Senate, 189

51

Canada. Laws, Statutes, etc.

KE
12
C36
22-1
250-479

Bills 311 and 460 (1st. r.) missing.

51206
104

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 250.

An Act to amend the Animal Contagious Diseases Act.

First reading, February 9, 1954.

THE MINISTER OF AGRICULTURE.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

85643

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 250.

An Act to amend the Animal Contagious Diseases Act.

R.S., c. 9.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1. Subsection (2) of section 12 of the *Animal Contagious Diseases Act*, chapter 9 of the Revised Statutes of Canada, 1952, is repealed and the following substituted therefor:

Amount of compensation.

"(2) The compensation ordered to be paid under this section for an animal slaughtered under the provisions of this Act shall be the market value that the animal, in the opinion of the Minister or some person appointed by him, would have had immediately before slaughter if it had not been subject to slaughter under the provisions of this Act, except that the compensation shall not exceed

(a) in the case of horses, two hundred dollars for pure-bred animals and one hundred dollars for grade animals; and

(b) in the case of cattle, one hundred dollars for pure-bred animals and forty dollars for grade animals, and if the sale of the carcass is unlawful an additional amount for pure-bred and grade animals equal to the value the carcass would have if the sale were lawful, such value to be determined by the Minister or by some person appointed by him for that purpose."

Operation.

2. This Act shall be deemed to have come into force on the 15th day of September, 1953, and subsection (2) of section 12 of the *Animal Contagious Diseases Act*, as enacted by this Act, shall be deemed to have been substituted for subsection (2) of section 14 of the *Animal Contagious Diseases Act*, chapter 6 of the Revised Statutes of Canada, 1927, as of the 1st day of May, 1953.

Explanatory Notes.

1. The present subsection (2) of section 12 reads as follows:

"(2) *In all cases the value of the animal for which compensation is ordered shall be determined by the Minister or by some person appointed by him, but such value shall not exceed*

(a) in the case of horses, two hundred dollars for pure-bred animals and one hundred dollars for grade animals;

(b) in the case of cattle, one hundred dollars for pure-bred animals and forty dollars for grade animals, and if the sale of the carcass is unlawful an additional amount for pure-bred and grade animals equal to the value the carcass would have if the sale were lawful, such value to be determined by the Minister or by some person appointed by him for that purpose;

(c) in the case of swine, fifty dollars for pure-bred animals and thirty dollars for grade animals; and

(d) in the case of sheep, fifty dollars for pure-bred animals and twenty dollars for grade animals."

The purpose of the amendment is to remove the limits on the compensation payable in respect of swine and sheep, and to provide for payment of compensation on the basis of market value.

2. The amendment is to be effective as of the 1st of May, 1953, but because of the intervention of the Revised Statutes of Canada, 1952, it is necessary to refer both to the Act as contained in the Revised Statutes and the previous Act.

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 251.

An Act to implement the International Convention for the Northwest Atlantic Fisheries.

First reading, February 9, 1954.

THE MINISTER OF FISHERIES.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

85899

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 251.

An Act to implement the International Convention for the Northwest Atlantic Fisheries.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

Short title.

1. This Act may be cited as the *Northwest Atlantic Fisheries Convention Act.*

Definitions.

"Commission."

"Convention."

"Convention area."

"Fishing vessel."

"Protection Officer."

2. In this Act,

(a) "Commission" means the International Commission for the Northwest Atlantic Fisheries established under the Convention;

(b) "Convention" means the International Convention for the Northwest Atlantic Fisheries set out in the Schedule;

(c) "Convention area" means the water defined in the first paragraph of Article I of the Convention;

(d) "fishing vessel" means any vessel used in or outfitted for

(i) catching or processing fish, or

(ii) transporting fish from fishing grounds; and

(e) "Protection Officer" means

(i) a fishery officer within the meaning of the *Fisheries Act,*

(ii) an officer of the Royal Canadian Mounted Police,

(iii) a commissioned officer of the Royal Canadian Navy, or

(iv) any other person authorized by the Governor in Council to enforce this Act.

Regulations.

3. The Governor in Council may make regulations for carrying out and giving effect to the provisions of the Convention and anything done by the Commission thereunder, and without restricting the generality of the foregoing, may make regulations

Explanatory Note.

The purpose of the Bill is to give the Government statutory authority to carry out the obligations assumed by Canada under the International Convention for the North-west Atlantic Fisheries signed in Washington on February 8, 1949, and ratified on the third of July, 1950, following approval by Parliament on joint resolution of the two Houses.

(a) for the conservation and protection of fish in the Convention area;

(b) prohibiting, limiting or otherwise regulating

(i) the exploitation by citizens or residents of Canada or by Canadian fishing vessels of any stocks of fish in any part of the Convention area,

(ii) the loading, processing, transporting or possession of any stocks of fish in or from any part of the Convention area, and

(iii) the landing, importation, sale or other disposal of fish caught in any part of the Convention area;

(c) respecting the operation of fishing vessels and the use of fishing gear in the Convention area;

(d) providing for the issue, suspension and cancellation of licences for the purposes of this Act, and prescribing their terms, conditions and forms and fixing the fees for the issue of licences;

(e) for the seizure, forfeiture and disposition of fishing vessels including equipment or fishing gear, or fish, by means of or in relation to which any of the provisions of the regulations have been contravened;

(f) prescribing the powers and duties of Protection Officers and other persons engaged or employed in the administration or enforcement of this Act and providing for the carrying out of those duties and powers; and

(g) prescribing the penalties that may be imposed, either on summary conviction or on conviction on indictment, for violation of any regulation by any person in Canada or on, from or by means of any fishing vessels.

Jurisdiction of courts.

4. All courts, justices of the peace and magistrates in Canada have the same jurisdiction with respect to offences under the regulations as they have under sections 689 to 692 of the *Canada Shipping Act*, with respect to offences under that Act, and the provisions of those sections apply to offences under the regulations in the same manner and to the same extent as they apply to offences under the *Canada Shipping Act*.

Administration.

5. This Act shall be administered by the Minister of Fisheries.

Duration.

6. This Act shall continue in force until a day fixed by proclamation of the Governor in Council following termination of the Convention in accordance with the provisions thereof, and no longer.

SCHEDULE

International Convention for the Northwest Atlantic Fisheries

The Governments, whose duly authorized representatives have subscribed hereto, sharing a substantial interest in the conservation of the fishery resources of the Northwest Atlantic Ocean, have resolved to conclude a convention for the investigation, protection and conservation of the fisheries of the Northwest Atlantic Ocean, in order to make possible the maintenance of a maximum sustained catch from those fisheries and to that end have, through their duly authorized representatives, agreed as follows:

Article I

1. The area to which this Convention applies, hereinafter referred to as "the Convention area", shall be all waters, except territorial waters, bounded by a line beginning at a point on the coast of Rhode Island in 71°40′ west longitude; thence due south to 39°00′ north latitude; thence due east to 42°00′ west longitude; thence due north to 59°00′ north latitude; thence due west to 44°00′ west longitude; thence due north to the coast of Greenland; thence along the west coast of Greenland to 78°10′ north latitude; thence southward to a point in 75°00′ north latitude and 73°30′ west longitude; thence along a rhumb line to a point in 69°00′ north latitude and 59°00′ west longitude; thence due south to 61°00′ north latitude; thence due west to 64°30′ west longitude; thence due south to the coast of Labrador; thence in a southerly direction along the coast of Labrador to the southern terminus of its boundary with Quebec; thence in a westerly direction along the coast of Quebec, and in an easterly and southerly direction along the coasts of New Brunswick, Nova Scotia, and Cape Breton Island to Cabot Strait; thence along the coasts of Cape Breton Island, Nova Scotia, New Brunswick, Maine, New Hampshire, Massachusetts, and Rhode Island to the point of beginning.

2. Nothing in this Convention shall be deemed to affect adversely (prejudice) the claims of any Contracting Government in regard to the limits of territorial waters or to the jurisdiction of a coastal state over fisheries.

3. The Convention area shall be divided into five sub-areas, the boundaries of which shall be those defined in the Annex to this Convention, subject to such alterations as may be made in accordance with the provisions of paragraph 2 of Article VI.

Article II

1. The Contracting Governments shall establish and maintain a Commission for the purposes of this Convention. The Commission shall be known as the International Commission for the Northwest Atlantic Fisheries, hereinafter referred to as "the Commission".

2. Each of the Contracting Governments may appoint not more than three Commissioners and one or more experts or advisers to assist its Commissioner or Commissioners.

3. The Commission shall elect from its members a Chairman and a Vice Chairman, each of whom shall serve for a term of two years and shall be eligible for re-election but not to a succeeding term. The Chairman and Vice Chairman must be Commissioners from different Contracting Governments.

4. The seat of the Commission shall be in North America at a place to be chosen by the Commission.

5. The Commission shall hold a regular annual meeting at its seat or at such place in North America as may be agreed upon by the Commission.

6. Any other meeting of the Commission may be called by the Chairman at such time and place as he may determine, upon the request of the Commissioner of a Contracting Government and subject to the concurrence of the Commissioners of two other Contracting Governments, including the Commissioner of a Government in North America.

7. Each Contracting Government shall have one vote which may be cast by any Commissioner from that Government. Decisions of the Commission shall be taken by a two-thirds majority of the votes of all the Contracting Governments.

8. The Commission shall adopt, and amend as occasion may require, financial regulations and rules and by-laws for the conduct of its meetings and for the exercise of its functions and duties.

Article III

1. The Commission shall appoint an Executive Secretary according to such procedure and on such terms as it may determine.

2. The staff of the Commission shall be appointed by the Executive Secretary in accordance with such rules and procedures as may be determined and authorized by the Commission.

3. The Executive Secretary shall, subject to the general supervision of the Commission, have full power and authority over the staff and shall perform such other functions as the Commission shall prescribe.

Article IV

1. The Contracting Governments shall establish and maintain a Panel for each of the sub-areas provided for by Article I, in order to carry out the objectives of this Convention. Each Contracting Government participating in any Panel shall be represented on such Panel by their Commissioner or Commissioners, who may be assisted by experts or advisers. Each Panel shall elect from its members a Chairman who shall serve for a period of two years and shall be eligible for re-election but not to a succeeding term.

2. After this Convention has been in force for two years, but not before that time, Panel representation shall be reviewed annually by the Commission, which shall have the power, subject to consultation with the Panel concerned, to determine representation on each Panel on the basis of current substantial exploitation in the sub-area concerned of fishes of the cod group *(Gadiformes)*, of flatfishes *(Pleuronectiformes)*, and of rosefish *(genus Sebastes)*, except that each Contracting Government with coastline adjacent to a sub-area shall have the right of representation on the Panel for the sub-area.

3. Each Panel may adopt, and amend as occasion may require, rules of procedure and by-laws for the conduct of its meetings and for the exercise of its functions and duties.

4. Each Government participating in a Panel shall have one vote, which shall be cast by a Commissioner representing that Government. Decisions of the Panel shall be taken by a two-thirds majority of the votes of all the Governments participating in that Panel.

5. Commissioners of Contracting Governments not participating in a particular Panel shall have the right to attend the meetings of such Panel as observers, and may be accompanied by experts and advisers.

6. The Panels shall, in the exercise of their functions and duties, use the services of the Executive Secretary and the staff of the Commission.

Article V

1. Each Contracting Government may set up an Advisory Committee composed of persons, including fishermen, vessel owners and others, well informed concerning the problems of the fisheries of the Northwest Atlantic Ocean. With the assent of the Contracting Government concerned, a representative or representatives of an Advisory Committee may attend as observers all non-executive meetings of the Commission or of any Panel in which their Government participates.

2. The Commissioners of each Contracting Government may hold public hearings within the territories they represent.

Article VI

1. The Commission shall be responsible in the field of scientific investigation for obtaining and collating the information necessary for maintaining those stocks of fish which support international fisheries in the Convention area and the Commission may, through or in collaboration with agencies of the Contracting Governments or other public or private agencies and organizations or, when necessary, independently:

(a) make such investigations as it finds necessary into the abundance, life history and ecology of any species of aquatic life in any part of the Northwest Atlantic Ocean;

(b) collect and analyze statistical information relating to the current conditions and trends of the fishery resources of the Northwest Atlantic Ocean;

(c) study and appraise information concerning the methods for maintaining and increasing stocks of fish in the Northwest Atlantic Ocean;

(d) hold or arrange such hearings as may be useful or essential in connection with the development of complete factual information necessary to carry out the provisions of this Convention;

(e) conduct fishing operations in the Convention area at any time for purposes of scientific investigation;

(f) publish and otherwise disseminate reports of its findings and statistical, scientific and other information relating to the fisheries of the Northwest Atlantic Ocean as well as such other reports as fall within the scope of this Convention.

2. Upon the unanimous recommendation of each Panel affected, the Commission may alter the boundaries of the sub-areas set out in the Annex. Any such alteration shall forthwith be reported to the Depositary Government which shall inform the Contracting Governments, and the sub-areas defined in the Annex shall be altered accordingly.

3. The Contracting Governments shall furnish to the Commission, at such time and in such form as may be required by the Commission, the statistical information referred to in paragraph 1*(b)* of this Article.

Article VII

1. Each Panel established under Article IV shall be responsible for keeping under review the fisheries of its sub-area and the scientific and other information relating thereto.

2. Each Panel, upon the basis of scientific investigations, may make recommendations to the Commission for joint action by the Contracting Governments on the matters specified in paragraph 1 of Article VIII.

3. Each Panel may recommend to the Commission studies and investigations within the scope of this Convention which are deemed necessary in the development of factual information relating to its particular sub-area.

4. Any Panel may make recommendations to the Commission for the alteration of the boundaries of the sub-area defined in the Annex.

5. Each Panel shall investigate and report to the Commission upon any matter referred to it by the Commission.

6. A Panel shall not incur any expenditure except in accordance with directions given by the Commission.

Article VIII

1. The Commission may, on the recommendations of one or more Panels, and on the basis of scientific investigations, transmit to the Depositary Government proposals, for joint action by the Contracting Governments, designed to keep the stocks of those species of fish which support international fisheries in the Convention area at a level permitting the maximum sustained catch by the application, with respect to such species of fish, of one or more of the following measures;

(a) establishing open and closed seasons;

(b) closing to fishing such portions of a sub-area as the Panel concerned finds to be a spawning area or to be populated by small or immature fish;

(c) establishing size limits for any species;

(d) prescribing the fishing gear and appliances the use of which is prohibited;

(e) prescribing an over-all catch limit for any species of fish.

2. Each recommendation shall be studied by the Commission and thereafter the Commission shall either

(a) transmit the recommendation as a proposal to the Depositary Government with such modifications or suggestions as the Commission may consider desirable, or

(b) refer the recommendation back to the Panel with comments for its reconsideration.

3. The Panel may, after reconsidering the recommendation returned to it by the Commission, reaffirm that recommendation, with or without modification.

4. If, after a recommendation is reaffirmed, the Commission is unable to adopt the recommendation as a proposal, it shall send a copy of the recommendation to the Depositary Government with a report of the Commission's decision. The Depositary Government shall transmit copies of the recommendation and of the Commission's report to the Contracting Governments.

5. The Commission may, after consultation with all the Panels, transmit proposals to the Depositary Government within the scope of paragraph 1 of this Article affecting the Convention area as a whole.

6. The Depositary Government shall transmit any proposal received by it to the Contracting Governments for their consideration and may make such suggestions as will facilitate acceptance of the proposal.

7. The Contracting Governments shall notify the Depositary Government of their acceptance of the proposal, and the Depositary Government shall notify the Contracting Governments of each acceptance communicated to it, including the date of receipt thereof.

8. The proposal shall become effective for all Contracting Governments four months after the date on which notifications of acceptance

shall have been received by the Depositary Government from all the Contracting Governments participating in the Panel or Panels for the sub-area or sub-areas to which the proposal applies.

9. At any time after the expiration of one year from the date on which a proposal becomes effective, any Panel Government for the sub-area to which the proposal applies may give to the Depositary Government notice of the termination of its acceptance of the proposal and, if that notice is not withdrawn, the proposal shall cease to be effective for that Panel Government at the end of one year from the date of receipt of the notice by the Depositary Government. At any time after a proposal has ceased to be effective for a Panel Government under this paragraph, the proposal shall cease to be effective for any other Contracting Government upon the date a notice of withdrawal by such Government is received by the Depositary Government. The Depositary Government shall notify all Contracting Governments of every notice under this paragraph immediately upon the receipt thereof.

Article IX

The Commission may invite the attention of any or all Contracting Governments to any matters which relate to the objectives and purposes of this Convention.

Article X

1. The Commission shall seek to establish and maintain working arrangements with other public international organizations which have related objectives, particularly the Food and Agriculture Organization of the United Nations and the International Council for the Exploration of the Sea, to ensure effective collaboration and coordination with respect to their work and, in the case of the International Council for the Exploration of the Sea, the avoidance of duplication of scientific investigations.

2. The Commission shall consider, at the expiration of two years from the date of entry into force of this Convention whether or not it should recommend to the Contracting Governments that the Commission be brought within the framework of a specialized agency of the United Nations.

Article XI

1. Each Contracting Government shall pay the expenses of the Commissioners, experts and advisers appointed by it.

2. The Commission shall prepare an annual administrative budget of the proposed necessary administrative expenditures of the Commission and an annual special projects budget of proposed expenditures on special studies and investigations to be undertaken by or on behalf of the Commission pursuant to Article VI, or by or on behalf of any Panel pursuant to Article VII.

3. The Commission shall calculate the payments due from each Contracting Government under the annual administrative budget according to the following formula:

(a) from the administrative budget there shall be deducted a sum of 500 United States dollars for each Contracting Government;

(b) the remainder shall be divided into such number of equal shares as corresponds to the total number of Panel memberships;

(c) the payment due from any Contracting Government shall be the equivalent of 500 United States dollars plus the number of shares equal to the number of Panels in which that Government participates.

4. The Commission shall notify each Contracting Government the sum due from that Government as calculated under paragraph 3 of this Article and as soon as possible thereafter each Contracting Government shall pay to the Commission the sum so notified.

5. The annual special projects budget shall be allocated to the Contracting Governments according to a scale to be determined by agreement among the Contracting Governments, and the sums so allocated to any Contracting Government shall be paid to the Commission by that Government.

6. Contributions shall be payable in the currency of the country in which the seat of the Commission is located, except that the Commission may accept payment in the currencies in which it may be anticipated that expenditures of the Commission will be made from time to time, up to an amount established each year by the Commission in connection with the preparation of the annual budgets.

7. At its first meeting the Commission shall approve an administrative budget for the balance of the first financial year in which the Commission functions and shall transmit to the Contracting Governments copies of that budget together with notices of their respective allocations.

8. In subsequent financial years, the Commission shall submit to each Contracting Government drafts of the annual budgets together with a schedule of allocations, not less than six weeks before the annual meeting of the Commission at which the budgets are to be considered.

Article XII

The Contracting Governments agree to take such action as may be necessary to make effective the provisions of this Convention and to implement any proposals which become effective under paragraph 8 of Article VIII. Each Contracting Government shall transmit to the Commission a statement of the action taken by it for these purposes.

Article XIII

The Contracting Governments agree to invite the attention of any Government not a party to this Convention to any matter relating to the fishing activities in the Convention area of the nationals or vessels of that Government which appear to affect adversely the operations of the Commission or the carrying out of the objectives of this Convention.

Article XIV

The Annex, as attached to this Convention and as modified from time to time, forms an integral part of this Convention.

Article XV

1. This Convention shall be ratified by the signatory Governments and the instruments of ratification shall be deposited with the Government of the United States of America, referred to in this Convention as the "Depositary Government".

2. This Convention shall enter into force upon the deposit of instruments of ratification by four signatory Governments, and shall enter into force with respect to each Government which subsequently ratifies on the date of the deposit of its instrument of ratification.

3. Any Government which has not signed this Convention may adhere thereto by a notification in writing to the Depositary Government. Adherences received by the Depositary Government prior to the date of entry into force of this Convention shall become effective on the date this Convention enters into force. Adherences received by the Depositary Government after the date of entry into force of this Convention shall become effective on the date of receipt by the Depositary Government.

4. The Depositary Government shall inform all signatory Governments and all adhering Governments of all ratifications deposited and adherences received.

5. The Depositary Government shall inform all Governments concerned of the date this Convention enters into force.

Article XVI

1. At any time after the expiration of ten years from the date of entry into force of this Convention, any Contracting Government may withdraw from the Convention on December thirty-first of any year by giving notice on or before the preceding June thirtieth to the Depositary Government which shall communicate copies of such notice to the other Contracting Governments.

