon. member.

Mr. Tom H. Goode (Burnaby-Richmond-Delta): Mr. Speaker, if another hon. member would like to make the speech, I will be pleased to let him. The hon. member for Rocky Mountain (Mr. Sulatycky) has been called away on urgent government business.

Some hon. Members: Oh, oh.

Mr. Goode: Consequently, the honour of carrying Bill S-16 in this House falls on my shoulders. The purpose of the bill is to authorize the Minister of Consumer and Corporate Affairs (Mr. Basford) to issue letters patent continuing Mic Mac Oils (1963) Ltd. as a company under the Canada Corporations Act, thus shifting the company from Alberta to the federal jurisdiction. When this has been done, it will be possible to merge or amalgamate Mic Mac Oils (1963) Ltd. with Hudson's Bay Oil and Gas Company Limited under the provisions of the Canada Corporations Act.

Mic Mac Oils (1963) Ltd. is presently incorporated under the Alberta Companies Act and is a wholly-owned subsidiary of Hudson's Bay Oil and Gas Company Limited of

[Mr. McGrath.]

Calgary. It has an authorized capital of \$15 million divided into 1,500,000 shares having par value of \$10 each, and 1,496,473 shares have been issued and are outstanding. Hudson's Bay Oil and Gas Company Limited, the parent, is a federal company incorporated by letters patent under the Canada Corporations Act. The parent company, together with two wholly-owned subsidiaries, one of which is Mic Mac Oils (1963) Ltd., holds varying interests in petroleum, natural gas and other mineral rights in Nova Scotia, Prince Edward Island, Manitoba, Saskatchewan, Alberta, British Columbia and the Northwest Territories. The companies are primarily engaged in the exploration for and production of petroleum and natural gas in Canada, with their operations at present being largely carried on in Saskatchewan, Alberta, British Columbia and the Northwest Territories, and off the east coast of Canada.

The parent and its subsidiary companies have largely integrated their operations and it is desirable to complete this integration by an amalgamation. However, as Mic Mac Oils (1963) Ltd. is at present an Alberta company, and the parent and other subsidiary companies are federal companies, such an amalgamation cannot now be effected. Section 158 of the Alberta Companies Act authorized an Alberta company, if authorized by a special resolution and by the laws of Canada, to become a federal company, and the purpose of the present bill is to authorize the Minister of Consumer and Corporate Affairs to issue the necessary letters patent under the federal statute to bring this about. Once Mic Mac Oils (1963) Ltd. has become a federal company, it can amalgamate with its parent and the other subsidiary pursuant to the provisions of Section 128A of the Canada Corporations Act.

Hudson's Bay Oil and Gas was incorporated by letters patent in 1926. Hudson's Bay Oil and Gas has outstanding 18,294,044 common shares with a par value of \$2.50 each; 54.9 per cent of the outstanding shares are beneficially owned by Continental Oil Company of New York, and 21.9 per cent of the outstanding shares are beneficially owned by Hudson's Bay Company Investments Limited of Winnipeg, a wholly-owned subsidiary of Hudson's Bay Company. The balance of the outstanding shares are held by the general public.

By way of comparison, last fall Continental held roughly 67 per cent of the Hudson's Bay Oil and Gas outstanding shares. That has been reduced to 54.9 per cent and Hudson's Bay Oil is now listed on the Montreal Stock Exchange, which hon. members I am sure will be pleased to learn. In addition to the common shares, there are 600,000 preferred shares outstanding which may be converted to 720,000 common shares. These preferred shares are 97 per cent Canadian in ownership. The President, D. C. Jones, is a Canadian.

The purpose of this bill should be kept in mind. Mic Mac is an Alberta company. It is subject to the Alberta Companies Act. That act allows Mic Mac—that is, gives Mic Mac permission—to broaden its place of operations by moving to the federal field. But the Alberta act only allows the company to go into a jurisdiction which is willing to accept control over the company. The words of Section 158 of the Alberta Corporations Act are: “—if authorized—by the laws of (the) other jurisdiction”.