

after the word "hydrocarbons", in the 28th line, the following "provided that the main pipe line or lines either for the transmission and transportation of oil or gas, shall be located entirely within Canada".

There will be a recorded vote.

The CLERK: Yeas, 9; nays, 24.

The VICE-CHAIRMAN: I declare the amendment lost.

Shall section 6 carry?

Mr. GREEN: I have a question I would like to put on section 6. Might I ask Mr. Connolly why it is necessary to insert that clause the power to hold real and personal property, because in section 7 (b) of the Pipe Lines Act there appears to be exactly the same clause. Why is that power repeated in the charter? You do not repeat any of the other powers given by the main Act.

Mr. CONNOLLY: It is a matter of practice, Mr. Green. It is inserted in this bill and in all the other similar bills; as a matter of fact it is in the Companies Act, too. But as a matter of practice it was felt after consultation with the people concerned, that it was as well to have it there, as it was in the other acts, and it would make for uniformity.

Mr. GREEN: What additional powers would it give the company?

Mr. CONNOLLY: It makes it quite clear.

Mr. GREEN: I mean over and above the powers that are given in the Pipe Lines Act?

Mr. CONNOLLY: It makes it quite clear as to the power of the company to hold real and personal property. I think it is a useful clause to have.

Mr. GREEN: Do you think it goes any further than the similar clause in the Pipe Lines Act?

Mr. CONNOLLY: It might, but it is a practice which has developed among the lawyers which they prefer, and I certainly prefer to have it in.

The VICE-CHAIRMAN: Carried.

Section 7:

Mr. GREEN: Would you explain that section?

Mr. CONNOLLY: Section 7, sir?

Mr. GREEN: Yes.

Mr. CONNOLLY: Yes. The general provisions of the Companies Act that apply to a company incorporated by charter are generally set out in part III of the Companies Act. Now, that part III was designed particularly to cover companies peculiarly suited for incorporation under parliamentary charter. Part III confers, in some cases the powers that a commercial company has in others, it does not. Now, there is some inflexibility in some of these provisions, and for that reason it was felt so far as sections 7, 8, 9 and 10 of the bill were concerned, that certain powers of part I should apply to this company, certain parts of part I are more appropriate for use by a company like this, and the corresponding sections of part III are not really appropriate.

The CHAIRMAN: Carried.

Section 8:

Mr. HARKNESS: As far as section 8 is concerned, why are the sections there indicated deleted so far as this company is concerned?

Mr. CONNOLLY: Section 158 has to do with the preference shares. Section 158 is in part III of the Companies Act; it has to do with the preference shares. It was felt that section 59, which is in part I, and parts of which appear in section 9 of this bill, gave more appropriate powers to this company. This company is more like a commercial company in this respect.