2. Any other Contracting Government may thereupon withdraw from this Convention on the same December thirty-first by giving notice to the Depositary Government within one month of the receipt of a copy of a notice of withdrawal given pursuant to paragraph 1 of this Article.

Article XVII

1. The original of this Convention shall be deposited with the Government of the United States of America, which Government shall communicate certified copies thereof to all the signatory Governments and all the adhering Governments.

2. The Depositary Government shall register this Convention with the Secretariat of the United Nations.

3. This Convention shall bear the date on which it is opened for signature and shall remain open for signature for a period of fourteen days thereafter.

IN WITNESS WHEREOF the undersigned, having deposited their respective full powers, have signed this Convention.

DONE in Washington this eighth day of February 1949 in the English language.

FOR CANADA:

FOR DENMARK:

FOR FRANCE:

FOR ICELAND:

FOR ITALY:

FOR HIS MAJESTY'S GOVERNMENT IN THE UNITED KINGDOM AND THE GOVERNMENT OF NEWFOUNDLAND IN RESPECT OF NEWFOUNDLAND:

FOR NORWAY:

FOR PORTUGAL:

FOR SPAIN:

FOR THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND:

FOR THE UNITED STATES OF AMERICA:

Annex

1. The sub-areas provided for by Article I of this Convention shall be as follows:

Sub-area 1—That portion of the Convention area which lies to the north and east of a rhumb line from a point in 75°00′ north latitude and 73°30′ west longitude to a point in 69°00′ north latitude and 59°00′ west longitude; east of 59°00′ west longitude; and to the north and east of a rhumb line from a point in 61°00′ north latitude and 59°00′ west longitude to a point in 52°15′ north latitude and 42°00′ west longitude.

Sub-area 2—That portion of the Convention area lying to the south and west of sub-area 1 defined above and to the north of the parallel of 52°15′ north latitude.

Sub-area 3—That portion of the Convention area lying south of the parallel of 52°15′ north latitude; and to the east of a line extending due north from Cape Bauld on the north coast of Newfoundland to 52°15′ north latitude; to the north of the parallel of 39°00′ north latitude; and to the east and north of a rhumb line extending in a northwesterly direction which passes through a point in 43°30′ north latitude, 55°00′ west longitude, in the direction of a point in 47°50′ north latitude, 60°00′ west longitude, until it intersects a straight line connecting Cape Ray, on the coast of Newfoundland, with Cape North on Cape Breton Island; thence in a northeasterly direction along said line to Cape Ray.

Sub-area 4—That portion of the Convention area lying to the west of sub-area 3 defined above, and to the east of a line described as follows: beginning at the terminus of the international boundary between the United States of America and Canada in Grand Manan Channel, at a point in 44°46′ 35·34″ north latitude, 66°54′ 11·23″ west longitude; thence due south to the parallel of 43°50′ north latitude; thence due west to the meridian of 67°40′west longitude; thence due south to the parallel of 42°20′ north latitude; thence due east to a point in 66°00′ west longitude; thence along a rhumb line in a southeasterly direction to a point in 42°00′ north latitude, 65°40′ west longitude; thence due south to the parallel of 39°00′ north latitude.

Sub-area 5—That portion of the Convention area lying west of the western boundary of sub-area 4 defined above.

2. For a period of two years from the date of entry into force of this Convention, Panel representation for each sub-area shall be as follows:

(a) Sub-area 1—Denmark, France, Italy, Norway, Portugal, Spain, United Kingdom;

(b) Sub-area 2—Denmark, France, Italy, Newfoundland;

(c) Sub-area 3—Canada, Denmark, France, Italy, Newfoundland, Portugal, Spain, United Kingdom;

(d) Sub-area 4—Canada, France, Italy, Newfoundland, Portugal, Spain, United States;

(e) Sub-area 5—Canada, United States;

it being understood that during the period between the signing of this Convention and the date of its entry into force, any signatory or adhering Government may, by notification to the Depositary Government, withdraw from the list of members of a Panel for any sub-area or be added to the list of members of the Panel for any sub-area on which it is not named. The Depositary Government shall inform all the other Governments concerned of all such notifications received and the memberships of the Panels shall be altered accordingly.

252

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE SENATE OF CANADA

BILL R5.

An Act respecting Canadian Pacific Railway Company.

AS PASSED BY THE SENATE, 10th FEBRUARY, 1954.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

83935

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE SENATE OF CANADA

BILL R[5].

An Act respecting Canadian Pacific Railway Company.

WHEREAS Canadian Pacific Railway Company has by its petition prayed for the passing of an Act authorizing it to construct a certain line of railway, as hereinafter set forth, and it is expedient to grant the prayer of the petition: Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

May construct line of railway.

1. Canadian Pacific Railway Company, hereinafter called "the Company", may within two years after the passing of this Act commence to construct a line of railway from a point on the Ontario and Quebec Railway, being a part of the Canadian Pacific Railway system at or near Havelock, Ontario, thence northerly a distance of approximately fifteen miles to a point at or near Nephton, Ontario; and may within five years after the passing of this Act complete the said line of railway and if within the said periods respectively the said line of railway is not commenced or is not completed and put in operation, the powers of construction, hereby conferred upon the Company shall cease and be null and void as respects so much of the said line of railway as shall then remain uncompleted.

Explanatory Note.

The purpose of this Bill is to authorize the Canadian Pacific Railway Company to construct a branch line of railway from Havelock, Ontario, to a point at or near Nephton, Ontario.

Parliamentary authority is necessary as the line is more than 6 miles in length.

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 295.

An Act to amend the Export Credits Insurance Act.

First reading, February 18, 1954.

THE MINISTER OF TRADE AND COMMERCE.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

85712

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 295.

An Act to amend the Export Credits Insurance Act.

R.S., c. 105.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1. Section 3 of the *Export Credits Insurance Act*, chapter 105 of the Revised Statutes of Canada, 1952, is amended by adding thereto, immediately after subsection (2) thereof, the following subsection:

Agent of Her Majesty.

"(2*a*) The Corporation is and shall be deemed always to have been an agent of Her Majesty for all purposes of this Act and its powers under this Act may be and shall be deemed always to have been exercised only as an agent of Her Majesty."

2. Section 5 of the said Act is repealed and the following substituted therefor:

Board of directors.

"**5.** (1) The Corporation shall be under the management of a board of directors composed of the members of the Corporation and not more than four other directors appointed from time to time by the Governor in Council, one of whom shall be appointed by the Governor in Council to be President and General Manager of the Corporation.

Alternate directors.

(2) The Governor in Council may, on the recommendation of the Minister, appoint a person to be an alternate director for a member of the Corporation and the alternate director so appointed shall act as a director of the Corporation during any period in which such member is, by reason of illness, absence or other incapacity, unable to act as a director and shall, while so acting, be deemed to be a director.

Votes.

(3) Each director has one vote at a meeting of the Board.

Director's fees.

(4) The directors, except the Deputy Minister of Trade and Commerce, the Deputy Minister of Finance, the

Explanatory Notes.

The purpose of this Bill is to amend the *Export Credits Insurance Act* in order to:

(a) clarify the position of the Export Credits Insurance Corporation as an agent of Her Majesty;

(b) provide for the appointment of alternates to certain of the directors;

(c) change the title of the operating head to conform with the practice in other Crown Corporations;

(d) increase the capital of the Corporation; and

(e) require the Corporation to continue the Underwriting Reserve to cover future losses under contracts of insurance.

1. Clarifies the position of the Corporation as an agent of Her Majesty.

2. Section 5 now reads:

"**5.** (1) The Corporation shall be under the management of a board of directors composed of the members of the Corporation and not more than four other directors appointed from time to time by the Governor in Council, one of whom shall be appointed by the Governor in Council to be General Manager of the Corporation.

(2) Each director has one vote at a meeting of the Board.

(3) The directors, except the Deputy Minister of Trade and Commerce, the Deputy Minister of Finance, the Governor of the Bank of Canada and the General Manager, are entitled to receive for attendance at directors' meetings, such fees as may be fixed by the by-laws of the Corporation, but the aggregate amount of the fees paid to all directors, exclusive of expenses, shall not exceed three thousand dollars in any fiscal year.

(4) The Governor in Council may remove or suspend, re-appoint or reinstate, or replace any director of the Corporation appointed by him."

The purpose is to change the name of the operating head and to provide for alternates to certain directors.

Governor of the Bank of Canada, the President and General Manager, and any alternate director are entitled to receive, for attendance at directors' meetings, such fees as may be fixed by the by-laws of the Corporation, but the aggregate amount of the fees paid to all directors, exclusive of expenses, shall not exceed three thousand dollars in any fiscal year.

Remove, re-appoint, replace.

(5) The Governor in Council may remove or suspend, re-appoint or reinstate, or replace any director or alternate director of the Corporation appointed by him."

3. Section 8 of the said Act is repealed and the following substituted therefor:

Delegation.

"**8.** The Board may delegate to the President and General Manager or any officer, agent or employee of the Corporation, authority to act in the conduct of the business of the Corporation in all matters that are not by this Act or by the by-laws of the Corporation specifically reserved to be done by the Board."

4. Section 10 of the said Act is repealed and the following substituted therefor:

Authorized capital.

"**10.** (1) The authorized capital of the Corporation is fifteen million dollars, consisting of the five million dollars authorized prior to the coming into force of this section and an additional ten million dollars.

Capital shares.

(2) The authorized capital is divided into one hundred and fifty thousand shares of the par value of one hundred dollars each, consisting of the fifty thousand shares subscribed for by the Minister prior to the coming into force of this section and an additional one hundred thousand shares.

Subscription and payment of additional shares.

(3) The Minister shall subscribe for the additional one hundred thousand shares at par and the Minister of Finance shall pay the amount of such subscription out of the Consolidated Revenue Fund at such times and in such amounts as the Board requires.

Capital surplus.

(4) The amount of five million dollars credited to the capital surplus account of the Corporation prior to the coming into force of this section shall continue to be the capital surplus of the Corporation.

Shares non-transferable. To be held in trust.

(5) The shares of capital stock of the Corporation are not transferable and shall be held in trust for Her Majesty."

5. The said Act is further amended by adding thereto, immediately after section 11 thereof, the following section:

Underwriting Reserve.

"**11A.** (1) The underwriting reserve account established by the Corporation prior to the coming into force of this section shall be continued and shall be known as the Underwriting Reserve.

3. Section 8 of the Act now reads:

"**8.** The Board may delegate to the General Manager or any officer, agent or employee of the Corporation, authority to act in the conduct of the business of the Corporation in all matters that are not by this Act or by the by-laws of the Corporation specifically reserved to be done by the Board."

4. Section 10 now reads:

"**10.** (1) The authorized capital of the Corporation is *five* million dollars, and shall be divided into fifty thousand shares of the par value of one hundred dollars each.

(2) The Minister shall subscribe for the *said fifty thousand shares* at par and the Minister of Finance shall pay the amount of such subscription out of unappropriated moneys in the Consolidated Revenue Fund at such times and in such amounts as the Board requires.

(3) Whenever the Minister of Finance pays any part of such subscription, he shall in addition pay out of unappropriated moneys in the Consolidated Revenue Fund to the Corporation an equal amount, to be credited to capital surplus account, not exceeding in the aggregate, however, five million dollars.

(4) The shares of capital stock of the Corporation are not transferable and shall upon acquisition by the Minister be held in trust for Her Majesty."

This section increases the capital of the Corporation from five million dollars to fifteen million dollars.

5. This section is added to require the Corporation to continue the Underwriting Reserve to cover future losses under contracts of insurance.

Amounts to be credited and total Reserve.

(2) The Corporation shall at the end of each fiscal year, if the amount standing to the credit of the Underwriting Reserve is less than five million dollars, credit to the Reserve the excess, if any, of its revenues over its disbursements in that fiscal year or so much of the excess as is required to increase the amount of the Reserve to five million dollars."

First Session, Twenty Second Parliament, 2 Elizabeth II, 1953-54.

THE SENATE OF CANADA

BILL W8.

An Act respecting Brazilian Telephone Company.

Read a first time, Thursday, 4th February, 1954.

Honourable Senator CAMPBELL.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

86248

1st Session, 22nd Parliament, 2 Elizabeth II, 1953-54.

THE SENATE OF CANADA

BILL W8.

An Act respecting Brazilian Telephone Company.

Preamble. 1914, c. 139; 1923, c. 107.

WHEREAS Brazilian Telephone Company was incorporated by Letters Patent dated the 4th day of February, 1914, under the name of Interurban Company, Limited; And whereas the name of the Company was changed to Rio de Janeiro and Sao Paulo Telephone Company by an Act of the Parliament of Canada, chapter 139 of the statutes of 1914, and to Brazilian Telephone Company by an Act of the Parliament of Canada, chapter 107 of the statutes of 1923; And whereas Supplementary Letters Patent were issued to the Company on the 2nd day of September, 1952; And whereas the Company desires authority to transfer its head office to the United States of Brazil, where all its assets are located, in order that the Company may make application, pursuant to the corporation law of the United States of Brazil, for a decree by which the Company will adopt Brazilian nationality and become subject to the corporation law of the United States of Brazil: Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Head office may be transferred.

1. Subject to the laws in force in the United States of Brazil and with such legislative, governmental, municipal or other authority, concession, license or consent as is necessary, the Company may transfer its head office from the city of Toronto, in the province of Ontario, Canada, to a place in the United States of Brazil, if the Company is authorized to do so, by by-law sanctioned by the unanimous vote of its shareholders at a special general meeting duly called for the purpose.

Explanatory Note.

The purpose of this Bill is (1) to enable Brazilian Telephone Company, which is now subject to the provisions of *The Companies Act* of Canada, to authorize the transfer of its head office to Brazil, where all its assets are located, in order that the Company may make application pursuant to Brazilian corporation law for a decree by which the Company will adopt Brazilian nationality and become subject to the provisions of Brazilian corporation law and (2) to provide that, upon the date of the decree issued to the Company pursuant to Brazilian corporation law, *The Companies Act* of Canada will cease to apply to the Company.

This Bill is desired so that the people of Brazil may be given an opportunity to invest in the Company in order that capital may be raised in the public market and from other sources in Brazil to enable the Company to carry out the expansion of its facilities which is essential to its continued successful development, while at the same time preserving the corporate existence of the Company, its liabilities, its rights and obligations under the contracts and concessions through which it operates as well as the goodwill of its business acquired over the course of many years of operation in Brazil.

Issue of decree.

2. Upon the date of a decree granting Brazilian nationality issued to the Company pursuant to Article 71 of Decree-Law No. 2627, of the 26th day of September, 1940, of the United States of Brazil, *The Companies Act* of Canada shall cease to apply to the Company.

Decree to be filed with Secretary of State.

3. Upon the issuance of a decree, as mentioned in section 2, the Company shall file with the Secretary of State of Canada an original counterpart of the decree or a copy thereof certified by an official thereunto authorized by the law of the United States of Brazil.

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 297.

An Act to amend the Bank of Canada Act.

First reading, February 22, 1954.

THE MINISTER OF FINANCE.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

87261

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 297.

An Act to amend the Bank of Canada Act.

R.S., c. 13.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. Section 2 of the *Bank of Canada Act*, chapter 13 of the Revised Statutes of Canada, 1952, is repealed and the following substituted therefor:

Definitions. "Bank." "Board."

"**2.** In this Act,

(a) "Bank" means the Bank of Canada;

(b) "Board" or "Board of Directors" means the Board of Directors of the Bank of Canada;

"Chartered bank."

(c) "chartered bank" means a bank to which the *Bank Act* applies;

"Director."

(d) "director" means a member of the Board of Directors other than the Governor or the Deputy Governor or the member acting by virtue of subsection (2) of section 5;

"Governor."

(e) "Governor" means the Governor of the Bank of Canada or the person acting for him pursuant to this Act;

"Minister."

(f) "Minister" means the Minister of Finance; and

"Notes."

(g) "notes" means notes of the Bank of Canada payable to bearer on demand and intended for circulation."

2. Sections 5 to 9 of the said Act are repealed and the following substituted therefor:

"MANAGEMENT.

Board of Directors.

5. (1) The Bank shall be under the management of a Board of Directors composed of a Governor, a Deputy Governor and twelve directors appointed in accordance with this Act.

Explanatory Notes.

1. Section 2 of the *Bank of Canada Act*, chapter 13 of the Revised Statutes of Canada, 1952, at present reads as follows:

"**2.** In this Act:

(a) "Board of Directors" or "Board" means the Board of Directors of the Bank of Canada;

(b) "chartered bank" means a bank to which the *Bank Act* applies;

(c) "director" means a member of the Board of Directors other than the Governor or the Deputy Governor or the member acting in virtue of the authority conferred by subsection (2) of section 5;

(d) "Dominion notes" means notes payable to bearer on demand, issued and outstanding, that immediately prior to the day on which the Bank of Canada was authorized to commence business constituted a direct liability of the Dominion of Canada;

(e) "Governor" means the Governor of the Bank of Canada or the person acting for him pursuant to this Act;

(f) "Minister" means the Minister of Finance;

(g) "notes" means notes of the Bank of Canada payable to bearer on demand and intended for circulation;

(h) "Receiver General" means the Receiver General of Canada;

(i) "the Bank" means the Bank of Canada; and

(j) "Treasury Board" means the Treasury Board as constituted by the *Financial Administration Act*."

The amendment removes paragraphs *(d)*, *(h)* and *(j)*.

2. Section 5 of the Act reads as follows:

"**5.** (1) The Bank shall be under the management of a Board of Directors composed of a Governor, a Deputy Governor and twelve directors appointed in accordance with this Act; there may also be an Assistant Deputy Governor who shall not as such be a member of the Board.

(2) In addition to the Members of the Board as constituted by subsection (1), the Deputy Minister of Finance or, in case of his absence or incapacity at any time, such other officer of the Department of Finance as the Minister may nominate for the time being, shall be, by virtue of his office or of such nomination, as the case may be, a member of the Board, but shall not have the right to vote."

Deputy Minister of Finance to be member of Board.

(2) In addition to the members of the Board as constituted by subsection (1), the Deputy Minister of Finance, or, if he is absent or unable to act or the office is vacant, such other officer of the Department of Finance as the Minister may nominate, is a member of the Board but he does not have the right to vote.

Governor and Deputy Governor.

6. (1) The Governor and Deputy Governor shall be appointed by the directors with the approval of the Governor in Council.

Qualifications of Governor and Deputy Governor.

(2) The Governor and Deputy Governor shall be men of proven financial experience and each shall devote the whole of his time to the duties of his office under this Act or under any other Act of Parliament.

Assistant Deputy Governor.

(3) The directors, with the approval of the Governor in Council, may appoint an Assistant Deputy Governor, who is not by virtue of his office as such a member of the Board.

Tenure and remuneration of Governor, Deputy Governor and Assistant Deputy Governor.

(4) The Governor, Deputy Governor and Assistant Deputy Governor

(a) shall each be appointed for a term of seven years during good behaviour;

(b) are eligible for re-appointment on the expiry of their terms of office; and

(c) subject to the approval of the Governor in Council, shall be paid such salaries as the directors from time to time determine, but no such remuneration shall be in the form of a commission or be computed by reference to the income or profits of the Bank.

Disqualifications of Governor, Deputy Governor and Assistant Deputy Governor.

7. No person is eligible to be appointed or to continue as Governor, Deputy Governor or Assistant Deputy Governor who

(a) is not a Canadian citizen;

(b) is a member of the Senate or House of Commons of Canada or a member of a provincial legislature;

(c) is employed in any capacity in the public service of Canada or of any province of Canada or holds any office or position for which any salary or other remuneration is payable out of public moneys;

(d) except as authorized by or under any Act of Parliament, is a director, officer or employee of any other bank or financial institution or has an interest as a shareholder in any other bank or financial institution; or

(e) has reached the age of seventy-five years.

Subsection 2 makes provision for a situation where the office of Deputy Minister is vacant, a situation previously not covered.

Section 6 of the Act reads as follows:

"**6.** (1) The Governor and Deputy Governor shall be men of proven financial experience and each shall devote the whole of his time to the duties of his office.

(2) No person shall hold office as Governor or Deputy Governor or Assistant Deputy Governor who

(a) is not a British subject,

(b) is a member of either House of Parliament or of a Provincial Legislature,

(c) is employed in any capacity in the public service of Canada or of any province of Canada or holds any office or position for which any salary or other remuneration is payable out of public moneys,

(d) is a director, officer or employee of any other bank or financial institution or has an interest as a shareholder in any other bank or financial institution, or

(e) has reached the age of seventy-five years."

