

purposes of levying charges on the capital stock, the committee recommend that each share be deemed to have a value of 80 cents. What is the wish of the committee?

Mr. GREEN: How is that figure arrived at?

Mr. MAC TAVISH: It is a computation on a basis of \$4 million.

Mr. GREEN: That the shares will not be issued at a price in excess of 80 cents?

Mr. MAC TAVISH: On that calculation, yes, there will be common shares, however; and as Mr. Matheson pointed out, I believe, in his evidence, financing by way of equity stock would be only one method of obtaining capital. And as you can well understand, it was on that basis that the declaration was made.

Mr. GREEN: And this only applies to equity stock?

Mr. MAC TAVISH: It only applies to equity stock.

Mr. FULTON: Before the section is carried, is Mr. MacTavish in a position to give us some rather more concrete information than we were able to obtain on April 8, as to the extent to which it is intended to offer capital stock for private subscription and for public subscription? I understand that in the case of Transmountain, a certain amount was held and subscribed for by the guarantors, the oil companies, while a limited amount was offered to the public. Can we have any information as to how much is expected of this capital stock of 5 million shares to be offered to the public?

The CHAIRMAN: There is a motion before the committee.

Mr. MUTCH: Let us have the motion.

Mr. GREEN: Mr. Chairman, the discussion is relevant to the motion.

The CHAIRMAN: Very well.

Mr. MAC TAVISH: In answer to the question, I am instructed that this stock which you are discussing now will be distributed privately as was indicated. I believe, in Mr. Matheson's evidence, generally in the proportion of 75 per cent in Canada and 25 per cent in the United States; and that Mr. Matheson at that point or later, went on to say that it was impossible at this time to forecast with any exactitude what the pattern of the financing would be in terms of bonds and that sort of thing. But I think it was generally assumed that his company, the Dominion Securities, would be handling the financing and would do it in the normal way.

Mr. FULTON: There is no further information forthcoming from anyone who is in a position to offer it, any further specific information at this time?

Mr. MAC TAVISH: No. I think it is impossible at this time to make it more specific.

The CHAIRMAN: Shall Mr. Stuart's motion carry?

Carried.

Shall clause 3 carry?

Carried.

Clause 6.

Powers of Company.

6. The Company, subject to the provisions of any general legislation which is enacted by Parliament, relating to pipe lines for the transmission and transportation of gas and oil or any liquid product or by-product thereof, may

Power to construct and operate pipe line.

(a) within the provinces of Alberta, Saskatchewan and Manitoba or outside Canada construct, purchase, lease, or otherwise acquire, and