

HOUSE OF COMMONS,

TUESDAY, June 20, 1950.

The Standing Committee on Banking and Commerce met this day at 11.30 a.m. The Chairman, Mr. Hughes Cleaver, presided.

The CHAIRMAN: Gentlemen, we have a quorum.

The two bills before us this morning are Bills F10 of the Senate, An Act to amend the Trust Companies Act, and Bill J10 of the Senate, An Act to amend the Loan Companies Act. Shall we have a general statement from Mr. Warwick, Superintendent of Insurance, first?

Mr. R. W. Warwick, Superintendent of Insurance, called:

The WITNESS: Mr. Chairman and gentlemen, although the Trust Companies Act was extensively revised in 1947 it is now thought desirable to make a few rather minor changes. Page 1, section 1, of the Trust Companies Act: The Act as it stands at present appears to contemplate the issue of partly paid shares only. Changes have been made in section 1, page 1, to indicate that there is no objection to the issue of fully paid shares of capital from the outset.

Page 1, sections 2 and 3: These sections deal with the election of directors and the provision for presiding officers at meetings. These sections have been clarified and also have been extended to include the chairman of the board.

Page 2, section 4: This section will enable a by-law to be confirmed at a special general meeting held before the next annual general meeting.

Page 2, section 5

Mr. FLEMING: Mr. Chairman, I don't want to interrupt, but I thought you asked for a general statement rather than a special statement about the sections. Is there any general statement apart from the fact that this is a revision of the Act?

The CHAIRMAN: It is a very short bill, Mr. Fleming.

Mr. FLEMING: I am familiar with the bill, itself, Mr. Chairman. I was under the impression that there was nothing in the bill that called for a general explanation except as to the fact that it is a tidying up and an extension of the lending powers.

The CHAIRMAN: Yes, with parallel amendments to other Acts, particularly the Insurance Companies Act.

Mr. FLEMING: Isn't that the whole story of the general statement?

The WITNESS: That is right, sir.

Mr. MACNAUGHTON: Lets go ahead and finish the explanation.

The CHAIRMAN: It will not take long.

The WITNESS: Section 5 on page 2. This also makes clear that a company may issue fully paid shares.

Section 7 on page 3. This is being added to facilitate the transfer of shares and securities in the event of the decease of the owner. A similar provision is in the Bank Act, in the Companies Act and also proposed in the recent amendments to the Insurance Act.

Mr. BENNETT: What about section 6?

The WITNESS: Section 6 merely adds the word "Newfoundland".