Subsection (1) was formerly contained in subsection (2) of section 8. Subsection (2) provides for appointments authorized by 7 *(d)* below. Subsection (3) was formerly contained in subsection (1) of section 5 and subsection (2) of section 8. Subsection (4) was also contained in section 8.

Section 7 of the Act reads as follows:

"**7.** (1) The Governor of the Bank is the chief executive officer and on behalf of the Board has the direction and control of the business of the Bank, with authority to act in connection with the conduct of the business of the Bank in all matters that are not by this Act or by the by-laws of the Bank specifically reserved to be done by the Board or by the Executive Committee.

(2) The Deputy Governor and the Assistant Deputy Governor shall perform such duties as are assigned by the Board.

(3) In the event of absence or incapacity of the Governor from whatever cause arising, the Deputy Governor has and may exercise all the powers and functions of the Governor.

(4) In the event of absence or incapacity of both the Governor and the Deputy Governor, the Board of Directors shall authorize the Assistant Deputy Governor or one of the members of the Board to act as the Governor for the time being, but no such person has authority to act as Governor for a period exceeding one month without the approval of the Governor in Council."

Paragraph *(a)* formerly contained in paragraph *(a)* of subsection (2) of section 6 provides for the Governors being Canadian citizens instead of British subjects. Paragraph *(d)* makes clear that the Governor, Deputy Governor or Assistant Deputy Governor may from time to time be appointed as directors, etc., of such bodies as Export Credits Insurance Corporation and Central Mortgage and Hou sing Corporation.

Powers of Governor.

8. (1) The Governor of the Bank is the chief executive officer of the Bank and on behalf of the Board has the direction and control of the business of the Bank with authority to act in connection with the conduct of the business of the Bank in all matters that are not by this Act or by the by-laws of the Bank specifically reserved to be done by the Board or by the Executive Committee.

Duties of Deputy Governor and Assistant.

(2) The Deputy Governor and the Assistant Deputy Governor shall perform such duties as are assigned to them by the Board.

Absence, etc., of Governor.

(3) If the Governor is absent or unable to act or the office is vacant, the Deputy Governor has and may exercise all the powers and functions of the Governor.

Absence, etc., of Governor and Deputy.

(4) The Board may authorize the Assistant Deputy Governor or one of the members of the Board to act as the Governor for the time being in the event that the Governor and Deputy Governor are absent or unable to act or the offices are vacant, but no such person has authority to act as Governor for a period exceeding one month without the approval of the Governor in Council.

Directors.

9. (1) The Minister, with the approval of the Governor in Council, shall as of the 1st day of March in each year appoint directors for terms of three years each to the offices of director then vacant.

Vacancy.

(2) Where a person ceases to be a director during the term for which he was appointed, the Minister shall, with the approval of the Governor in Council, appoint a qualified person to hold office for the remainder of the term.

Votes.

(3) In the transaction of the business of the Bank each director has one vote.

Re-appointment.

(4) A director on the expiration of his term of office is eligible for re-appointment."

3. Subsection (2) of section 10 of the said Act is amended by repealing all the words therein before paragraph *(b)* thereof and substituting therefor the following:

Disqualifications.

"(2) No person is eligible to be appointed or to continue as director who

(a) is not a Canadian citizen ordinarily resident in Canada,"

Section 8 of the Act reads as follows:

"**8.** (1) The Governor, Deputy Governor and Assistant Deputy Governor shall each be appointed as hereinafter provided for a term of seven years or, in the case of the first Governor, Deputy Governor and Assistant Deputy Governor, for such shorter period as the Governor in Council may determine.

(2) The first Governor, Deputy Governor and Assistant Deputy Governor shall be appointed and their salaries shall be fixed by the Governor in Council and thereafter appointments shall be made by the directors with the approval of the Governor in Council.

(3) Except as provided in subsection (2) the Governor, Deputy Governor and Assistant Deputy Governor shall, subject to the approval of the Governor in Council, receive such salaries as the directors from time to time determine, but no such remuneration shall be in the form of a commission or be computed by reference to the income or profits of the Bank.

(4) The Governor, the Deputy Governor and the Assistant Deputy Governor, on the expiry of their terms of office, are eligible for re-appointment.

(5) The Governor, Deputy Governor and Assistant Deputy Governor each hold office for the aforesaid term during good behaviour."

Subsection (3) makes provision for a situation where the office of Governor is vacant, formerly not covered.

Subsection (4) makes provision for the situation where both the Governor and Deputy Governor may be incapacitated or both offices may be vacant and authorizes the Board to make provision for such a contingency in advance of the event.

Section 9 of the Act reads as follows:

"**9.** (1) The Minister with the approval of the Governor in Council shall as of the 1st day of March in each year appoint for terms of three years each a sufficient number of directors to provide that there shall be twleve directors.

(2) In the event of a vacancy amongst the directors the Minister shall, with the approval of the Governor in Council, appoint a qualified person to hold office for the remainder of the term.

(3) In the transaction of the business of the Bank each director has one vote.

(4) The directors, on the expiration of their terms of office, are eligible for re-appointment."

No change of substance.

3. Subsection (2) of section 10 of the Act reads as follows:

"(2) No person shall be appointed or shall continue to hold office as a director who

(a) is not a British subject ordinarily resident in Canada,

(b) is employed in any capacity in the Public Service of Canada or of any province of Canada, or holds any office or position for which any salary or other remuneration is payable out of public moneys; except that a director may perform temporary services for the Government of Canada or any province for which he may be reimbursed actual living and travelling expenses, or

(c) has reached the age of seventy-five years."

Subsection (2) of section 10 provides for the directors being Canadian citizens instead of British subjects.

4. Section 11 of the said Act is repealed and the following substituted therefor:

Directors' fees.

"**11.** The directors are entitled to receive for attendance at directors' meetings and Executive Committee meetings such fees as may be fixed by the by-laws of the Bank, but the aggregate amount of the fees paid to all directors exclusive of expenses shall not exceed thirty thousand dollars in any year."

5. Subsections (2), (3), (4) and (5) of section 13 of the said Act are repealed and the following substituted therefor:

Deputy Minister of Finance to be member of Executive Committee.

"(2) In addition to the members of the Executive Committee as constituted by subsection (1), the person who is a member of the Board by virtue of subsection (2) of section 5 is a member of the Executive Committee, but he does not have the right to vote.

(3) The Executive Committee is competent to deal with any matter within the competence of the Board and shall keep minutes of its proceedings, which shall be submitted to the Board at its next meeting."

6. (1) Subsections (2) to (6) of section 15 of the said Act are repealed and the following substituted therefor:

Salaries of employees appointed from the civil service.

"(2) The salary to be paid by the Bank to an officer, clerk or employee appointed prior to the coming into force of this subsection who at the date of his appointment was employed in the civil service of Canada shall be at a rate not less than the rate he was then receiving in the civil service.

(3) The Board may by by-law establish a pension fund for the officers, clerks and employees of the Bank and their dependants, and may contribute to it out of the funds of the Bank; and such pension fund, including the contributions thereto under the *Industrial Development Bank Act*, shall be invested in such manner as may be provided by by-law."

Saving.

(2) The repeal, by subsection (1) of this section, of subsections (3) and (4) of section 15 of the said Act does not affect any right, privilege, obligation or liability acquired, accrued, accruing or incurred under the said subsections (3) and (4) prior to the coming into force of this Act.

4. Section 11 of the Act reads as follows:

"**11.** The directors are entitled to receive for attendance at directors' meetings and executive committee meetings, such fees as may be fixed by the by-laws of the Bank, but the aggregate amount of the fees paid to all directors, exclusive of expenses, shall not exceed twenty thousand dollars in any year."

The aggregate amount of fees is raised from $20,000 to $30,000.

5. Subsections (2), (3), (4) and (5) of section 13 read as follows:

"(2) In addition to the members of the Executive Committee as constituted by subsection (1), the Deputy Minister of Finance or, in case of his absence or incapacity at any time, such other officer of the Department of Finance as the Minister may nominate for the time being shall be by virtue of his office or of such nomination, as the case may be, a member of the Executive Committee, but shall not have the right to vote.

(3) The Executive Committee is competent to deal with any matter within the competence of the Board, but every decision of the Committee shall be submitted to the Board at its next meeting.

(4) Except when the Board is in session, the Executive Committee shall determine the minimum rates at which the Bank is prepared to discount or rediscount bills or to make advances and the Bank shall at all times make public the rates at which it is prepared to discount or rediscount bills or to make advances.

(5) The Executive Committee shall keep full minutes of its proceedings, which shall be submitted to the Board at its next meeting."

Subsection (2) is consequent upon the amendment to subsection (2) of section 5. Subsection (3) is a consolidation without change of substance of the former subsections (3), (4) and (5) except for the obligation to make public the rates referred to in the former subsection (4) which is transferred to subsection (3) of section 18.

6. Subsections (2) to (6) of section 15 read as follows:

"(2) In the case of officers, clerks and employees of the Bank who at the date of appointment were officers, clerks or employees of the Civil Service of Canada, the salaries to be paid by the Bank shall be at rates not less than the rates which such persons were receiving in the Civil Service.

(3) Any officer, clerk or employee mentioned in subsection (2) who was a contributor under the provisions of the *Civil Service Superannuation Act*, may continue as a contributor under the provisions of the *Civil Service Superannuation Act* for a period not exceeding one year after the date of his appointment by the Bank, and shall during such period continue his contributions to the Civil Service Superannuation Fund and the Bank shall during the said period contribute to the said Fund a like amount; subject to subsection (4), at the expiration of one year after the date of the appointment by the bank of any such officer, clerk or employee his benefits under the provisions of the *Civil Service Superannuation Act* shall be calculated and determined as of the date of the expiration of the said year as if he had at that time retired from the Civil Service by reason of abolition of his office, in which case the enjoyment of the said benefits shall be deferred until such time as he leaves the service of the Bank.

(4) Upon the said officer, clerk or employee becoming a contributor to or participant in any pension scheme that the Bank may establish he may elect either

(a) to have his benefits under the provisions of the *Civil Service Superannuation Act* calculated and determined as at the date of his becoming a contributor to or participant in any pension scheme that the Bank may establish or at the expiration of one year from the date of his appointment as aforesaid, whichever first occurs, in which case the enjoyment of the said benefits shall be deferred until such time as he leaves the service of the Bank, or

(b) to waive his right to any payment or benefit under the *Civil Service Superannuation Act* and in that case his period of service in the Civil Service shall be counted as service with the Bank for the purposes of the Bank's pension scheme to the extent that such service would have counted under the *Civil Service Superannuation Act;* the Governor in Council and the Bank may enter into an agreement as to the amount to be paid to the Bank with reference to the assumption by the Bank of liability

7. Section 18 of the said Act is repealed and the following substituted therefor:

"**18.** (1) The Bank may

(a) buy and sell gold, silver, nickel and bronze coin and gold and silver bullion;

Exchange.

(b) effect transfers of funds by telegram, letter or other method of communication, and buy and sell transfers effected by such means, trade acceptances, bankers' acceptances, bankers' drafts and bills of exchange drawn in or on places outside of Canada and having a maturity not exceeding ninety days, excluding days of grace, from the date of acquisition by the Bank;

Canadian and provincial securities.

(c) buy and sell securities issued or guaranteed by Canada or any province;

United Kingdom securities.

(d) buy and sell short-term securities issued by the United Kingdom having a maturity not exceeding six months from the date of acquisition by the Bank;

United States treasury bills.

(e) buy and sell treasury bills or other obligations of the United States of America;

Discounts.

(f) buy and sell bills of exchange and promissory notes endorsed by a chartered bank drawn or issued in connection with the production or marketing of goods, wares and merchandise as defined in the *Bank Act*, excepting those mentioned in paragraph *(g)*, and having a maturity not exceeding ninety days, excluding days of grace, from the date of acquisition by the Bank;

(g) buy and sell bills of exchange and promissory notes endorsed by a chartered bank, drawn or issued in connection with the production or marketing of products of agriculture, products of the forest, products of the quarry and mine, or products of the sea, lakes and rivers, as defined in the *Bank Act*, and having a maturity not exceeding one hundred and eighty days excluding days of grace from the date of acquisition by the Bank;

under its pension scheme with respect to the said period of service in the Civil Service; the Minister may pay the amount agreed upon out of any unappropriated moneys in the Consolidated Revenue Fund, which shall be recorded as a payment from the said Superannuation Fund, and the Bank shall pay the said amount into its Pension Fund.

(5) The Governor in Council may make such regulations as may be deemed necessary to give effect to subsections (3) and (4).

(6) The Board may by by-law establish a pension fund for the officers, clerks and employees of the Bank and their dependants, and may contribute to it out of the funds of the Bank, and such pension fund shall be invested in securities in which a trust company may invest under the *Trust Companies Act*."

The provisions of subsections (2) to (5) of section 15 will not apply to any persons transferring from the Civil Service to the Bank of Canada after the date of this amending Act. An agreement pursuant to section 28 of the *Public Service Superannuation Act* will be entered into between the Government and the Bank of Canada respecting transfers of staff in either direction. The new subsection (2) of section 15, together with subsection (2) of section 6 of this amending Act retain for former Civil Servants who transferred to the Bank of Canada before the date of this amending Act any continuing rights which they had under the former provisions of section 15.

Subsection (3) incorporates the provision already made in section 8 (2) of the *Industrial Development Bank Act* for staff of the Industrial Development Bank to be contributors to the Bank of Canada Pension Fund. Provision is also made that the manner of investment of the Pension Fund shall be provided by by-law.

7. Section 18 of the Act reads as follows:

"**18.** (1) The Bank may

(a) buy and sell gold, silver, nickel and bronze coin and gold and silver bullion;

(b) effect transfers of funds by telegram, letter or other method of communication, and buy and sell transfers effected by such means, trade acceptances, bankers' acceptances, bankers' drafts and bills of exchange drawn in or on places outside of Canada and having a maturity not exceeding ninety days, excluding days of grace, from the date of acquisition by the Bank;

(c) buy and sell or rediscount short term securities issued or guaranteed by Canada or any province, having a maturity not exceeding two years from the date of acquisition by the Bank;

(d) buy and sell securities issued or guaranteed by Canada or any province, having a maturity exceeding two years from the date of acquisition by the Bank, but the Bank shall at no time hold securities not maturing within two years having a par value in excess of fifty per cent of its outstanding note issue and deposit liabilities, nor shall the Bank at any time hold securities not maturing within ten years of a par value in excess of five times the amount of the paid-up capital and rest fund of the Bank;

(e) buy and sell short term securities issued by the United Kingdom, any British Dominion, the United States of America, or France, having a maturity not exceeding six months from the date of acquisition by the Bank;

(f) buy and sell securities issued by the United Kingdom or the United States of America having a maturity exceeding six months from the date of acquisition by the Bank, but the Bank shall at no time hold such securities of a par value in excess of one-half of the amount of the paid-up capital of the Bank;

(g) buy and sell or rediscount bills of exchange and promissory notes endorsed by a chartered bank drawn or issued in connection with the production or marketing of goods, wares and merchandise as defined in the *Bank Act*, excepting those mentioned in paragraph *(h)*, and having a maturity not exceeding ninety days, excluding days of grace, from the date of acquisition by the Bank;

Loans and advances.

(h) make loans or advances for periods not exceeding six months to chartered banks or to banks to which the *Quebec Savings Banks Act* applies on the pledge or hypothecation of the classes of securities mentioned in the preceding paragraphs of this subsection, bills of exchange or promissory notes, or of Canadian municipal securities, or of securities issued by a school corporation or parish trustees, or of securities issued pursuant to the statutes of a province making provision for the payment thereof and the interest thereon by the province, or of mortgages or hypothecs, or of gold or silver coin or bullion or documents of title relating thereto;

(i) make loans or advances for periods not exceeding six months to the Government of Canada or the government of any province on the pledge or hypothecation of readily marketable securities issued or guaranteed by Canada or any province;

(j) make loans to the Government of Canada or the government of any province, but such loans outstanding at any one time shall not, in the case of the Government of Canada, exceed one-third of the estimated revenue of such government for its fiscal year, and shall not in the case of any provincial government exceed one-fourth of such government's estimated revenue for its fiscal year; and such loans shall be repaid before the end of the first quarter after the end of the fiscal year of such government;

Open-market operations.

(k) for the purpose of its open-market operations, buy and sell in the open market from or to any person, either in or outside of Canada, securities, cable transfers, bankers' acceptances, and bills of exchange of the kinds and maturities defined in, and subject to the limitations, if any, contained in, paragraphs *(b)*, *(c)*, *(d)*, *(e)*, *(f)* and *(g)* with or without the endorsement of a chartered bank;

Deposits.

(l) accept from the Government of Canada, from the government of any province, from any chartered bank or from any bank to which the *Quebec Savings Banks Act* applies, deposits, which shall not bear interest;

(m) open accounts in a central bank in any other country or in the Bank for International Settlements and act as agent, depository or correspondent of central banks in other countries, the Bank for International Settlements, the International Monetary Fund and the International Bank for Reconstruction and Development;

(h) buy and sell or rediscount bills of exchange and promissory notes endorsed by a chartered bank, drawn or issued in connection with the production or marketing of products of agriculture, the forest, the quarry and mine, or the sea, lakes and rivers, as defined in the *Bank Act*, and having a maturity not exceeding one hundred and eighty days excluding days of grace from the date of acquisition by the Bank; and the Bank may by regulation limit to a percentage of its total assets the amount of such paper having a maturity in excess of ninety days excluding days of grace but not exceeding one hundred and eighty days excluding days of grace, from the date of acquisition by the Bank;

(i) make loans or advances for periods not exceeding six months to chartered banks or to banks incorporated under the *Quebec Savings Banks Act* on the pledge or hypothecation of the foregoing classes of securities, bills of exchange or promissory notes, or of Canadian municipal securities, or of securities issued by a school corporation or parish trustees, or of securities issued pursuant to the statutes of a province making provision for the payment thereof and the interest thereon by the province, or of gold or silver coin or bullion, or documents of title relating thereto;

(j) make loans or advances for periods not exceeding six months to the Government of Canada or the government of any province on the pledge or hypothecation of readily marketable securities issued or guaranteed by Canada or any province;

(k) make loans to the Government of Canada or the government of any province, but such loans outstanding at any one time shall not, in the case of the Government of Canada, exceed one-third of the estimated revenue of such government for its fiscal year, and shall not in the case of any provincial government exceed one-fourth of such government's estimated revenue for its fiscal year; and such loans shall be repaid before the end of the first quarter after the end of the fiscal year of such government;

(l) for the purpose of its open market operations, buy and sell in the open market from or to any person, either in or outside of Canada, securities, cable transfers, bankers' acceptances, and bills of exchange of the kinds and maturities defined in, and subject to the limitations, if any, contained in, paragraphs *(b)*, *(c)*, *(d)*, *(e)*, *(g)* and *(h)* with or without the endorsement of a chartered bank;

(m) accept from the Government of Canada or the government of any province or from any chartered bank or from any bank incorporated under the *Quebec Savings Banks Act* deposits which shall not bear interest;

Real estate.

(n) acquire by purchase or lease and hold real or immovable property for the actual use and occupation of the Bank in connection with its business and sell and dispose of the same;

Alteration of minimum cash reserve of chartered banks.

(o) alter the percentage of the deposit liabilities of chartered banks payable in Canadian currency that chartered banks are required by the *Bank Act* to maintain as a minimum average cash reserve during any month, but so that the percentage is not less than eight and not more than twelve; the Bank shall, not less than one month before the month in which any such alteration becomes effective, publish a notice of the alteration in the *Canada Gazette*, and the Bank shall not in any month increase the percentage by more than one;

Unclaimed deposits, etc.

(p) accept deposits of money that by the *Bank Act* or the *Quebec Savings Banks Act* are authorized or required to be transferred to the Bank, and, in accordance with the said Acts, pay interest on money so deposited and pay out money to any person entitled thereto under the said Acts; and

Incidental powers.

(q) do any other banking business incidental to or consequential upon the provisions of this Act and not prohibited by this Act.

Acquisition of collateral securities.

(2) The Bank may acquire from any chartered bank and hold any warehouse receipt, bill of lading and other security, held by such chartered bank pursuant to the provisions of the *Bank Act*, as security for the repayment of any bill of exchange or promissory note acquired by the Bank under subsection (1); and the Bank may exercise every right and remedy in respect of such security as could have been exercised by the chartered bank.

Publication of minimum interest rates on loans.

(3) The Bank shall at all times make public the minimum rate at which it is prepared to make loans or advances.

