

REFERRED TO COMMITTEE

On motion of Hon. Mr. Connolly, (Ottawa West), the bill was referred to the Standing Committee on Banking and Commerce.

BRAZILIAN HYDRO ELECTRIC COMPANY, LIMITED—SECOND READING

Hon. John J. Connolly moved the second reading of Bill G, respecting Brazilian Hydro Electric Company Limited.

He said: Honourable senators, Brazilian Hydro Electric Company, Limited, was incorporated by letters patent under the Canadian Companies Act in 1922. Its authorized capital was \$5 million, divided into 50,000 shares of \$100 each. Only 10,000 of these shares have been issued, and they are all owned by Brazilian Traction. The debenture debt of the company is some \$20,801, and is all held by Brazilian Traction.

The company develops electrical power in the state of Rio de Janeiro. Its assets, I am informed, are worth some 23 million.

The proposals in this bill are practically identical with the proposals in the bill with reference to the Sao Paulo Electric Company, Limited. Those are, first, that the company be authorized to transfer its head office from Toronto to a place in Brazil, and that the by-law to accomplish that must be approved by unanimous vote of the shareholders, to be cast at a special meeting called for this purpose. After that, an application will be made for a decree of nationalization to be issued in Brazil. When that decree is issued and filed here, the provisions of Canadian law shall no longer apply to this company.

The motion was agreed to, and the bill was read the second time.

REFERRED TO COMMITTEE

On motion of Hon. Mr. Connolly (Ottawa West), the bill was referred to the Standing Committee on Banking and Commerce.

BRAZILIAN TRACTION, LIGHT AND POWER COMPANY, LIMITED—SECOND READING

Hon. John J. Connolly moved the second reading of Bill H, respecting Brazilian Traction, Light and Power Company, Limited.

He said: Honourable senators, the purpose of this legislation is very simple. Brazilian Traction, Light and Power Company, Limited, was incorporated by letters patent issued by the Secretary of State for Canada

in 1906. In 1914 a special act was passed by Parliament, one of the provisions of which was to place a ceiling on the number of directors. That ceiling was fixed at 20. Since that time the Canadian Companies Act has been amended, and section 87 of the act, with reference to the election of directors to the board of a company incorporated under that act, makes no reference to a maximum number which any company can elect to its board. The purpose of this amendment is to bring the provisions of the special act dealing with this company, in 1914, into conformity with the general provision with respect to directors contained in the Canadian Companies Act.

Hon. Mr. Croll: It occurs to me that they could have corrected this situation 40 years ago, but they did not do it. That limitation was on in 1918, and it is now 1957. What is the necessity of the amendment now, and what is the urgency at the moment?

Hon. Mr. Connolly: I do not know that it is a matter of urgency. The company has 20 directors. Frankly, I wonder why they need more than 20, and perhaps they do not want more, although they may. But the Companies Act has no provision as to a maximum number of directors, and this company would like to be in the same position as any other letters patent company in that respect.

The motion was agreed to, and the bill was read the second time.

REFERRED TO COMMITTEE

On motion of Hon. Mr. Connolly, the bill was referred to the Standing Committee on Banking and Commerce.

DIVORCE

REPORTS OF COMMITTEE ADOPTED

The Senate proceeded to consideration of reports of the Standing Committee on Divorce, Nos. 2 to 11, which were presented on October 29.

Hon. Arthur W. Roebuck, Chairman of the Committee, moved that the reports be adopted.

Hon. Mr. Dessureault: On division.

The motion was agreed to, on division.

The Senate adjourned until tomorrow at 3 p.m.