

any other persons who thereafter become members of the corporation thereby created, a body corporate and politic, without share capital, for the purpose of carrying on in more than one province of Canada without pecuniary gain to its members, objects of a national, patriotic, religious, philanthropic, charitable, scientific, artistic, social, professional or sporting character, or the like objects.

(2) Nothing in this Part shall be construed to authorize the corporation to issue any note payable to the bearer thereof or any promissory note intended to be circulated as money or as the note of a bank, or to engage in the business of banking or insurance.

That is the end of the section.

The Law Clerk: Section 128A is the amalgamation section. It was also mentioned by the Corporations Branch.

Mr. Golden: That is a long section, running some three pages.

Senator Flynn: Is the idea that we cannot proceed by letters patent, due to the fact that the incorporation is allowed only when persons and not existing corporations? Would that be the argument?

Mr. Golden: No sir. The real problem arises from the fact that we are amalgamating corporations as well as incorporating individuals. The corporations that are being amalgamated are created by statutes of Manitoba and Saskatchewan. The amalgamation provisions of the present federal act only apply to corporations under its jurisdiction. In this case we have asked that the provincial statutory corporations be amalgamated. The bill is conditional upon the assent of the two legislatures involved. The legislature of Manitoba sits today and we understand the bill will proceed rapidly. The bill is already in progress in Saskatchewan.

Senator Hollett: Have we a record of the provinces giving consent?

Mr. Golden: The bill does not come into force until the consent of the respective provinces is given. As a matter of information, that consent has been petitioned for in both cases. We discussed it with the governments involved before proceeding.

Senator Hollett: Can we give our consent without knowing the provinces have given

theirs? Should we act on it at all until they have given their consent?

Senator Haig: To what do they give consent?

The Acting Chairman: It is conditional upon their consent.

The Law Clerk: May I add, to complete the jurisprudence, that we have an important precedent for this type of amalgamation in that of the Canada Permanent and the Toronto General Trust. Canada Permanent was a federal company and Toronto General Trust an Ontario corporation. We amalgamated them by an act of Parliament on the assumption that both jurisdictions gave authority to do so. That is the juridical basis of this legislation.

Senator Hollett: But you did that on the assumption; are we going to do the same thing now?

The Acting Chairman: It is conditional upon the approval of the two legislatures.

Senator Flynn: Where do we find that condition in the bill?

Mr. Golden: Clause 2, subclause (2). There is also machinery contained in the legislation for the inclusion of further corporations when their respective legislatures consent.

Senator Haig: In other words, the provinces of Manitoba and Saskatchewan are going to consent to the operation of this bill?

Senator Aseltine: If they do it becomes law.

Senator Haig: We pass the act first and they consent.

The Acting Chairman: It is conditional upon the two legislatures approving it.

Mr. Golden: Their legislation, I might say, is not conditional but it is predicated upon this act coming into force.

Senator Grosart: Have you any indication from anywhere that the legislatures will comply?

Mr. Golden: Nothing that would bind the legislatures, but the departments involved have indicated to us that they have consulted with the Government and it would be in order for us to proceed with the legislation. We had to petition it because it was private legislation. The original acts were private legislation also. In fact, we were held up a