Prescription of unpaid claims.

(4) The Bank is not liable, and no action shall be taken, for or in respect of any unpaid debt or instrument in respect of which a chartered bank, or a bank to which the *Quebec Savings Banks Act* applies, has made a payment to the Bank under the *Bank Act* or the *Quebec Savings Banks Act*, or any claim against a liquidator in respect of the winding-up of a chartered bank the amount of which claim has been paid to the Minister and by the Minister to the Bank under the *Bank Act*, if the amount paid to the Bank was less than ten dollars, and

(a) in the case of a debt, the aggregate of

(i) the period immediately preceding the payment to the Bank during which no transaction took place on the books of the chartered bank, or bank to which the *Quebec Savings Banks Act* applies, and

(n) open accounts in a central bank in any other country or in the Bank of International Settlements and act as agent, depository or correspondent of such other central banks or the Bank for International Settlements;

(o) acquire by purchase or lease and hold real or immovable property for the actual use and occupation of the Bank in connection with its business and sell and dispose of the same; and

(p) do any other banking business incidental to or consequential upon the provisions of this Act and not prohibited by this Act.

(2) The Bank may acquire from any chartered bank and hold any warehouse receipt, bill of lading and other security, held by such chartered bank pursuant to the provisions of the *Bank Act*, as collateral security for the repayment of any bill of exchange or promissory note acquired by the Bank under subsection (1); and the Bank may exercise every right and remedy in respect of such collateral security as could have been exercised by the chartered bank aforesaid."

Paragraph *(c)* of subsection (1) removes the limitation imposed by former paragraph *(d)* of subsection (1).

Paragraph *(e)* of subsection (1) removes the limitation of six months so far as concerns Treasury Bills or other obligations of the United States of America.

Paragraph *(h)* of subsection (1):—

As a consequence of the amendment of the *National Housing Act* and the *Bank Act* to permit chartered banks to make mortgage loans, this amendment provides that the Bank of Canada may accept from chartered banks as security for advances mortgages or hypothecs held by the chartered banks. The same applies with respect to advances to Quebec Savings Banks.

Paragraph *(m)* of subsection (1) extends the powers formerly contained in paragraph *(n)* as shown by the underlined words.

Paragraph *(o)* of subsection (1) gives the Bank of Canada the power to alter the minimum cash ratio to be maintained by chartered banks within the limits of 8 per cent and 12 per cent of deposit liabilities payable in Canadian currency.

Paragraph *(p)* is complementary to the provision in the *Bank Act* revision.

Subsection (3) was formerly contained in subsection (4) of section 13.

Subsection (4) provides for the prescription of claims relating to unclaimed balances transferred from the chartered banks and the banks incorporated under the *Quebec Savings Banks Act* to the Bank of Canada if the amount is less than ten dollars and if thirty years has elapsed since dates of transfer. This amount so prescribed will be paid into the Consolidated Revenue Fund.

no statement of account was requested of or acknowledged to such bank by the former creditor, and

(ii) the period that has elapsed since the payment of the amount thereof to the Bank,

is not less than thirty years;

(b) in the case of an instrument, no payment has been made in respect thereof for a period of thirty years from the day it was issued or accepted; or

(c) in the case of a claim against a liquidator in respect of the winding-up of a chartered bank, a period of thirty years has elapsed since the last transaction took place on the books of the chartered bank or the last time a statement of account was requested of or acknowledged to the chartered bank by the former creditor, whichever is the later;

but an amount equal to the amount paid to the Bank in respect of the debt, instrument or claim shall, within two months after the end of the calendar year in which the said thirty-year period expired, be paid by the Bank without interest to the Receiver General of Canada and shall form part of the Consolidated Revenue Fund, and the Bank may destroy all records relating to the debt, instrument or claim."

8. (1) Subsection (1) of section 21 of the said Act is repealed and the following substituted therefor:

Sole right of note issue.

"**21.** (1) The Bank has the sole right to issue notes payable to bearer on demand and intended for circulation in Canada and such notes shall be a first charge upon the assets of the Bank."

(2) Subsection (6) of section 21 of the said Act is repealed.

9. Subsection (3) of section 22 of the said Act is repealed and the following substituted therefor:

Redemption of notes.

"(3) The Bank is responsible for the redemption of notes payable to bearer on demand that were issued and outstanding on the 11th day of March, 1935, and immediately prior to that day constituted a direct liability of Canada, and such notes are and continue to be legal tender.

Idem.

(4) The Bank is responsible for the redemption of notes issued by any chartered bank prior to the 1st day of January, 1950, and intended for circulation in Canada."

8. Subsections (1) and (6) of section 21 of the Act read as follows:

"**21.** (1) On and after the day on which the Bank is authorized to commence business the Bank shall, except as provided in the *Bank Act*, have the sole right to issue notes payable to bearer on demand and intended for circulation in Canada and may, subject to section 23, issue such notes to any amount; such notes shall be legal tender, and shall be the first charge upon the assets of the Bank."

"(6) The Bank shall not re-issue notes that are torn, partially defaced or soiled and provision may be made by the Bank for the disinfection and sterilization of notes before re-issue."

Subsection (1) of section (21) is a simplification of the former subsection (1).

9. Subsection (3) of section 22 of the Act reads as follows:

"(3) On and after the day on which the Bank is authorized to commence business the Bank is responsible for the redemption of all Dominion notes then issued and outstanding and such notes shall be and continue to be legal tender."

A specific date is substituted for "the day on which the Bank is authorized to commence business", and a specific description is given of Dominion notes.

Subsection (4) of section 22 is new but the substance is contained in subsection (8) of section 61 of the *Bank Act*.

10. Subsections (1) and (2) of section 23 of the said Act are repealed and the following substituted therefor:

Reserve.

"**23.** (1) The Bank shall maintain a reserve against its outstanding notes and deposit liabilities consisting of its holdings of gold coin and bullion and foreign exchange, and the amount of the reserve held in the form of gold coin and bullion shall always be not less than twenty-five per cent of the outstanding notes and deposit liabilities of the Bank.

"Foreign exchange" defined.

(2) For the purposes of this section "foreign exchange" means

(a) balances in pounds sterling, United States of America dollars and currencies that by law and in fact are convertible on demand at a fixed price into exportable gold, held in the Bank of England, the Federal Reserve Bank of New York, the Bank of International Settlements or a central bank in any country the currency of which is convertible as hereinbefore described,

(b) treasury bills or other obligations of the United Kingdom or the United States of America having a maturity not exceeding three months from the date of acquisition by the Bank, and

(c) bills of exchange having a maturity not exceeding ninety days, excluding days of grace, from the date of acquisition by the Bank, payable in pounds sterling, United States of America dollars or in a currency that by law and in fact is convertible on demand at a fixed price into exportable gold,

less any liabilities of the Bank payable in the currency of the United Kingdom, the United States of America, or any country whose currency is by law and in fact convertible on demand at a fixed price into exportable gold."

Repeal.

11. Section 24 of the said Act is repealed.

10. Subsections (1) and (2) of section 23 of the Act read as follows:

"**23.** (1) The Bank shall always maintain a reserve, as hereinafter provided, as security against its outstanding notes and deposit liabilities.

(2) The reserve required by this section to be maintained shall consist of gold coin and bullion in the unrestricted ownership of the Bank equal to an amount not less than twenty-five per cent of the notes and deposit liabilities aforesaid; and may in addition include

(a) silver bullion received from the Minister under section 25 of chapter 43 of the statutes of 1934 or purchased under the authority of subsection (4) of section 26 of chapter 43 of the statutes of 1934, valued at the market price of the fine silver content thereof; and

(b) foreign exchange, which means

(i) balances in pounds sterling, United States of America dollars and currencies that by law and in fact are convertible on demand at a fixed price into exportable gold, held in the Bank of England, the Federal Reserve Bank of New York, the Bank for International Settlements or a central bank in any country the currency of which is convertible as hereinbefore described,

(ii) treasury bills or other obligations of the United Kingdom or the United States of America having a maturity not exceeding three months from the date of acquisition by the Bank, and

(iii) bills of exchange having a maturity not exceeding ninety days, excluding days of grace, from the date of acquisition by the Bank, payable in pounds sterling, United States of America dollars or in a currency which by law and in fact is convertible on demand at a fixed price into exportable gold,

less any liabilities of the Bank payable in the currency of the United Kingdom, the United States of America, or any country whose currency is by law and in fact convertible on demand at a fixed price into exportable gold."

Subsections (1) and (2) are a rearrangement of the former subsections (1) and (2) with no change in substance except the deletion of paragraph *(a)* of the former subsection (2).

11. Section 24 of the Act reads as follows:

"**24.** (1) Every chartered bank shall maintain a reserve of not less than five per cent of such of its deposit liabilities as are payable in Canadian dollars, and such reserve shall consist of a deposit with the Bank and of notes of the Bank held by such bank.

(2) For the purposes of this section, every chartered bank shall make a return to the Bank to be signed by the chief accountant or acting chief accountant and by the general manager or acting general manager of such bank, showing the amount of such of its deposit liabilities as are payable in Canadian dollars and also the amount of its deposit with the Bank and the amount of the notes of the Bank held by such bank, at the end of each juridical day of the month last preceding the date of the return, and showing for the month the daily average anount of such deposit liabilities and of its deposit with the Bank and of the notes of the Bank held by such bank; such return shall be delivered or transmitted to the Bank at the same time as the return to the Minister, pursuant to section 112 of the *Bank Act*, is transmitted or delivered.

(3) The daily average amount of such of its deposit liabilities as are payable in Canadian dollars for each chartered bank shall be the basis of determining the amount of the reserve to be maintained by such bank during the month next following the month in which such return was made.

(4) Any chartered bank that knowingly makes default in complying with the requirements of this section is liable to a penalty at the rate of ten per cent per annum of the amount of deficiency for each day on which there is a deficiency in the amount of the reserve maintained by the chartered bank, and such penalty is payable to the Bank and recoverable by it by civil action.

(5) For the purposes of this section the Inspector General of Banks shall annually make such inspection of the books, accounts and documents of every chartered bank as he may deem necessary or expedient for the purpose of satisfying himself that the return required by subsection (2) is correct, and shall certify to the Bank whether in his opinion the said return is correct, and every chartered bank shall give the Inspector General access to the books, accounts and documents of the bank for such purpose; and if the Inspector General is obstructed or delayed in making the inspection, the chartered bank is guilty of an offence and liable on summary conviction to a fine of one hundred dollars for each and every day during which the obstruction or delay continues.

12. Section 28 of the said Act is repealed and the following substituted therefor:

Rest fund.

"**24.** The Bank shall establish a rest fund and after making such provision as the Board thinks proper for bad and doubtful debts, depreciation in assets, pension funds and all such matters as are properly provided for by banks, the ascertained surplus available from the operations of the Bank during each financial year shall be applied by the Board as follows:

(a) if the rest fund of the Bank is less than the paid-up capital, one-third of such surplus shall be allocated to the rest fund and the residue shall be paid to the Receiver General and placed to the credit of the Consolidated Revenue Fund;

(b) if the rest fund is not less than the paid-up capital, one-fifth of such surplus shall be allocated to the rest fund until the rest fund reaches an amount five times the paid-up capital and the residue shall be paid to the Receiver General and placed to the credit of the Consolidated Revenue Fund; and

(c) if the rest fund is not less than five times the paid-up capital the whole of such surplus shall be paid to the Receiver General and placed to the credit of the Consolidated Revenue Fund."

(6) In the event of the property and assets of the Bank being insufficient to pay its debts and liabilities, and if the Bank suspends payment of any of its liabilities, the deposit made hereunder by every chartered bank is hereby guaranteed, and the Governor in Council, on the recommendation of the Minister, shall authorize payment out of the Consolidated Revenue Fund of such moneys as may be necessary to implement such guarantee."

(7) Every bank incorporated under the *Quebec Savings Banks Act* shall maintain against its deposit liabilities such reserves in the form of notes of the Bank or deposits with the Bank or a chartered bank as may be deemed to be sufficient by the Bank and shall furnish such information as may be required by the Bank from time to time to satisfy that such reserves are so maintained."

Former section 24 contained provisions regarding reserves required to be maintained by the chartered banks, which provisions as amended will hereafter form part of the *Bank Act* rather than the *Bank of Canada Act*. The provisions relating to the banks incorporated under the *Quebec Savings Banks Act* will be contained in an amendment to that Act.

Sections 25, 26 and 27 of the Act were repealed by section 30 of the *Currency, Mint and Exchange Fund Act*, chapter 315 of the Revised Statutes of Canada, 1952.

12. Section 28 of the Act reads as follows:

"**28.** The Bank shall establish a rest fund and after making such provision as the Board thinks proper for bad and doubtful debts, depreciation in assets, pension funds and all such matters as are properly provided for by banks and after deducting an amount equal to four and one-half per cent of the paid-up capital that may be utilized for the payment of cumulative dividends at a rate of four and one-half per cent per annum, payable half-yearly, the ascertained surplus available from the operations of the Bank during each financial year shall be applied by the Board as follows:

(a) if the rest fund of the Bank is less than the paid-up capital, one-third of such surplus shall be allocated to the rest fund and the residue shall be paid to the Receiver General and placed to the credit of the Consolidated Revenue Fund;

(b) if the rest fund is not less than the paid-up capital but is less than twice the paid-up capital, one-tenth of such surplus shall be allocated to the rest fund and the residue shall be paid to the Receiver General and placed to the credit of the Consolidated Revenue Fund; and

(c) if the rest fund is not less than twice the paid-up capital, the whole of such surplus shall be paid to the Receiver General and placed to the credit of the Consolidated Revenue Fund."

This section removes the former provision relating to the payment of dividends on the paid-up capital of the Bank, and also provides for an increase of the rest fund from the present limit of twice the paid-up capital to a new limit of five times the paid-up capital, the increase to be allocated from profits.

Re-numbering.

13. (1) Sections 29 and 30 of the said Act are respectively re-numbered as sections 25 and 26.

(2) Subsection (1) of section 25 of the said Act, as re-numbered by this Act, is repealed and the following substituted therefor:

Appointment of auditors.

"**25.** (1) The Governor in Council shall, on the recommendation of the Minister, not later than the 31st day of January in each year, appoint two auditors eligible to be appointed as auditors of a chartered bank, but not being members of the same firm, to audit the affairs of the Bank, but if the same two persons or if members of the same two firms have been appointed under this section for two consecutive years, one such person or a member of his firm shall not be appointed for the period of two years next following the term for which he was last appointed."

Repeal and re-numbering.

14. (1) Subsection (2) of section 26 of the said Act, as re-numbered by this Act, is repealed and subsection (3) thereof is re-numbered as subsection (2).

(2) Subsections (4), (5) and (6) of the said section 26 are repealed and the following substituted therefor:

Monthly statement of assets and liabilities.

"(3) The Bank shall on or before the 7th day of each month make up and transmit to the Minister in the form of Schedule B a statement of its assets and liabilities on the last business day of the preceding month, and in addition shall provide in the form of Schedule C information regarding its investments in securities issued or guaranteed by Canada.

Declarations.

(4) Every return required under subsection (3) shall be accompanied by declarations, which shall be a part of the return, and the declarations, which shall be in the form set forth in Schedules B and C, shall be signed by the Chief Accountant or by the Acting Chief Accountant, and by the Governor or the Deputy Governor or the Assistant Deputy Governor.

Power to amend Schedules.

(5) The Governor in Council may from time to time as he deems necessary amend the form of Schedules B and C.

Publication of statements.

(6) A copy of each statement required under subsections (1) and (3) shall be published in the next succeeding issue of the *Canada Gazette*."

Re-numbering.

15. (1) Section 31 of the said Act is re-numbered as section 27.

(2) Subsections (2) and (3) of section 27 of the said Act, as re-numbered by this section, are repealed and the following substituted therefor:

13. Subsection 1 of section 29 reads as follows:

"29. (1) For the purpose of auditing the affairs of the Bank, the Governor in Council shall, on the recommendation of the Minister, not later than January 31st each year, appoint two auditors, eligible to be appointed as auditors of a chartered bank, but no person is eligible for appointment if he or any member of his firm has been auditor for two successive years during the three next preceding years."

The subsection as amended now follows the principle laid down in the *Bank Act* in respect to appointment of auditors for chartered banks (section 55, subsection 5 of the *Bank Act*). In view of the great increase in the volume of business of Bank of Canada and in its holdings of securities both for its own account and as manager of the public debt of Canada, it has become increasingly awkward to have a complete change of auditors every two years. For the sake of economy and efficiency, it is desirable that there should be continuity in respect of one of the auditors. This is also regarded as very desirable in the case of Industrial Development Bank whose affairs are audited by the two auditors appointed by the Governor in Council to audit the affairs of Bank of Canada (section 27, subsection 1, *Industrial Development Bank Act*).

14. (2) Section 30 of the Act reads as follows:

"**30.** (1) The Bank shall as soon as practicable after the close of business on Wednesday of each week, make up and transmit to the Minister in the form of Schedule B a statement of its assets and liabilities as at the close of business on that day.

(2) A copy of every such statement shall be published in the next succeeding issue of the *Canada Gazette*.

(3) The Bank shall also as soon as practicable after the close of business on Wednesday of each week, make up and transmit to the Minister a statement of the amount of its notes in circulation on each business day during the preceding seven day period.

(4) The Bank shall on or before the 7th day of each month make up and transmit to the Minister in the form of Schedule B a statement of its assets and liabilities on the last business day of the preceding month.

(5) Every return required under subsection (4) shall be accompanied by declarations, which shall be a part of the return, and the declarations shall be in the form set forth in Schedule B, and shall be signed by the Chief Accountant or by the Acting Chief Accountant, and by the Governor or the Deputy Governor or the Assistant Deputy Governor.

(6) The Governor in Council may from time to time, as he deems necessary, amend the form of Schedule B."

There are no changes of substance in subsections (1), (2) and (3). The form of Schedule B referred to in subsections (4), (5) and (6) is amended to delete former asset items 2 and 4 and to show a more detailed classification of investments. Schedule C is new and will provide further information regarding the Bank's holdings of Government of Canada securities.

15. (2) Subsections (2) and (3) of section 31 of the Act read as follows:

"(2) Within six weeks after the end of each fiscal year, the Bank shall transmit to the Minister a statement of its accounts for the fiscal year, signed by the Governor or the Deputy Governor or the Assistant Deputy Governor and the Chief Accountant or Acting Chief Accountant of the Bank, and certified by the auditors in the form prescribed by the by-laws of the Bank, together with such summary or report by the Governor as he may deem desirable or as may be required by the Minister.

Certified statements of accounts to Minister.

"(2) Within two months after the end of each financial year the Bank shall transmit to the Minister a statement of its accounts for the financial year, in the form prescribed by the by-laws of the Bank, signed by the Governor or the Deputy Governor or the Assistant Deputy Governor and the Chief Accountant or Acting Chief Accountant of the Bank, and certified by the auditors, together with such summary or report by the Governor as he may deem desirable or as may be required by the Minister, and a copy of the accounts so signed and certified shall forthwith be published in the *Canada Gazette*.

Report to Parliament.

(3) The Minister shall lay the copy of the accounts and Governor's report mentioned in subsection (2) before Parliament within fourteen days after the receipt thereof by him if Parliament is then sitting, or if Parliament is then not sitting, within fourteen days after the commencement of the next ensuing session."

Re-numbering.

16. Sections 32 to 36 of the said Act are respectively re-numbered as sections 28 to 32.

Repeal.

17. Section 37 of the said Act is repealed.

Re-numbering.

18. (1) Section 38 of the said Act is re-numbered as section 33.

Repeal and re-lettering.

(2) Paragraph (*a*) of subsection (1) of section 33 of the said Act, as re-numbered by this section, is repealed and paragraphs (*b*) to (*e*) of the said subsection are respectively re-lettered as paragraphs (*a*) to (*d*).

Repeal and substitution of Schedules.

19. Schedule B to the said Act is repealed and Schedules B and C as set out in the Schedule to this Act are substituted therefor.

Coming into force.

20. This Act shall come into force on a day to be fixed by proclamation of the Governor in Council.

(3) A copy of the accounts so signed and certified and of the Governor's report shall be forthwith published in the *Canada Gazette*, and if Parliament is then sitting, shall within fourteen days after the receipt thereof by the Minister be laid before Parliament, or if Parliament is not sitting, it shall be laid before Parliament within fourteen days after the commencement of the next ensuing session."

Subsection (2) provides a period of two months instead of six weeks within which the Bank shall transmit to the Minister its statement for the financial year. It also eliminates the requirement of the former subsection (3) that the Governor's report be published in the *Canada Gazette*.

