

DIVORCE

REPORTS OF COMMITTEE

Hon. Arthur W. Roebuck presented reports of the Standing Committee on Divorce Nos. 68 to 81, and moved that the said reports be taken into consideration at the next sitting.

Motion agreed to.

NOVA SCOTIA

SHARE OF INCOME TAX COLLECTED FROM CERTAIN CORPORATIONS—NOTICE OF INQUIRY STANDS

On the notice by **Hon. Mr. Robertson**:

That he will inquire of the Government:—

(1) What was the amount paid to the Province of Nova Scotia for the fiscal year ending March 31, 1958 of a share of income tax collected from corporations whose main business is the distribution to, or generation for distribution to the public of electrical energy, gas or steam (Chap. 49 Statutes of 1952)?

(2) What year's income tax collections was used as the basis for determining the amount of the payment?

(3) How was the amount of the above payment determined?

(4) What were the names of the corporations from which the above income tax was collected?

(5) As a consideration of the payment to the Province of Nova Scotia of a share of the income taxes collected from these corporations, is the province required to refund such amounts to the corporations concerned in order to reduce their charges to their customers?

Hon. Mr. Aseltine: Honourable senators, with regard to this inquiry by the honourable senator from Shelburne (**Hon. Mr. Robertson**), dated June 3, I may say that I have applied for the information and hope to obtain it by Tuesday next.

The Hon. the Speaker: The inquiry stands.

ADJOURNMENT

Hon. Mr. Aseltine: Honourable senators, I move, seconded by the Honourable Senator Quinn, that when the Senate adjourns today it stand adjourned until Tuesday next, the 10th day of June 1958, at 8 o'clock in the evening.

Motion agreed to.

PRIVATE BILLS

PROTECTIVE ASSOCIATION OF CANADA—THIRD READING

Hon. Charles B. Howard moved the third reading of Bill S-2, respecting The Protective Association of Canada.

Motion agreed to, bill read third time and passed.

MERCANTILE AND GENERAL REINSURANCE COMPANY OF CANADA LIMITED—THIRD READING

Hon. William R. Brunt moved the third reading of Bill S-3, respecting The Mercantile and General Reinsurance Company of Canada Limited.

Hon. Wishart McL. Robertson: Honourable senators, I have no opposition whatever to this bill, but an observation made by its sponsor (**Hon. Mr. Brunt**) on second reading escaped my attention until I read it in *Hansard*, and I should like to refer briefly to it.

Honourable senators will recall that the bill, which is a very simple one and was very clearly explained by the honourable senator, seeks to increase the capital of the company from \$1 million to \$5 million, so that it will have additional capital available to cover losses and business expansion. A relatively small number of shares is held by the directors under the provisions of the Canadian and British Insurance Companies Act, and the ownership of the remaining issued shares is entirely in the hands of the parent company, the Mercantile and General Reinsurance Company of England. And the closing paragraph of the explanation given by my honourable friend served very definite notice about the intention in respect to future investment in this company. He said, as reported on page 111 of *Hansard*:

According to the present intention of both the parent company and the Canadian subsidiary company, none of the additional capital stock will be offered for sale to the general public. It is the intention that the parent company in England will take up any additional stock that is offered from time to time.

In the light of some criticism which has been expressed from time to time in certain quarters with respect to the policy of external capital in Canada, involving the total ownership by parent companies abroad of Canadian subsidiary companies, and the failure to give to Canadians an opportunity to invest in these subsidiaries, would my honourable friend like to make any comment on that phase in respect to the bill which he has sponsored?

Hon. Mr. Brunt: Honourable senators, there is no comment I can make. I simply stated a fact that was given to me by the sponsors of the bill, who said that that was their present intention. They may change their policy in the future, but there is nothing that I can do to bring about a change. The company determines its own policy, and its present policy is that the parent company in England will take up the shares of the Canadian company as offered.

Motion agreed to, and bill read third time and passed.