

In May of this year, when the merger of Nova Scotia Steel and Coal Company with Dominion Steel and Coal Corporation was first discussed publically, Company officials were credited with the statement that there would be "an inevitable curtailment" of operations of Scotia plants. This statement caused great anxiety in Pictou County but the public, believing that the whole merger plan would come before the Supreme Court for approval, awaited further developments before forming a definite opinion.

The proposed merger involved Scotia's steel plant in Pictou County and also Acadia Coal Company and Eastern Car Co. Ltd., the last two named companies, while nominally independent, being controlled by Scotia Company which is the holder of nearly all the stock in the other two companies.

Nova Scotia Steel and Coal Company having been in liquidation since 1933, it was necessary for the liquidators and receivers to secure a discharge from the Court before placing the Scotia Company in a legal position to sign the merger agreement. Early in July of this year several applications were made to the Supreme Court of Nova Scotia en banco which, if granted, would have the effect of terminating the liquidation period and enabling the merger to be finalized.

When the applications were made to the Court, it became apparent for the first time that the liquidators and receivers did not propose to submit the merger plan to the Court for approval. The position taken was that Scotia being able to pay all its debts in full or as compromised, was entitled to a discharge from liquidation. Any merger agreement that might be entered into by Scotia