17. Section 37 of the Act reads as follows:

"**37.** All moneys required to be expended in connection with the organization of the Bank before the day on which the Bank is authorized to commence business not exceeding one hundred thousand dollars, or in connection with the issue of increased capital stock, shall be paid out of any unappropriated moneys in the Consolidated Revenue Fund, and shall be recoverable from the Bank as a debt due to the Crown at any time after the Bank has been authorized to commence business."

The former provisions regarding payment of organization expenses are repealed as no longer applicable.

18. Paragraph *(a)* of subsection (1) of section 38 of the Act reads as follows:

"**38.** (1) The Board, with the approval of the Governor in Council, may make by-laws not repugnant to the provisions of this Act with respect to
(a) the declaration and payment of dividends;

The repeal of paragraph *(a)* of subsection (1) is consequent upon the amendment of the former section 28.

19. Schedule B to the said Act, as it stands at present, is printed opposite the proposed new Schedule B.

SCHEDULE B.

BANK OF CANADA

Statement of Assets and Liabilities

as at , 19 .

ASSETS—

1. GOLD COIN AND BULLION.....
2. FOREIGN EXCHANGE:
   (a) Pounds Sterling and U.S.A. Dollars.....
   (b) Other currencies....
   Total.....
3. BILLS DISCOUNTED.....
4. ADVANCES TO:
   (a) Government of Canada.....
   (b) Provincial Governments.....
   (c) Chartered and Savings Banks.....
   Total.....
5. BILLS BOUGHT IN OPEN MARKET Not including Treasury Bills
6. INVESTMENTS
   (a) Treasury Bills of Canada.....
   (b) Other securities issued or guaranteed by Canada maturing within two years.....
   (c) Other securities issued or guaranteed by Canada not maturing within two years.....
   (d) Securities issued or guaranteed by a province of Canada
   (e) Bonds and debentures issued by Industrial Development Bank.....
   (f) Other securities....
   Total.....
7. INDUSTRIAL DEVELOPMENT BANK: Total Share Capital at cost.....
8. BANK PREMISES.....
9. ALL OTHER ASSETS.....

TOTAL.....

LIABILITIES—

1. CAPITAL PAID UP.....
2. REST FUND.....
3. NOTES IN CIRCULATION.....
4. DEPOSITS—
   (a) Government of Canada.....
   (b) Provincial Governments.....
   (c) Chartered Banks...
   (d) Other.....
   Total.....
5. LIABILITIES PAYABLE IN POUNDS STERLING, U.S.A. DOLLARS AND OTHER FOREIGN CURRENCIES:
   (a) To Government of Canada.....
   (b) To Others.....
   Total.....
6. ALL OTHER LIABILITIES.....

TOTAL.....

"SCHEDULE B.

BANK OF CANADA

Statement of Assets and Liabilities

as at , 19 .

LIABILITIES—		ASSETS—	
1. CAPITAL PAID UP	.....	1. GOLD COIN AND BULLION	.....
2. REST FUND	.....	2. SILVER BULLION	.....
3. NOTES IN CIRCULATION	.....	3. FOREIGN EXCHANGE:	
4. DEPOSITS—		(a) Pounds Sterling and U.S.A. Dollars	....
(a) Government of Canada	.....	(b) Other Currencies	....
(b) Provincial Governments	.....	Total	.....
(c) Chartered Banks	...	4. SUBSIDIARY COIN	.....
(d) Other	.....	5. BILLS DISCOUNTED	.....
Total	.....	6. ADVANCES TO:	
5. LIABILITIES PAYABLE IN POUNDS STERLING, U.S.A. DOLLARS AND OTHER FOREIGN CURRENCIES:		(a) Government of Canada	.....
(a) To Government of Canada	.....	(b) Provincial Governments	.....
(b) To Others	.....	(c) Chartered and Savings Banks	.....
Total	.....	Total	.....
6. ALL OTHER LIABILITIES	.....	7. BILLS BOUGHT IN OPEN MARKET Not including Treasury Bills	
		8. INVESTMENTS	
		(a) Short term securities issued or guaranteed by Government of Canada or any Provincial Government.	
		(b) Other securities issued or guaranteed by Government of Canada or any Provincial Government.	
		(c) Other securities	....
		Total	.....
		9. INDUSTRIAL DEVELOPMENT BANK: Total Share Capital at cost	.....
		10. BANK PREMISES	.....
		11. ALL OTHER ASSETS	.....
TOTAL	.....	TOTAL	.....

I declare that the foregoing return is correct according to the books of the Bank.

E.F.,

Chief Accountant (or acting Chief Accountant).

I declare that the foregoing return is to the best of my knowledge and belief correct, and shows truly and clearly the financial position of the Bank, as required by section 26 of the *Bank of Canada Act*.

Place this day of , 19 .

A.B.,

Governor (or Deputy Governor or Assistant Deputy Governor).

SCHEDULE C.

BANK OF CANADA

1. Maturity distribution of investments in securities issued or guaranteed by Canada not maturing within two years (item 6 (c) of Schedule B)

(a) Securities maturing in over 2 years but not over 5 years

(b) Securities maturing in over 5 years but not over 10 years

(c) Securities maturing in over 10 years

2. Total amount of securities included in items 6 (a), (b) and (c) of Schedule B held under purchase and resale agreements.

I declare that the foregoing return is correct according to the books of the Bank.

E.F.,

Chief Accountant (or acting Chief Accountant).

I declare that the foregoing return is to the best of my knowledge and belief correct, and shows truly and clearly the financial position of the Bank, as required by section 30 of the *Bank of Canada Act*.

Place this day of , 19.

A.B.,

Governor (or Deputy Governor or Assistant Deputy Governor)."

313

First Session, Twenty-Second Parliament, 2–3 Elizabeth II, 1953-54.

THE SENATE OF CANADA

313

BILL ~~K~~[10].

An Act respecting The Dominion Fire Insurance Company.

AS PASSED BY THE SENATE, 24th FEBRUARY, 1954.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

84488

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE SENATE OF CANADA

BILL K[10].

An Act respecting The Dominion Fire Insurance Company.

Preamble.

1904, c. 73.
1907, c. 82.
1920, c. 87.
1923, c. 85.
1928, c. 69.
1929, c. 76.

WHEREAS The Dominion Fire Insurance Company, a corporation incorporated by chapter 73 of the statutes of 1904, as amended by chapter 82 of the statutes of 1907, chapter 87 of the statutes of 1920, chapter 85 of the statutes of 1923, chapter 69 of the statutes of 1928, and chapter 76 of the statutes of 1929, has by its petition prayed that it be enacted as hereinafter set forth, and it is expedient to grant the prayer of the petition; Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Name changed.

1. The name of "The Dominion Fire Insurance Company", hereinafter called "the Company", is hereby changed to "The Dominion Insurance Corporation", but such change in name shall not in any way impair, alter or affect the rights or liabilities of the Company, nor in any way affect any suit or proceeding now pending, or judgment existing, either by, or in favour of, or against the Company, which, notwithstanding such change in the name of the Company, may be prosecuted, continued, completed and enforced as if this Act had not been passed.

Rights saved.

Explanatory Note.

The change in name is desired because the volume of other kinds of insurance in addition to fire insurance being written by the company is such that the word "Fire" in the name of the company is no longer indicative of the operations of the company.

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE SENATE OF CANADA

325

BILL ~~D~~[10].

An Act to authorize Niagara Gas Transmission Limited to construct, own and operate an extra-provincial pipe line.

AS PASSED BY THE SENATE, 2nd MARCH, 1954.

EDMOND CLOUTIER, C.M.G.,O .A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

85545

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE SENATE OF CANADA

BILL D[10].

An Act to authorize Niagara Gas Transmission Limited to construct, own and operate an extra-provincial pipe line.

Preamble.

WHEREAS Niagara Gas Transmission Limited has by petition prayed that it be enacted as hereinafter set forth and it is expedient to grant the prayer of the petition: Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Construction and operation of extra-provincial pipe line.

1. Niagara Gas Transmission Limited, a company incorporated by Letters Patent issued under and pursuant to the provisions of *The Companies Act* of the province of Ontario on the 19th day of September, 1950, is authorized to construct, own and operate an extra-provincial pipe line as defined in the *Pipe Lines Act*, chapter 211 of the Revised Statutes of Canada, 1952.

Pipe Lines legislation to apply.

2. The Company shall have all the powers, privileges and immunities conferred by, and be subject to all the limitations, liabilities and provisions of, the *Pipe Lines Act* and any other general legislation relating to pipe lines enacted by Parliament with respect to the transportation of natural and artificial gas and other gaseous or liquid hydrocarbons.

Explanatory Note.

The amendment to the *Pipe Lines Act* which came into force on December 16, 1953, requires a company to be authorized by a Special Act of Parliament before constructing or operating any new extra-provincial pipe line, as defined in the amendment. The purpose of this Bill is to confer such authority upon Niagara Gas Transmission Limited, a company incorporated in 1950 for the purpose of constructing and operating a pipe line for the transportation of natural gas from the international boundary in the Niagara River to the environs of the city of Toronto.

Section 1 of the Bill authorizes the Company to construct, own and operate an extra-provincial pipe line.

Section 2 provides that the Company is to have the powers and be subject to the limitations contained in any general legislation relating to oil or gas pipe lines with the result that in the construction and operation of its proposed pipe line the Company will become subject to the jurisdiction of the Board of Transport Commissioners.

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 326.

An Act to amend the Vocational Training Co-ordination Act.

First reading, March 3, 1954.

THE MINISTER OF LABOUR.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

85936

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 326.

An Act to amend the Vocational Training Co-ordination Act.

R.S., c. 286.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1. (1) Paragraphs *(a)* and *(b)* of subsection (1) of section 3 of the *Vocational Training Co-ordination Act*, chapter 286 of the Revised Statutes of Canada, 1952, are repealed and the following substituted therefor:

Minister may undertake projects.

"*(a)* to fit persons for employment for any purpose contributing to the defence of Canada whether in industry or in the armed forces;

(b) to fit for any gainful employment former members of Her Majesty's Canadian Forces or former members of any of Her Majesty's Forces who were at the time of enlistment domiciled in Canada or any other persons with respect to whom authority for the granting of vocational training is vested in the Minister of Veterans Affairs, if such former members or other persons are approved for such training by such Minister;"

(2) Subsection (1) of section 3 of the said Act is further amended by deleting the word "and" at the end of paragraph *(c)* thereof, by adding the word "and" at the end of paragraph *(d)* thereof and by adding thereto the following paragraph:

"*(e)* to fit persons for employment for any purpose in the national interest that is within the legislative authority of the Parliament of Canada and is approved by the Governor in Council."

2. (1) Subsection (1) of section 4 of the said Act is amended by deleting the word "and" at the end of paragraph *(d)* thereof, by repealing paragraph *(e)* thereof and by substituting the following therefor:

Explanatory Notes.

The purpose of the Bill is to revise the provisions of the *Vocational Training Co-ordination Act*, which was enacted in 1942, in the light of present day requirements for defence and other purposes, including authority to enter into agreements with the provinces to provide assistance for rehabilitation training of disabled persons. The Bill also provides for increase in the number of members on The Vocational Training Advisory Council, for a per diem allowance for members of the Council to be fixed by the Governor in Council, and extension of the time for making the annual report.

1. (1) The present paragraphs *(a)* and *(b)* of subsection (1) of section 3 of the Act read as follows:

> "**3.** (1) The Minister may undertake projects to provide vocational training
> *(a)* to fit persons for employment for any purpose contributing to the *efficient prosecution of the war* whether in industry or in the armed forces;
> *(b)* to fit for any gainful employment former members of His Majesty's Canadian Forces or former members of any of His Majesty's Forces who were at the time of enlistment domiciled in Canada or any other persons with respect to whom authority for the granting of vocational training is vested in the Minister of *National Health and Welfare*, if such former members or other persons are approved for such training by such Minister;"

The amendment to paragraph *(a)* provides for training for defence purposes.

The amendment to paragraph *(b)* is necessary as the authority for granting vocational training is now vested in the Minister of Veterans Affairs.

(2) The additional paragraph *(e)* is to provide authority under the Act for other types of training within the authority of Parliament.

2. (1) The present paragraph *(e)* of subsection (1) of section 4 of the Act reads as follows:

> "**4.** (1) The Minister may, with the approval of the Governor in Council, enter into an agreement covering any period with any province to provide financial assistance for

"*(e)* the development and carrying on of vocational training on a level equivalent to secondary school level;

(f) any training project for the purpose of rehabilitating disabled persons or fitting them for gainful employment; and

(g) any training project to increase the skill or efficiency of persons engaged in agriculture, forestry, mining, fishing or in any other primary industry in Canada, or in homemaking."

(2) Subsection (2) of section 4 of the said Act is repealed and the following substituted therefor:

Percentage of cost.

"(2) No agreement made in respect of any of the matters set out in paragraphs *(b)* to *(g)* of subsection (1) shall provide for payment to a province of a percentage of the cost of any project, including the cost of any training facilities connected therewith, in excess of the percentage of such cost contributed by the province."

3. (1) Subsection (1) of section 6 of the said Act is repealed and the following substituted therefor:

Chairman and members.

"**6.** (1) The Council shall consist of a Chairman and not more than twenty other members."

(2) Subsection (9) of section 6 of the said Act is repealed and the following substituted therefor:

Travelling expenses and per diem allowance.

"(9) The members of the Council shall serve without salary but each member shall be paid his actual travelling expenses that have been incurred with the approval of the Minister in connection with the work of the Council, and may, with the approval of the Minister be paid a per diem allowance fixed by the Governor in Council for each day he is necessarily absent from his home in connection with such work.

Alternate members.

(10) The Governor General in Council may appoint an alternate member for each member of the Council to hold office for such period, not exceeding three years, as may be determined by the Governor in Council; the alternate member shall be representative of the same group of persons or interests as the member for whom he is appointed as alternate and may, at the request and in the absence of the member for whom he is an alternate, act in the stead of that member, and whenever an alternate member so acts he shall, for all purposes, be deemed to be a member of the Council."

(e) the development and carrying on *after the present war* of vocational training on a level equivalent to secondary school level."

The amendment to paragraph *(e)* deletes the words "after the present war" as no longer necessary.

The additional paragraph *(f)* provides authority for the completion of agreements with the provinces with respect to rehabilitation training of disabled persons.

The additional paragraph *(g)* provides authority for the completion of agreements with the provinces with respect to training projects as therein described.

(2) The present subsection (2) of section 4 of the Act reads as follows:

"**4.** (2) No agreement made in respect of any of the matters set out in paragraphs *(b)* to *(e)* of subsection (1) shall provide for payment to the province of a percentage of the cost of any *vocational training* project, including the cost of the training facilities, in excess of the percentage of such cost contributed by the province."

The amendment to subsection (2) is consequential upon the amendments to subsection (1) of section 4.

3. (1) The present subsection (1) of section 6 of the Act reads as follows:

"**6.** (1) The Council shall consist of a Chairman and not more than *sixteen* members."

The amendment to subsection (1) provides for additional membership on the Council.

(2) The present subsection (9) of section 6 of the Act reads as follows:

"**6.** (9) The members of the Council shall serve without salary but each member shall *receive* his actual travelling expenses that have been incurred with the approval of the Minister in connection with the work of the Council and a per diem allowance *of ten dollars* for each day he is necessarily absent from his home in connection with such work."

The amendment to subsection (9) provides for the payment of per diem allowance rates to members of the Advisory Council in such amount as may be fixed by the Governor in Council.

The additional subsection (10) is added to provide for the appointment of alternate members to The Vocational Training Advisory Council.

4. Section 9 of the said Act is repealed and the following substituted therefor:

Officers, clerks and employees.

"**9.** There may be appointed in the manner authorized by law such officers, clerks and other employees as are necessary for the administration of this Act."

5. Section 11 of the said Act is repealed and the following substituted therefor:

Annual report.

"**11.** The Minister shall as soon as possible, but in any case within one hundred and twenty days after the termination of each fiscal year, prepare an annual report on the work done, moneys expended and obligations contracted under this Act and shall upon completion thereof lay such report before Parliament if Parliament is then sitting or if Parliament is not then sitting, on any of the first fifteen days next thereafter that Parliament is sitting."

To be laid before Parliament.

4. The present section 9 of the Act reads as follows:

"**9.** A supervisor of training and such officers, clerks and other employees necessary for the administration of this Act shall be appointed in the manner authorized by law."

The amendment to section 9 deletes the reference to supervisor of training as it is considered to be included in the word "officers".

5. The present section 11 of the Act reads as follows:

"**11.** The Minister shall as soon as possible, but in any case within *sixty days* after the termination of each fiscal year, prepare an annual report on the work done, moneys expended and obligations contracted under this Act and shall upon completion thereof lay such report before Parliament if Parliament is then sitting or if Parliament is not then sitting, *within fifteen days after Parliament is next assembled.*"

The amendment to section 11 extends the time limit for submitting the annual report so that a more complete record of accounts may be contained in the report.

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 338.

An Act respecting Banks and Banking.

First reading, March 4, 1954.

THE MINISTER OF FINANCE.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

87846

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 338.

An Act respecting Banks and Banking.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

SHORT TITLE.

Short title.

1. This Act may be cited as the *Bank Act.*

INTERPRETATION.

Definitions.

2. (1) In this Act,

"Agricultural equipment."

(a) "agricultural equipment" means implements, apparatus, appliances and machinery, of any kind usually affixed to real or immovable property, for use on a farm, but does not include a farm electric system;

"Agricultural implements."

(b) "agricultural implements" means tools, implements, apparatus, appliances and machines, of any kind not usually affixed to real or immovable property, for use on or in connection with a farm, and vehicles for use in the business of farming and, without limiting the generality of the foregoing, includes plows, harrows, drills, seeders, cultivators, mowing machines, reapers, binders, threshing machines, combines, tractors, movable granaries, trucks for carrying products of agriculture, cream separators, churns, washing machines, spraying apparatus, incubators, milking machines, refrigerators and heating and cooking appliances for farming operations or use in the farm home of a kind not usually affixed to real or immovable property;

"Bank."

(c) "bank" means a bank to which this Act applies;

"Bill of lading."

(d) "bill of lading" includes all receipts for goods, wares and merchandise, accompanied by an undertaking to move them from the place where they were received to some other place, by any means whatever;

(d) "bill of lading" includes all receipts for goods, wares and merchandise accompanied by an undertaking

(i) to move the goods, wares and merchandise from the place where they were received to some other place, by any means whatever, or

(ii) to deliver at a place other than the place where the goods, wares and merchandise were received a like quantity of goods, wares and merchandise of the same or a similar grade or kind;

Explanatory Notes

This Bill is the decennial revision of the *Bank Act*. The charters of the present banks will expire under the present Act on July 1st, 1954. Under the terms of the Bill, the banks will be empowered to carry on business for a further ten years.

The italicized references below are references to the corresponding provisions of the present Act.

1. *Section 1.*

2. (1) *(a)* to *(d)*. *Section 2 (a) (b) (d) (e).*

"Branch." *(e)* "branch" includes an agency, the head office and any other office of the bank;

"Corporation controlled by the bank." *(f)* "corporation controlled by the bank" means a corporation more than fifty per cent of the issued capital stock of which (having full voting rights under all circumstances) is owned by the bank;

"Farm." *(g)* "farm" means land in Canada used for the purpose of farming, which term includes live stock raising, dairying, fruit growing and all tillage of the soil;

"Farm electric system." *(h)* "farm electric system" includes all machinery, apparatus and appliances for the generation or distribution of electricity on a farm whether or not affixed to real or immovable property;

"Farmer." *(i)* "farmer" includes the owner, occupier, landlord and tenant of a farm;

"Fish." *(j)* "fish" includes shell fish, crustaceans and marine animals;

"Fisherman." *(k)* "fisherman" means a person whose business consists in whole or in part of fishing;

"Fishing." *(l)* "fishing" means fishing for or catching fish by any method;

"Fishing equipment and supplies." *(m)* "fishing equipment and supplies" includes equipment, apparatus, appliances and supplies for use in the operation of a fishing vessel and not forming part thereof, or for use in fishing, and without restricting the generality of the foregoing, includes detachable engines and machinery, lines, hooks, trawls, nets, anchors, traps, bait, salt, fuel and stores;

"Fishing vessel." *(n)* "fishing vessel" includes any ship or boat or any other description of vessel for use in fishing and equipment, apparatus and appliances for use in the operation thereof and forming part thereof, or any share or part interest therein;

"Goods, wares and merchandise." *(o)* "goods, wares and merchandise" includes products of agriculture, products of the forest, products of the quarry and mine, products of the sea, lakes and rivers, and all other articles of commerce;

"Grain." *(p)* "grain" includes wheat, oats, barley, rye, corn, buckwheat, flax, beans, and all kinds of seeds;

"Hydrocarbons." *(q)* "hydrocarbons" means solid, liquid or gaseous hydrocarbons, and without restricting the generality of the foregoing, includes oil-bearing shale, tar sands, crude oil, petroleum and natural gas;

"Inspector." *(r)* "Inspector" means the Inspector General of Banks appointed under this Act;

"Live stock." *(s)* "live stock" includes

(i) horses and other equines,

(ii) cattle, sheep, goats and other ruminants, and

(iii) swine, poultry and fur-bearing animals;

(e) New.

(f) New.

(g) to *(p)*.—*(h)* to *(q)*.

(q) New.

(s) New.

"Manufacturer."

(t) "manufacturer" includes any person who manufactures or produces by hand, art, process or mechanical means any goods, wares and merchandise and, without limiting the generality of the foregoing, includes a manufacturer of logs, timber or lumber, maltster, distiller, brewer, refiner and producer of petroleum, tanner, curer, packer, canner and bottler;

"Minister."

(u) "Minister" means the Minister of Finance;

"President."

(v) "president" does not include an honorary president;

"Products of agriculture."

(w) "products of agriculture" includes

(i) grain, hay, roots, vegetables, fruits, other crops and all other direct products of the soil, and

(ii) honey, maple products, live stock (whether alive or dead), dairy products, eggs and all other indirect products of the soil;

"Products of the forest."

(x) "products of the forest" includes

(i) logs, bark, pulpwood, piling, spars, railway ties, poles, pit props and all other timber,

(ii) boards, laths, shingles, deals, staves and all other lumber, and

(iii) skins and furs of wild animals;

"Products of the quarry and mine."

(y) "products of the quarry and mine" includes stone, clay, sand, gravel, metals, ores, coal, salt, precious stones, metalliferous and non-metallic minerals and hydro-carbons, whether obtained by excavation, drilling or otherwise;

"Products of the sea, lakes and rivers."

(z) "products of the sea, lakes and rivers" includes fish of all kinds, marine and fresh water organic and inorganic life and any substances extracted or derived from any water;

"Recorded address."

(aa) "recorded address" means

(i) in relation to a person as a shareholder, his last known post office address according to the share register of the bank, and

(ii) in relation to a person in any other respect, his last known post office address according to the records of the branch concerned;

"Securities."

(ab) "securities" includes

(i) bonds, debentures and obligations of or guaranteed by governments, corporations or unincorporated bodies, whether such corporations and unincorporated bodies are governmental, municipal, school, ecclesiastical, commercial or other, secured on real or personal, immovable or movable property or unsecured, and rights in respect of such bonds, debentures and obligations,

(ii) shares of capital stock of corporations and rights in respect of such shares,

(t) to *(z)*—*(s)* to *(w)*.

(aa) New.

(ab) New.

(iii) equipment trust certificates or obligations, and
(iv) all documents, instruments and writings commonly known as securities,

whether issued within or outside Canada;

"Warehouse receipt."

(ac) "warehouse receipt" includes

(i) any receipt given by any person for goods, wares and merchandise in his actual, visible and continued possession as bailee thereof in good faith and not as of his own property,

(ii) receipts given by any person who is the owner or keeper of a harbour, cove, pond, wharf, yard, warehouse, shed, storehouse or other place for the storage of goods, wares and merchandise, for goods, wares and merchandise delivered to him as bailee, and actually in the place or in one or more of the places owned or kept by him, whether such person is engaged in other business or not,

(iii) receipts given by any person in charge of logs or timber in transit from timber limits or other lands to the place of destination of such logs or timber,

(iv) Lake Shippers Clearance Association receipts and all documents recognized by the *Canada Grain Act* as warehouse receipts, and

(v) receipts given by any person for any hydrocarbons received by him as bailee, whether his obligation to restore requires delivery of the same hydrocarbons or may be satisfied by delivery of a like quantity of hydrocarbons of the same or a similar grade or kind.

Products and by-products.

(2) For the purposes of this Act, each thing included in paragraphs *(s)*, *(w)*, *(x)*, *(y)* and *(z)* of subsection (1) comprises that thing in any form or state and any part thereof and any product or by-product thereof or derived therefrom.

Public notice, how given.

3. (1) Where by this Act any public notice is required to be given the notice shall, unless otherwise specified, be given by advertisement

(a) in one or more newspapers published at the place where the head office of the bank is situate, and

(b) in the *Canada Gazette*.

Sufficiency of publication.

(2) Where by this Act a notice is required to be published in a newspaper for four weeks or any longer period, publication each week in a weekly newspaper, or once a week during the period in a newspaper published more frequently, is a sufficient publication for the purposes of this Act.

Notice of call.

(3) Where by this Act notice of any call is required to be given to the shareholders the notice is, unless otherwise specified, sufficiently given by mailing the notice, registered and post paid, to the recorded address of the respective shareholders at least thirty days prior to the day on which the call is payable.

(ac)—(z).

(2) New.

3. *Section 3.*

APPLICATION.

Banks to which Act applies.

4. This Act applies to

(a) each bank enumerated in Schedule A,

(b) an amalgamated bank as specified in subsection (5) of section 100,

and does not apply to any other bank.

Act is charter.

5. Each bank enumerated in Schedule A is a body politic and corporate and this Act is its charter.

Duration of authority to carry on business.

6. Subject to this Act,

(a) if Parliament sits on at least twenty days during the month of June, 1964, the bank may carry on the business of banking until the 1st day of July, 1964, and no longer, and

(b) if Parliament does not sit on at least twenty days during the month of June, 1964, the bank may carry on the business of banking until the sixtieth sitting day of Parliament next thereafter, and no longer.

Head office and capital stock.

7. Subject to this Act, the authorized capital stock of the bank divided into shares of ten dollars each, the name of the bank, the additional name under which it is authorized to carry on business, and the place where its head office is situate, shall be as specified in Schedule A with respect to the bank.

INCORPORATION AND ORGANIZATION OF BANKS.

Particulars of Act of incorporation.

8. The authorized capital stock of the bank, the name of the bank, the additional name under which it is authorized to carry on business, the place where its head office is to be situated, and the names of the provisional directors, shall be declared in the Act of incorporation of the bank.

Form thereof.

9. Except as provided in this Act, an Act of incorporation of a bank in the form set forth in Schedule B shall be construed to confer upon the bank thereby incorporated all the powers, privileges and immunities, and to subject it to all the liabilities and provisions set forth in this Act.

Capital stock and shares.

10. The authorized capital stock of the bank shall not be less than one million dollars, and shall be divided into shares of ten dollars each.

Provisional directors.

11. (1) The number of provisional directors shall be not less than five.

4. *Section 4*

5. *Section 5.*

6. New.

7. *Section 5 (2).*

8. *Section 8.*

9. *Section 9.*

10. *Section 10.*

11. *Section 11.*

Qualification.

(2) A person is not eligible to be a provisional director unless he is a subscriber of stock of the bank for and on his own behalf, so as to become the absolute and sole owner in his individual right of such stock, and not as trustee or in the right of another, on which subscription not less than

(a) three thousand dollars have been paid up, when the paid-up capital stock of the bank is one million dollars or less,

(b) four thousand dollars have been paid up, when the paid-up capital stock of the bank is over one million dollars and does not exceed three million dollars, or

(c) five thousand dollars have been paid up, when the paid-up capital stock of the bank exceeds three million dollars;

except that in the case of not more than one-quarter of the number of provisional directors the minimum requirements of subscriptions to stock in paragraphs *(a)*, *(b)* and *(c)* shall be reduced to fifteen hundred dollars, two thousand dollars and twenty-five hundred dollars respectively.

Tenure of office.

(3) The provisional directors hold office until directors are elected by the subscribers to the stock as provided in this Act.

Opening of stock books.

12. (1) For the purpose of organizing the bank, the provisional directors shall, after giving ten days' public notice thereof, cause stock books to be opened, in which shall be recorded the subscriptions of the persons who have subscribed for shares of the capital stock of the bank.

Where.

(2) The stock books shall be opened at the place where the head office of the bank is to be situated, and elsewhere in the discretion of the provisional directors.

Particulars entered.

(3) Each subscriber shall, at the time of subscription, give his post office address and description, and these particulars shall appear in the stock books in connection with the name of the subscriber and the number of shares subscribed for.

Time stock books open.

(4) The stock books may be kept open for such time as the provisional directors deem necessary.

Recovery of unpaid subscriptions.

(5) In case of the non-payment of any instalment or other sum payable by a subscriber on account of his subscription, the provisional directors may, in the corporate name of the bank, sue for, recover, collect and get in any such instalment or sum.

First meeting of subscribers.

13. (1) When, in accordance with this Act,

(a) a sum of not less than one million dollars of the capital stock of the bank has been subscribed,

(b) payments in money on account of the subscriptions, making a total of not less than five hundred thousand dollars, have been made by the subscribers, and

12. *Section 12.*

13. *Section 13.*

(c) the provisional directors have out of the subscriptions paid to the Minister the sum of five hundred thousand dollars,

the provisional directors shall, by public notice published for at least four weeks and by notice mailed to each subscriber at his recorded address at least ten days prior to the date of the meeting, call a meeting of the subscribers, to be held at the place named in the Act of incorporation as the head office of the bank, at such time and at such place as is set forth in the notice.

When subscription deemed to be made.

(2) For the purposes of subsection (1), a subscription shall be deemed not to have been made unless and until payment in money equal to at least ten per cent of the amount subscribed has been made on account of such subscription by the subscriber, and such payment, with the date thereof, shall be entered on the stock books opposite to such subscription.

Business at first meeting.

(3) The subscribers shall, at the first meeting,

(a) determine the day upon which the first annual general meeting of the shareholders is to be held,

(b) elect such number of duly qualified directors, not less than five, as they think necessary, to hold office until the first annual general meeting of the shareholders, and

(c) provide for the method of filling vacancies in the board of directors until the first annual general meeting of the shareholders,

and each subscriber is entitled at such meeting to one vote for each ten dollars paid on account of his subscription.

Provisional directors cease.

(4) Upon the election of directors in accordance with this section the provisional directors cease to hold office.

Permission to commence business.

14. (1) The bank shall not commence the business of banking until it has obtained from the Treasury Board a certificate permitting it to do so.

No certificate until directors elected.

(2) No application for the certificate shall be made until directors have been elected in accordance with this Act.

Statement of payments by provisional directors.

15. (1) At the time of the application for the certificate there shall be submitted to the Treasury Board a sworn statement setting forth the several sums of money paid or to be paid by the bank in connection with the incorporation and organization of the bank.

To what limited.

(2) Prior to the time at which the certificate is given no payments on account of incorporation and organization expenses shall be made out of moneys paid in by subscribers except reasonable sums for the payment of clerical assistance, legal services, office expenses, advertising, stationery, postage and expenses of travel, if any.

14. *Section 14.*

15. *Section 15 (1) (2).*

When certificate may be granted.

16. (1) No certificate shall be given by the Treasury Board until it has been shown to the satisfaction of the Treasury Board, by affidavit or otherwise, that

(a) the directors have been duly elected,

(b) the provisions of this Act relating to subscription and payment for capital stock have been complied with,

(c) the payment required by this Act to be made to the Minister has been made and that the sum so paid is then held by the Minister,

(d) all requirements of this Act antecedent to the granting of the certificate have been complied with, and

(e) the expenses of incorporation and organization to be borne by the bank are reasonable.

Within one year.

(2) No certificate shall be given by the Treasury Board except within one year from the passing of the Act of incorporation of the bank applying for the certificate.

If certificate not granted, powers to cease.

17. (1) If the bank does not obtain a certificate from the Treasury Board within one year from the time of the passing of its Act of incorporation, all the rights, powers and privileges conferred on the bank by its Act of incorporation thereupon cease and determine, and are of no force or effect.

Ordinary disbursements allowed, but other expenses subject to resolution.

(2) If subscriptions have in whole or in part been paid, but no certificate from the Treasury Board has been obtained within the time limited by subsection (1), no part of the money so paid, or interest earned thereon, shall be disbursed for commissions, salaries, charges for services or for other purposes, except a reasonable amount for payment of clerical assistance, legal services, office expenses, advertising, stationery, postage and expenses of travel, if any, unless it is so provided by resolution of the subscribers at a meeting convened after notice, at which the greater part of the money so paid is represented by subscribers or by proxies of subscribers; and each subscriber is entitled at such a meeting to one vote for each ten dollars paid on account of his subscription.

Application to court to settle disbursements.

(3) If the amount allowed by the resolution for the disbursements mentioned in subsection (2) is deemed insufficient by the directors, or if no resolution for such purpose is passed after a meeting has been duly called, the directors may apply to a judge of any superior or county court having jurisdiction where the head office of the bank is fixed by its Act of incorporation, to settle and determine the amounts to be disbursed out of such money and interest, if any, before distribution of the balance to the subscribers.

16. *Section 15 (3) (4).*

17. *Section 16.*

Notice of meeting and application to court.

(4) Notice of the meeting and notice of the application referred to in subsections (2) and (3) respectively shall be given by sending the notice by registered post, at least twenty-one days prior to the date fixed for such meeting or the hearing of the application, to the subscribers at their recorded addresses; and each of the notices shall contain a statement of the amounts for disbursements that it is proposed shall be provided by resolution or settled and determined by a judge.

Voting; hearing.

(5) At the meeting held pursuant to this section votes of subscribers may be given by proxy if the holder of the proxy is a subscriber, and at any application to a judge pursuant to this section, subscribers may be heard in person or by counsel.

Ratio payable by subscribers.

(6) In order that the sums paid and payable under this section may be equitably borne by the subscribers, the directors shall, after the amount of such sums is ascertained as provided in this section, fix the proportionate part thereof chargeable to each subscriber at the ratio of the number of shares in respect of which he is a subscriber to the total number of shares subscribed.

Payment of deficiency.

(7) The respective amounts fixed under subsection (6) shall, before return to the subscriber of the sums paid in by him, be deducted therefrom, and if the respective sums paid in by each subscriber are not as much as the amounts so fixed, then the deficiency in each case shall be payable forthwith by the subscriber to the directors.

Deductions.

(8) The total of the deficiencies mentioned in subsection (7) that the directors are unable to get in or collect in what seems to them a reasonable time shall, with any legal costs incurred, be deducted by them from the sums then remaining in their hands to the credit of the several subscribers in the ratio mentioned in subsection (6), the shares in respect of which no such collections have been made being eliminated from the basis of calculation.

Return of excess to subscribers.

(9) The directors, after payment by them of the sums payable under this section, shall return to the subscribers, with any interest earned thereon, the respective balances of the moneys paid in by the subscribers.

Payment of deposit if certificate issued.

18. (1) Upon the issue of the certificate by the Treasury Board, the Minister shall forthwith pay to the bank the amount of money deposited with him without interest.

If no certificate issued.

(2) If no certificate is issued by the Treasury Board within the time limited for the issue thereof, the amount deposited with the Minister shall be returned to the bank for distribution in the manner provided by this Act, and in no case is the Minister under any obligation to see to the proper application in any way of the amount so returned.

18. *Section 17.*

INTERNAL REGULATIONS.

Shareholders.

By-laws.

19. (1) Subject to this Act, the shareholders of the bank may make by-laws with respect to the following matters, namely:

(a) the day upon which the annual general meeting of the shareholders shall be held, which shall be a day not more than fifteen months after the holding of the last annual general meeting;

(b) the record to be kept of proxies, and the time, not exceeding twenty days, within which proxies must be produced and recorded prior to a meeting in order to entitle the holder to vote thereon;

(c) the number of the directors, which shall be not less than five, and the quorum thereof, which shall be not less than three;

(d) the qualifications of directors;

(e) the method of filling vacancies in the board of directors;

(f) the time and proceedings for the election of directors in case of a failure of any election on the day appointed for it;

(g) the remuneration of the president, vice-president and other directors;

(h) the amount of discounts or loans that may be made to directors, either jointly or severally, or to any one firm or person, or to any shareholder, or to corporations; and

(i) the establishment of guarantee and pension funds for the officers and employees of the bank and their families, and the making of contributions thereto out of the funds of the bank.

Copy of by-laws to be sent to shareholders.

(2) A copy of the by-laws in force on the 1st day of July, 1958, in respect of the matters set out in subsection (1), together with a copy of this section, shall, before the 31st day of December, 1958, be mailed to each shareholder at his recorded address; and after the 1st day of July, 1958, within six months after the end of each successive five-year period, a copy of the by-laws, in respect of the said matters in force at the end of each such period, shall be so mailed.

When by-laws may be made.

(3) By-laws authorized by this Act may be made by the shareholders at any annual general meeting or at any special general meeting duly called for the purpose.

Existing by-laws continued.

(4) Until it is otherwise prescribed by by-law under this section, the by-laws of the bank with respect to any matter set out in subsection (1) remain in force.

Voting by corporate shareholders.

(5) At every annual general meeting the shareholders of the bank shall appoint a person to vote in the name of the bank at meetings of the shareholders of each corporation controlled by the bank in whose name the bank carries on any of its operations.

19. *Section 18.*

Directors.

Management.

20. The bank shall be under the management of a board of directors elected or appointed in accordance with this Act.

Qualification of directors.

21. (1) A person is not eligible to be a director unless he holds stock of the bank as the absolute and sole owner thereof in his individual right and not as trustee or in the right of another, on which not less than

(a) three thousand dollars, or such greater amount as the by-laws require, have been paid up, when the paid-up capital stock of the bank is one million dollars or less,

(b) four thousand dollars, or such greater amount as the by-laws require, have been paid up, when the paid-up capital stock of the bank is over one million dollars and does not exceed three million dollars, or

(c) five thousand dollars, or such greater amount as the by-laws require, have been paid up, when the paid-up capital stock of the bank exceeds three million dollars,

except that in the case of not more than one-quarter of the number of directors the minimum requirements of subscriptions to stock in paragraphs *(a)*, *(b)* and *(c)* shall be reduced to fifteen hundred dollars, two thousand dollars, and twenty-five hundred dollars respectively.

Majority to be subjects of Her Majesty.

(2) A majority of the directors shall be subjects of Her Majesty ordinarily resident in Canada.

Idem.

(3) The election or appointment of any person as a director is void if the composition of the board of directors would as a result thereof fail to comply with subsection (2).

Election of directors.

22. (1) The directors shall be elected by the shareholders at the annual general meeting.

At head office.

(2) The election shall take place at the place where the head office of the bank is situate.

Notice.

(3) Public notice of the annual general meeting shall be given by the directors by publishing the notice, for at least four weeks prior to the time of holding the meeting, in a newspaper published at the place where the head office of the bank is situate, and by mailing a copy of the notice to each shareholder at his recorded address at least twenty days prior to the time of holding the meeting.

Who shall be directors.

(4) The persons, to the number authorized to be elected, who have the greatest number of votes at any election, shall be the directors, but if at any election two or more persons have an equal number of votes, and there are not sufficient vacancies remaining on the board of directors to enable all the persons having an equal number of votes to be elected, the directors who have a greater number of votes, or the majority of them, shall, in order to complete the full number

Equality o votes.

20. *Section 19.*

21. *Section 20.*

22. *Sections 21, 22.*

of directors, determine which of the persons so having an equal number of votes shall be a director or directors.

Removal of director.

23. (1) The shareholders may, at any special general meeting of the shareholders called for the purpose, remove any director.

Disqualification of director.

(2) A director ceases to be a director if

(a) he ceases to fulfil the requirements of subsection (1) of section 21 with respect to holdings of stock, or

(b) he ceases to be a subject of Her Majesty ordinarily resident in Canada and the composition of the board of directors then ceases to comply with subsection (2) of section 21.

Election of president and vice-president.

24. (1) The directors shall elect by ballot from their number, a president and one or more vice-presidents.

Chairman of board and honorary president.

(2) The directors may elect by ballot from their number, a chairman of the board of directors and an honorary president.

To remain directors.

(3) A person elected to an office under this section ceases to hold that office if he ceases to be a director.

Filling of vacancies.

25. (1) Where a vacancy occurs in the board of directors, it shall be filled in the manner prescribed in the by-laws.

Majority to be subjects of Her Majesty.

(2) Where by reason of a vacancy on the board of directors the composition of the board fails to comply with subsection (2) of section 21, the directors shall, if the vacancy has not within sixty days of the occurrence thereof been filled under subsection (1), forthwith fill the vacancy.

Power of remainder to act.

(3) A vacancy in the board of directors does not impair the right of the remaining directors to act.

Vacancy in presidency or vice-presidency.

26. When a vacancy occurs in the office of the president or vice-president, the directors shall, from their number, elect a president or a vice-president.

Postponed elections.

27. Where an election of directors is not made on the day appointed for that purpose, the election may take place on any other day, according to the by-laws, and, subject to this Act, the directors in office on the day appointed for the election of directors remain in office until new directors are elected or appointed.

Meetings of directors.

28. (1) The chairman of the board, if any, or the president, or in their absence, a vice-president, shall preside at all meetings of the directors.

Temporary chairman.

(2) Where at any meeting of the directors the chairman of the board, if any, the president and vice-president are absent, one of the directors present, chosen to act *pro tempore*, shall preside.

23. New, but see *Section 30 (4) (5).*

24. *Section 23.*

25. *Section 24.*

26. *Section 25.*

27. *Section 26.*

28. *Section 27.*

Casting vote.

(3) The person so presiding has a vote as a director, and if there is an equal division on any question, also has a casting vote.

Record of attendance.

29. A record shall be kept of the attendance at each meeting of directors, and a summary thereof for the twelve months immediately preceding the notice showing the total number of directors' meetings held and the number attended by each director, shall be sent to each shareholder with the notice of the annual general meeting; the summary may state the nature and extent of the services rendered by any director who, by reason of residing at a place remote from the head office of the bank, has been unable to attend meetings of directors.

General powers of directors.

30. (1) The directors shall administer the affairs of the bank and may make by-laws with respect to any matter except a by-law increasing the aggregate of the amounts, fixed by a shareholders' by-law, to be paid to the president, vice-president and directors as remuneration.

Confirmation of directors' by-laws.

(2) Subject to subsection (3), where a by-law made under subsection (1) provides for a matter that the shareholders may provide for by by-law, the by-law, to the extent that it so provides, ceases to have effect at the conclusion of the annual general meeting of the shareholders next ensuing after it is made unless it is confirmed by the shareholders.

Idem.

(3) Where a special general meeting, called for the purpose of confirming a by-law made under subsection (1) or called for that and any other purpose, is held before the next following annual general meeting, the by-law ceases to be in force at the date of the special general meeting unless it is confirmed at that special general meeting, and subsection (2) does not apply to a by-law that is so confirmed.

Existing by-laws continued.

(4) All by-laws of the bank lawfully made and in force with regard to any matter respecting which the directors may make by-laws under this section, remain in force until they are repealed or altered by other by-laws made under this Act.

Appointment of officers and employees.

31. The directors may appoint as many officers and employees as they consider necessary for carrying on the business of the bank, and may authorize any officer of the bank to make such of these appointments as they may deem expedient.

Salaries.

32. Officers and employees appointed under section 31 may be paid such salaries and allowances as the directors or appointing officer determine.

29. *Section 27 (4) (5).*

30. (1). *Section 28 (1).*

30. (2) (3) New.

31. *Section 29 (1).*

32. *Section 29 (2).*

Meetings of Shareholders.

Special general meetings.

33. A special general meeting of the shareholders of the bank may be called at any time by

(a) the directors of the bank or any four of them, or

(b) any number not less than twenty-five of the shareholders, acting by themselves or by their proxies, who are together owners of at least one-tenth of the paid-up capital stock of the bank,

the directors or shareholders shall give six weeks' previous public notice of the meeting, specifying therein the object of the meeting, and the meeting shall be held at the place where the head office of the bank is situate.

One vote for each share.

34. (1) Every shareholder has, on all occasions on which the votes of the shareholders are taken, one vote for each share held by him for at least thirty days immediately before the time of the meeting.

Ballot.

(2) In all cases when the votes of the shareholders are taken, the voting shall be by ballot.

Majority to determine.

(3) All questions proposed for the consideration of the shareholders shall be determined by a majority of the votes of the shareholders present or represented by proxy.

Casting vote.

(4) The chairman elected to preside at any meeting of the shareholders shall vote as a shareholder only, unless there is a tie, in which case, except as to the election of a director, he has a casting vote.

Joint holders of shares.

(5) Where two or more persons are joint holders of shares, any one of the joint holders may be authorized, by power of attorney from the other joint holder or holders, or a majority of them, to represent the shares and to vote accordingly.

Proxies.

(6) Shareholders may vote by proxy, but no person other than a shareholder eligible to vote shall be permitted to vote or act as proxy.

Idem.

(7) Neither the general manager nor any officer or employee subordinate to the general manager shall hold a proxy for the purpose of voting.

Renewal of proxies.

(8) No appointment of a proxy to vote at a meeting of the shareholders of the bank is valid for that purpose unless it has been made or renewed in writing within the twelve months immediately preceding the time of the meeting.

Calls must be paid before voting.

(9) No shareholder shall vote, either in person or by proxy, on any question proposed for the consideration of the shareholders of the bank at any meeting of the shareholders, or in any case in which the votes of the shareholders of the bank are taken, unless he has paid all calls made by the directors that are then due and payable.

33. *Section 30.*

34. *Section 31.*

CAPITAL STOCK.

Increase of capital.

35. (1) The authorized capital stock of the bank may be increased by by-law of the shareholders.

Approval of Treasury Board.

(2) No by-law under this section comes into operation or has force or effect until a certificate approving thereof has been issued by the Treasury Board.

Conditions for approval.

(3) No certificate shall be issued by the Treasury Board under subsection (2) unless application therefor is made within three months from the time of the passing of the by-law, nor unless it appears to the satisfaction of the Treasury Board that a copy of the by-law, together with notice of intention to apply for the certificate, has been published for at least four weeks in the *Canada Gazette*, and in one or more newspapers published in the place where the head office of the bank is situate.

Treasury Board may refuse.

(4) Nothing in this section shall be construed to prevent the Treasury Board from refusing to issue the certificate.

Offer of shares of capital stock.

36. Any of the original unsubscribed capital stock or of the increased capital stock shall be offered to the persons who are shareholders when the offer is made, pro rata, at such price not less than par, at such time and on such terms as the directors determine, except that

(a) no fraction of a share shall be so offered,

(b) the price of the stock shall be paid in money,

(c) payment shall not be required in greater amounts or at shorter intervals than ten per cent of the price every thirty days,

(d) the directors shall not fix a price that would make the premium, if any, payable on the stock so offered, greater in relation to the par value of the stock than the rest account then is in relation to the paid-up capital stock, and

(e) no share shall be offered to a shareholder whose recorded address is in a country outside Canada, where, to the knowledge of the directors, the offer ought not to be made unless the appropriate authority in that country is furnished with information other than that contained in the statement submitted to the shareholders at the last annual general meeting and in any return under section 103 made by the bank after that meeting and more than sixty days before the date of the offer.

Notice of offer.

37. The offer shall be mailed to the shareholder at his recorded address and the directors shall, in the offer, fix a date, not earlier than the ninetieth day after the day on which the offer is mailed, by which the offer is to be accepted.

35. *Section 32.*

36. *Section 33 (1).*

37. *Section 33 (2).*

Disposal of shares not subscribed or offered.

38. (1) Shares offered under section 36 that are not subscribed for and shares that are not offered by reason of paragraphs *(a)* and *(e)* of section 36 may be disposed of in such manner and on such terms as the directors determine, except that no share shall be sold at less than par.

(2) The net proceeds of the disposal of shares under subsection (1) in excess of the price per share fixed by the directors under section 36 shall be rateably distributed,

(a) in the case of shares offered but not subscribed for, amongst the shareholders to whom they were offered,

(b) in the case of shares not offered by reason of paragraph *(a)* of section 36, amongst the shareholders to whom fractions of shares could not be offered by reason of that paragraph, and

(c) in the case of shares not offered by reason of paragraph *(e)* of section 36, amongst the shareholders to whom shares were not offered by reason of that paragraph.

Stock books.

39. For the purpose of disposing of shares offered for subscription under section 38 the directors shall cause stock books to be opened at the head office of the bank and elsewhere in their discretion, and each subscriber shall, at the time of subscription, give his post office address and description, and these particulars shall appear in the stock books in connection with the name of the subscriber and the number of shares subscribed for.

Allotment of shares not income.

40. Notwithstanding any other Act, the amount or value of any money, benefit or advantage received by a shareholder as the result of an offer, allotment or distribution pursuant to sections 36 and 38 shall not be included in computing the income of the shareholder.

Reduction of capital.

41. (1) The paid-up capital stock of the bank may be reduced by by-law of the shareholders.

Approval of Treasury Board.

(2) No by-law under this section comes into operation or has force or effect until a certificate approving thereof has been issued by the Treasury Board.

Conditions for approval.

(3) No certificate shall be issued by the Treasury Board under subsection (2) unless application therefor is made within three months from the time of the passing of the by-law, nor unless it appears to the satisfaction of the Treasury Board that

(a) the shareholders voting for the by-law represent a majority in value of all the shares then issued by the bank, and

38. *Section 33 (3) (4).*

39. *Section 35 (2) (3).*

40. New.

41. *Section 34.*

(*b*) a copy of the by-law, together with notice of intention to apply to the Treasury Board for the certificate, has been published for at least four weeks in the *Canada Gazette*, and in one or more newspapers published in the place where the head office of the bank is situate.

Statements to be submitted to Treasury Board.

(4) In addition to evidence of the passing of the by-law, and of the publication thereof in the manner provided in this section, statements showing

(*a*) the amount of stock issued,

(*b*) the number of shareholders represented at the meeting at which the by-law passed,

(*c*) the amount of stock held by each such shareholder,

(*d*) the number of shareholders who voted for the by-law,

(*e*) the amount of stock held by each of the shareholders who voted for the by-law,

(*f*) the assets and liabilities of the bank, and

(*g*) the reason and causes why the reduction is sought,

shall be laid before the Treasury Board at the time of the application for the issue of a certificate approving the by-law.

Treasury Board may refuse.

(5) Nothing in this section shall be construed to prevent the Treasury Board from refusing to issue the certificate.

(6) The passing of the by-law, and any reduction of the capital stock of the bank thereunder, does not in any way diminish or interfere with the liability of the shareholders of the bank for unpaid subscriptions for shares at the time of the issue of the certificate approving the by-law.

Limit of reduction.

(7) The paid-up capital stock shall not be reduced below the amount of five hundred thousand dollars.

SHARES AND CALLS.

Shares personalty.

42. The shares of the capital stock of the bank are personal property.

Calls on shares.

43. (1) The directors may make such calls of money from the several shareholders for the time being, upon the amounts remaining unpaid in respect of the shares subscribed for by them respectively, as they find necessary.

Number.

(2) Any number of calls may be made by one resolution.

Time of payment.

(3) Calls shall be payable at intervals of not less than thirty days.

Notice.

(4) Notice of calls shall be given to the shareholders.

Amount.

(5) Subject to this Act, no call shall exceed ten per cent of the amount subscribed in respect of each share.

42. *Section 35 (1).*

43. *Section 37.*

Calls when capital lost.

44. (1) Where any part of the paid-up capital is lost, the directors shall, if all the subscribed stock is not paid up, forthwith make calls upon the shareholders in an amount equal to the amount of the loss or the amount of the subscription price of the stock remaining unpaid, whichever is the lesser.

Report to Minister.

(2) The directors shall forthwith report to the Minister the amount of any loss to which this section refers and the calls, if any, made in respect thereof.

Recovery of calls.

45. In case of the non-payment of a call or of an instalment under a subscription for shares, the directors may, in the corporate name of the bank, sue for and recover the amount of the call or instalment, or may declare the shares in respect of which default is made to be forfeited to the bank in accordance with section 46.

Forfeiture of shares for non-payment of calls.

46. (1) Where a shareholder fails to pay an instalment or call upon his shares of the capital stock of the bank when it is due, and thereafter fails to make the payment on or before a day fixed in a notice directed to him in accordance with the by-laws or a resolution of the directors, the directors may, by resolution, in their discretion, declare forfeited the shares in respect of which the payment is in default.

Sale of forfeited shares.

(2) Shares declared forfeited under subsection (1) become, by such declaration, the property of the bank, and the directors shall, before the expiry of six months from the declaration, sell them to such persons, in such manner and on such terms as they may determine.

Liability of former shareholder.

(3) Notwithstanding the forfeiture of shares under this section, the shareholder who immediately prior to the forfeiture was the holder of the shares, continues to be liable to the bank for the amount of the subscription price of the shares that was unpaid at the time of forfeiture, less such amounts as are subsequently received by the bank in respect of the shares.

Recovery by action.

47. In any action brought to recover any money due on any instalment or call, it is not necessary to set forth the special matter in the declaration or statement of claim, but it is sufficient to allege that the defendant is the holder

Allegations.

of one share or more, as the case may be, in the capital stock of the bank, and that he is indebted to the bank for instalments or calls upon such share or shares, in the sum to which the instalments or calls amount, as the case may be, stating the amount and number of the instalments or calls, and it is not necessary, in any such action, to prove the appointment of the directors.

44. *Section 38.*

45. *Section 39.*

46. *Section 40.*

47. *Section 41.*

TRANSFER AND TRANSMISSION OF SHARES.

Transfer of shares.

48. (1) Unless otherwise provided by by-law, no transfer of the shares of the capital stock of the bank is valid unless

(a) it was made and registered in the books kept for that purpose and the post office address and description of the transferee is entered in such records, and

(b) the person making the transfer has, if required by the bank, previously discharged all his debts or liabilities to the bank that exceed in amount the then market value of the remaining shares, if any, belonging to such person.

Fraction of share not transferable.

(2) No fraction of a share is transferable.

Share register office may be opened in each province.

(3) The bank may open and maintain in any province in Canada in which it has resident shareholders and in which it has one or more branches, a share-registry office, to be designated by the directors, at which the shares of the shareholders resident within the province shall be registered and at which, and not elsewhere, except as provided in this Act, such shares may be validly transferred.

Register and transfer of shares.

(4) Shares of persons who are not resident in Canada or in any province in which there is a branch of the bank may be registered and are transferable at the head office of the bank or elsewhere, as the directors may designate.

When change of residence.

(5) Whenever there is a change in the ownership of shares, and the new shareholder resides in a province other than that in which the former shareholder resided, and whenever there is a change in the residence of a shareholder from one province to another, or whenever a shareholder residing outside of Canada becomes a resident of a province in Canada, the registration of the shares shall be changed to the registry of the province in which the shareholder has his residence, if there is a branch of the bank in that province and a share-registry has been opened in that province, and the shares of such shareholder are thereafter transferable at such registry and not elsewhere, except as provided in this Act.

Where shareholder deemed resident.

(6) For the purposes of this section, a shareholder shall be deemed to be resident in the province of his recorded address as a shareholder.

Agents.

(7) The directors may appoint such agents for the purposes of this section as they deem necessary.

List of transfers.

49. A list of all transfers of shares registered each day in the books of the bank at the respective places where transfers are authorized, showing in each case the parties to such transfers and the number of shares transferred, shall be made up at the end of each day, and such lists shall be kept at the said respective places for the inspection of the shareholders.

48. *Section 42.*

49. *Section 43.*

Requirements for valid transfer.

50. (1) Unless under the by-laws of the bank it is unnecessary that transfers of shares of its capital stock be made in the books of the bank, all sales or transfers of shares, and all contracts and agreements in respect thereof, made or purporting to be made, are null and void, if the person making the sale or transfer, or the person in whose name or behalf the sale or transfer is made, at the time of the sale or transfer,

(a) is not the registered owner in the books of the bank of the share or shares so sold or transferred, or intended or purporting to be sold or transferred, or

(b) has not the registered owner's assent to the sale or transfer.

Purchaser's rights preserved.

(2) Nothing in this section affects the rights and remedies, under any contract of sale that does not comply with the conditions and requirements in this section mentioned, of any purchaser who has no knowledge of such non-compliance.

Sale of shares under execution.

51. (1) When any share of the capital stock has been sold under a writ of execution, the officer by whom the writ was executed shall, within thirty days after the sale, leave with the bank an attested copy of the writ, with the certificate of such officer endorsed thereon, certifying to whom the sale has been made.

Transfer, how executed.

(2) The president, a vice-president or the general manager of the bank shall execute the transfer to the purchaser of a share sold under a writ of execution, but not until after all debts and liabilities to the bank of the holder of the share, and all liens in favour of the bank existing thereon, have been discharged as provided by this Act.

Validity.

(3) A transfer executed under subsection (2) is as valid and effectual in law as if it had been executed by the holder of the share.

Transmission of shares.

52. (1) Where the interest in any share of the capital stock is transmitted by or in consequence of

(a) the death, lunacy, bankruptcy, or insolvency of any shareholder,

(b) the marriage of a female shareholder, or

(c) any lawful means, other than a transfer according to this Act,

How authenticated.

the transmission shall be authenticated by a declaration in writing as provided in this section or in such other manner as the directors of the bank require.

Declaration.

(2) Every declaration shall distinctly state the manner in which and the person to whom the share has been transmitted, and shall give his post office address and description, and such person shall make and sign the declaration.

50. *Section 44.*

51. *Section 45.*

52. *Section 46.*

Acknowledgment.

(3) The person making and signing the declaration shall acknowledge the same before a judge of a court of record, or before the mayor, provost or chief magistrate of a city, town, borough or other place, or before a notary public, or a commissioner for taking affidavits, where the declaration is made and signed.

To be left with bank.

(4) Every declaration signed and acknowledged as required by this section shall be left with the general manager, or other officer or agent of the bank, who shall thereupon enter the name of the person entitled under the transmission in the register of shareholders.

Exercise of rights as shareholder.

(5) Until the transmission has been authenticated under subsection (4), no person claiming by virtue thereof is entitled to participate in the profits of the bank, or to vote in respect of any such share of the capital stock.

Further authentication.

53. (1) Every declaration and instrument required by section 52 to perfect the transmission of a share in the bank shall, if made elsewhere than in a country of the British Commonwealth or any colony, dependency or protectorate of any such country,

(a) be further authenticated by the clerk of a court of record under the seal of the court, or by a consul, vice-consul or other accredited representative of any of Her Majesty's Governments in the country where the declaration or instrument was made, or

(b) be made directly before such consul, vice-consul or other accredited representative.

Further evidence.

(2) The directors, general manager or other officer or agent of the bank may require corroborative evidence of any fact alleged in any declaration under section 52.

Transmission by will or intestacy.

54. Where the transmission of a share has taken place by virtue of any testamentary instrument, or by intestacy, the probate of the will, or the letters of administration, or act of curatorship or tutorship, or an official extract therefrom, shall, together with the declaration, be produced and left with the general manager or other officer or agent of the bank, and the general manager or other officer or agent of the bank shall thereupon enter in the register of shareholders the name of the person entitled under the transmission.

Transmission by decease.

55. Notwithstanding anything in this Act, if the transmission of any share of the capital stock has taken place by virtue of the decease of any shareholder, the production to the general manager or other officer or agent of the bank and the deposit with him of

(a) any authenticated copy of the probate of the will of the deceased shareholder, or of letters of adminis-

53. *Section 48.*

54. *Section 49.*

55. *Section 50.*

tration of his estate, or of letters of verification of heirship, or of the act of curatorship or tutorship, granted by any court in Canada having power to grant the same, or by any court or authority in a country of the British Commonwealth or any colony, dependency or protectorate of any such country, or of any testament-testamentar or testament-dative expede in Scotland,

(b) an authentic copy of the will of the deceased shareholder, if such will is in notarial form according to the law of the Province of Quebec, or

(c) if the deceased shareholder died elsewhere than in a place mentioned in paragraph *(a)*, any authenticated copy of the probate of his will or letters of administration of his property, or other document of like import, granted by any court or authority having the requisite power in such matters,

is sufficient justification and authority for paying any dividend, or for transferring or authorizing the transfer of any share, in pursuance of and in conformity to the probate, letters of administration, or other document.

SHARES SUBJECT TO TRUSTS.

Bank not bound to see to trusts.

56. (1) The bank is not bound to see to the execution of any trust, whether express, implied or constructive, to which any share of its capital stock is subject.

Receipt.

(2) Except only in the case of a claim made in the manner referred to in paragraph *(b)* of subsection (1) of section 95, by some other person, the receipt of the person in whose name any share stands in the books of the bank, or, if it stands in the names of more persons than one, the receipt of one of such persons, is a sufficient discharge to the bank for any dividend or any other sum of money payable in respect of the share, and the bank is not bound to see to the application of the money paid upon such receipt, whether given by one of such persons or all of them.

Executor or trustee not personally liable.

57. (1) No person holding shares of the capital stock of the bank as executor, administrator, guardian, trustee, tutor or curator

(a) of or for any estate, trust or person named in the books of the bank as being represented by him, or

(b) if the will or other instrument under or by virtue of which the shares are so held is named in the books of the bank in connection with such holding,

is personally subject to any liability as a shareholder for unpaid subscriptions for shares; but the estate and funds in

56. *Section 51.*

57. *Section 52.*

his hands are liable in like manner and to the same extent as the testator, intestate, ward or person interested in such estate and funds would be, if living and competent to hold the shares in his own name.

Cestui que trust liable.

(2) Where the trust is for a living person or corporation, such person or corporation is also liable as a shareholder to the extent of his or its respective interest in the shares.

Executor or trustee liable where trust not named.

(3) Where the estate, trust or person so represented, or will or other instrument, is not named in the books of the bank, the executor, administrator, guardian, trustee, tutor or curator is personally liable in respect of the shares as if he held them in his own name as owner thereof.

ANNUAL AND OTHER STATEMENTS.

Statements required to be submitted at annual general meeting.

58. (1) At every annual general meeting of the shareholders, the outgoing directors shall submit a statement (hereinafter called the "annual statement"), which shall present fairly the financial position of the bank for the financial year immediately preceding the meeting, and shall contain

(a) a statement of assets and liabilities of the bank as at the end of the financial year showing the information in the form specified in Schedule N and such additional information and particulars as in the opinion of the directors are necessary to present fairly the financial position of the bank, and

(b) a statement of the undivided profits of the bank as at the end of the financial year, which shall also show the balance available for distribution of profits earned in the financial year and shall indicate whether transfers have been made in the financial year in respect of contingency reserves and whether provision has been made out of those reserves for diminution in the value of investments and loans.

How statements signed.

(2) The annual statement shall be signed

(a) on behalf of the board of directors, by the president or a vice-president or two other directors, and

(b) by the general manager or a person duly authorized to sign in the place of the general manager.

Statement of controlled corporations.

(3) Where the bank carries on any part of its operations in the name of a corporation controlled by the bank, there shall be annexed to the annual statement a statement of assets and liabilities of the corporation, which shall

(a) present fairly the financial position of the corporation as at the end of its financial year ending within the financial year of the bank to which the annual statement relates, and

58. (1) (2). *Section 53 (1) (2) (6) (7).*

58. (3). *Section 53 (4).*

(b) show the value at which the interest of the bank in the corporation is shown on the books of the bank as at the end of the said financial year of the corporation

unless

(c) the corporation carries on the business of banking outside of Canada,

(d) the bank owns all the issued capital stock of the corporation except the qualifying shares of directors, and

(e) in the annual statement the assets and liabilities of the corporation are consolidated with those of the bank and attention is drawn to the consolidation by way of footnote.

Statements to be mailed to shareholders.

(4) The directors shall, within four weeks after the annual general meeting, mail to each shareholder at his recorded address a copy of the minutes of the meeting and a copy of the annual statement and any statements annexed thereto, and within the same time the directors shall mail a certified copy of the minutes and statements to the Minister.

Amendment of Form.

(5) The Governor in Council may, in his discretion, amend Schedule N.

Additional statements.

59. The directors shall, in addition to the annual statement, submit to the shareholders such other statements of the affairs of the bank in such manner and at such times as the shareholders by by-law require.

Classification of current loans.

60. (1) In any statement or return of the bank, a loan shall not be included in the classification "current loans" if

(a) throughout the period of two years immediately preceding the day as of which the statement or return is made, the borrower has not paid the interest on the loan at the agreed rate without assistance from the bank,

(b) the borrower has committed an act of bankruptcy or has made an assignment for the benefit of his creditors,

(c) the bank has taken any step for the purpose of realizing upon security given by the borrower in respect of the loan,

(d) the bank has commenced proceedings to recover all or any part of the loan or interest thereon, or

(e) the manager of the branch where the loan is recorded, or a director or officer of the bank who prepares, signs, approves or concurs in the statement or return is of opinion that the loan ought to be regarded as a non-current loan,

unless the directors, after due inquiry, direct that it be classified as a current loan.

58. (4) (5). *Section 53 (8) (3).*

59. *Section 54.*

60. *Section 112 (7) (8) (9).*

Depreciation of bank premises.

(2) In any statement or return of the bank, an amount that, with the approval of the shareholders at any annual or special general meeting, has been appropriated out of profits to write down the valuation of its bank premises, shall not be taken into account for any other purpose unless and until the shareholders in like manner approve thereof.

SHAREHOLDERS' AUDIT.

Auditors.

61. (1) The affairs of the bank shall be audited by two auditors appointed in accordance with this section, each of whom at the time of his appointment is an accountant who

Qualification.

(a) is a member in good standing of an institute or association of accountants incorporated by or under the authority of the legislature of a province,

(b) is ordinarily resident in Canada, and

(c) has practised his profession in Canada continuously during the six consecutive years immediately preceding his appointment.

Appointment.

(2) The shareholders shall, at each annual general meeting, appoint two persons having the qualifications specified in subsection (1), but not being members of the same firm, to be the auditors of the bank until the next ensuing annual general meeting, but if the same two persons or if members of the same two firms have been appointed for two consecutive years as auditors of the bank, one such person or a member of his firm shall not be appointed as auditor of the bank for the period of two years next following the term for which he was last appointed; and no person shall be so appointed if he or a member of his firm is a director, officer or employee of the bank.

Minister may revoke appointments.

(3) The Minister may at any time, in his discretion, revoke the appointment of an auditor by notice in writing signed by the Minister and sent by registered mail addressed to the auditor at his usual place of business and shall at the same time furnish a copy thereof to the bank.

Disqualification.

(4) An auditor ceases to hold office

(a) on the day on which a notice is mailed to him under subsection (3), or

(b) if he or a member of his firm becomes a director, officer or employee of the bank.

Vacancy.

(5) When a vacancy occurs in the office of auditor of a bank, the bank shall forthwith give notice thereof to the Minister, who shall appoint a person having the qualifications specified in subsection (1) to be an auditor of the bank until the next ensuing annual general meeting.

Remuneration.

(6) The shareholders shall, at the time they appoint the auditors, fix their remuneration, and when a vacancy

61. (1) (2). *Section 55 (1) (5).*

61. (3). New, but see *Section 55 (3).*

61. (4). *Section 55 (18).*

61. (5) to (8). *Section 55 (6) to (9).*

occurs in the office of auditor and is filled under this section, the remuneration so fixed shall be divided, in such manner as the directors determine, amongst the person originally appointed or his legal representative, the continuing auditor and the person appointed to fill the vacancy.

Access to books, etc.

(7) The auditors of the bank have a right of access to the books, accounts, cash, securities, documents and vouchers of the bank and any security held by the bank, and are entitled to require such information and explanations as they deem necessary for the performance of their duties as auditors.

Minister may require report on procedure.

(8) The Minister may from time to time require that the auditors of the bank shall report to him upon the adequacy of the procedure adopted by the bank for the safety of its creditors and shareholders, and as to the sufficiency of their own procedure in auditing the affairs of the bank.

Minister may enlarge scope of audit.

(9) The Minister may, in his discretion, enlarge or extend the scope of the audit or direct any other or particular examination to be made or procedure established in the particular case as, in his opinion, the public interest may require, and the bank shall, in respect thereof, pay to the auditor such remuneration, in addition to that fixed under subsection (6), as the Minister allows.

Report by auditors.

(10) It is the duty of the auditors to report individually or jointly as to them may seem fit to the president and general manager in writing any transactions or conditions affecting the well-being of the bank that are not satisfactory to them and in their opinion require rectification, and without restricting the generality of this requirement, they shall report to the president and general manager from time to time, upon loans owing to the bank by any person the aggregate amount of which exceeds one per cent of the paid-up capital and rest account of the bank, in respect of which, in their opinion, loss to the bank is likely to occur; but when such a report has been made in respect of loans to any person it is not necessary to report again in respect of loans to that person unless in the opinion of the auditors the amount of the loss likely to occur has increased.

Transmission of report.

(11) Where the auditors make a report under subsection (10) they shall transmit it, in writing, to the president and general manager of the bank and the report shall be presented to the meeting of the directors next ensuing after it has been received and it shall be incorporated in the minutes thereof; and the auditors shall, at the time of transmitting the report to the president and general manager, give notice in writing by mail to each director at his recorded address that the report has been made for presentation to the meeting and incorporation in the minutes thereof and shall, at the same time, furnish a copy of the report to the Minister.

61. (9). *Section 55 (9).*

61. (10). *Section 55 (10).*

61. (11).*Section 55 (11) (19).*

Report to shareholders on assets and liabilities.

(12) The auditors shall make a report to the shareholders on the statement of the assets and liabilities of the bank to be submitted by the directors to the shareholders under section 58 during their tenure of office.

Statements by auditors.

(13) The auditors' report shall state whether, in their opinion, the statement referred to in the report presents fairly the financial position of the bank, and

(a) whether they have obtained all the information and explanations they have required,

(b) whether, in their opinion, the transactions of the bank that have come under their notice have been within the powers of the bank, and

(c) whether the statement is as shown by the books of the bank.

Reading of report.

(14) The auditors' report shall be attached to the statement of assets and liabilities submitted by the directors to the shareholders under section 58 and the report shall be read efore the shareholders at the annual general meeting.

Shareholders may require audit and report on directors' statements.

(15) The auditors of the bank shall, if required by the shareholders, audit and report to the shareholders upon any statement submitted by the directors to the shareholders, and the report shall state

(a) whether they have obtained all the information and explanations they have required, and

(b) whether, in their opinion, the statement presents fairly the information required by the shareholders.

Reading and mailing of report.

(16) A report of the auditors made under subsection (15) shall be attached to the statement to which it relates and shall be read before the shareholders at any meeting at which the statement is submitted, and a copy of the statement and report shall be mailed by the directors to every shareholder at his recorded address and to the Minister.

Auditor not to accept additional remuneration or work.

(17) Except as provided in this section, an auditor of the bank shall not accept any remuneration from the bank for any work on behalf of the bank, other than that authorized by this Act in respect of his duties as auditor, unless a resolution of the directors declares the work to be necessary for the protection or benefit of the bank and authorizes the remuneration to be paid to him therefor.

Audit of controlled corporations.

(18) Where the bank carries on any of its operations in the name of a corporation controlled by the bank, the auditors of the bank shall be the auditors of the corporation and the bank shall take all necessary steps to ensure that they are appointed auditors of the corporation accordingly.

Reference in other Acts to qualified auditors.

(19) A reference in any Act or any regulation or order thereunder to a list of auditors required to be furnished to the Minister under this Act or to any auditor on such list shall be construed as a reference to an auditor who has the qualifications specified in subsection (1).

61. (12) to (17). *Section 55 (12) to (17).*

61. (18). *Section 53 (5).*

61. (19). New.

INSPECTION.

Inspector General of Banks to be appointed.

62. (1) The Governor in Council on the recommendation of the Minister shall appoint a person who in his opinion has had proper training and experience to carry out section 63 to be the Inspector General of Banks.

Tenure of office.

(2) The Inspector shall be appointed to hold office during good behaviour, but may be removed from office by the Governor in Council for misbehaviour or incapacity, inability, or failure to perform his duties properly.

Reasons for removal.

(3) Where the Inspector is removed from office the Order in Council providing for the removal and documents relating thereto shall be laid before Parliament within the first fifteen days of the next ensuing session.

To receive no other compensation.

(4) The Inspector while holding office shall not perform any service for compensation other than the service rendered by him under section 63.

Temporary Inspector.

(5) The Minister may direct some other competent person to perform temporarily the duties of the Inspector in the event that the Inspector by reason of absence, illness or other incapacity is unable to perform the duties of Inspector or in the event of a vacancy in the office of Inspector.

Officials and clerical assistants.

(6) The Minister may appoint or employ on the recommendation of the Deputy Minister of Finance and the Inspector, such persons with training and experience and such clerical assistants as may be deemed necessary to carry out section 63.

Salaries.

(7) The Inspector shall be paid a salary fixed by the Governor in Council on the recommendation of the Minister, and the other persons appointed or employed under this section shall be paid such salary or remuneration as may be fixed by the Minister.

Officials to be officers of Finance Department.

(8) All persons appointed or employed under this section are officers of the Department of Finance, but the provisions of the *Civil Service Act* do not apply to them.

Inspectors and staff not to borrow from bank unless Minister notified.

(9) No person appointed or employed under this section shall borrow money from a bank unless he has first informed the Minister in writing of his intention to do so.

Examination and inquiry into affairs of banks.

63. (1) The Inspector, from time to time, but not less frequently than once in each calendar year, shall make or cause to be made, such examination and inquiry into the affairs or business of each bank as he may deem to be necessary or expedient, and for such purposes take charge on the premises of the assets of the bank or any portion thereof, if the need should arise, for the purposes of satisfying himself that the provisions of this Act having reference to the safety of the creditors and shareholders of the bank are being duly observed and that the bank is in a sound financial condition, and at the conclusion of each examination and inquiry shall report thereon to the Minister.

Report.

62. *Section 56 (1) to (7), (13), (15).*

63. (1). *Section 56 (8).*

Correctness of cash reserve returns.

(2) In addition to any report under subsection (1) the Inspector shall annually certify to the Minister and to the Governor of the Bank of Canada whether in his opinion the returns that have been submitted by the banks under section 104 are correct.

Access to books and accounts, etc., of banks.

(3) The Inspector, or person acting under his direction, has a right of access to the books, accounts, cash, securities, documents and vouchers of the bank and any security held by the bank, and is entitled to require the directors, officers and auditors of the bank to furnish such information and explanations as he deems necessary for the performance of his duties.

Powers of commissioner under *Inquiries Act*.

(4) The Inspector has all the powers conferred upon a commissioner appointed under the *Inquiries Act* for the purpose of obtaining evidence under oath, and may delegate such powers as occasion may require.

Salaries and expenses paid out of Consolidated Revenue Fund and recouped by assessment on banks.

64. If an appropriation therefor has been made by Parliament, all salaries, remuneration and other expenses incidental to carrying out section 63 shall be paid out of the Consolidated Revenue Fund, and the Consolidated Revenue Fund shall be recouped after the end of each calendar year for such outlay by an assessment upon the banks based upon the average total assets of the banks, respectively, during the year, as shown by the monthly returns made by the banks to the Minister under section 103, and such assessment shall be paid by the banks.

No liability to depositor, creditor, or shareholder for damages, payment or compensation, under this section.

65. Her Majesty is not liable to any creditor or shareholder of any bank, or to any other person, for any damages, payment, compensation or indemnity that he may suffer or claim

(a) by reason of section 63, anything therein contained, or anything done or omitted to be done under the requirements thereof,

(b) by reason of any order or direction of the Governor in Council or of the Minister in the execution or administration of the powers or any of them conferred by section 63,

(c) by reason of any failure or omission on the part of the Governor in Council or of the Minister or of the Inspector or of any officer or employee of Her Majesty to execute or discharge any power, authority or duty under section 63, or

(d) by reason of any default, negligence, mistake, error or omission in the administration or discharge of the powers or duties that in any circumstances are by section 63 intended or authorized to be executed or performed,

63. (2). New. Formerly in *Bank of Canada Act*.

63. (3) (4). *Section 56 (10), (11).*

64. *Section 56 (14).*

65. *Section 56 (16).*

and no such payment, damages, compensation or indemnity, nor any claim therefor, shall in any case be authorized, paid or entertained by Her Majesty.

No grant or gratuity to be made by bank officials to Inspector or his officers.

66. The Inspector or any other person appointed or employed under section 62 shall not accept or receive, directly or indirectly, any grant or gratuity from a bank or from any director, officer or employee of a bank, and no bank and no director, officer or employee of a bank shall make or give any such grant or gratuity.

Secrecy.

67. The Inspector or any other person appointed or employed under section 62 or any person to whom any powers are delegated under subsection (4) of section 63 shall not disclose to any other person, except the Minister, the Deputy Minister of Finance and the Governor of the Bank of Canada, or a representative of the latter if authorized by him in writing, any information regarding the business or affairs of a bank.

CONTINGENCY RESERVES.

Report to Minister of National Revenue of excess reserves for bad debts, etc.

68. (1) Where in the opinion of the Minister an amount set aside or reserved by any bank out of income, either by way of write-down of the value of assets or appropriation to any contingency reserve or contingent account for the purpose of meeting losses on loans, bad or doubtful debts, depreciation in the value of assets other than bank premises or other contingencies, is in excess of the reasonable requirements of the bank having regard to all the circumstances, the Minister shall notify the Minister of National Revenue of the amount so set aside and of the amount of such excess.

Discretion of directors not affected.

(2) Nothing in subsection (1) shall be construed to give the Minister any jurisdiction over the discretion of the directors of the bank with regard to amounts set aside, reserved or transferred to any reserve or other account from income upon which taxes have been assessed under any Act of the Parliament of Canada imposing a tax upon or in respect of income.

66. *Section 147.*

67. *Section 148.*

68. *Section 56 (9).*

DIVIDENDS.

Declaration of dividends.

69. (1) Subject to this Act and the by-laws, the directors of the bank may declare a dividend of so much of the profits of the bank as they consider advisable, and shall fix the day for payment thereof.

Notice.

(2) The directors shall give public notice of the payment of a dividend published for at least four weeks prior to the day fixed for payment thereof.

Where payable.

(3) A dividend is due and payable on and after the day fixed for payment thereof at the head office of the bank and at such other places as the directors prescribe.

Share transfer books closed.

(4) The directors may close the transfer books for a period, not exceeding fifteen days, before the payment of a dividend.

Liability in respect of dividends.

(5) Subject to subsection (2) of section 74, the liability of the bank, under any law, custom or agreement, to pay dividends that have become payable on its capital stock shall continue notwithstanding any statute of prescription or limitation.

Dividend not to impair capital.

70. (1) No dividend or bonus shall be declared

(a) while the paid-up capital of the bank is impaired, or

(b) if as a result thereof the paid-up capital of the bank would be impaired.

Directors liable for such dividend.

(2) The directors who knowingly and wilfully concur in the declaration or making payable of any dividend or bonus contrary to subsection (1) are jointly and severally liable for the amount of such dividend or bonus, as a debt due by them to the bank.

Dividend limited unless there is a certain rest account.

(3) No division of profits on the paid-up capital stock of the bank exceeding the rate of eight per cent per annum, shall be made by the bank unless after making the division the bank has a rest account, equal to at least thirty per cent of its paid-up capital stock after making all necessary provisions for diminution in the value of assets.

Personal liability of directors.

(4) The directors who knowingly and wilfully concur in any division of profits contrary to subsection (3) are jointly and severally liable for the amount so divided, as a debt due by them to the bank.

69. *Section 57.*

70. *Section 58.*

CASH RESERVES.

Cash reserves.

71. (1) The bank shall maintain a cash reserve in the form of a deposit with the Bank of Canada and of Bank of Canada notes held by the bank, and such reserve shall be not less on the average during any month than eight per cent, or such other percentage as may be fixed by the Bank of Canada under the provisions of the *Bank of Canada Act*, of such of its deposit liabilities as are payable in Canadian currency.

How determined.

(2) For the purpose of determining the amount of the cash reserve required to be maintained by a bank during any month

(a) the amount of its deposit liabilities payable in Canadian currency shall be the average of such deposit liabilities at the close of business on Wednesdays in each of the four consecutive weeks ending with the last Wednesday but one in the preceding month,

(b) the amount of Bank of Canada notes held by the bank shall be the average holdings of such notes at the close of business on Wednesdays in each of the four consecutive weeks ending with the last Wednesday but one in the preceding month, and

(c) the amount of its deposit with the Bank of Canada shall be the average amount of such deposit at the close of business on each juridical day of the current month.

Government guarantee.

(3) If the property and assets of the Bank of Canada are insufficient to pay its debts and liabilities and the Bank of Canada suspends payment of any of its liabilities, the deposit made under this section by every bank is hereby guaranteed, and the Governor in Council, on the recommendation of the Minister, shall authorize payment out of the Consolidated Revenue Fund of such moneys as are necessary to implement the guarantee.

Reserve for foreign liabilities.

(4) The bank shall also maintain adequate reserves against liabilities payable in foreign currencies.

71. New, but see *section 59.*

71 (3). Formerly section 24 (6) of the *Bank of Canada Act.*

NOTES.

Redemption of notes.

72. (1) Where the bank has issued its notes for circulation in a country outside Canada, it is liable to redeem them at par at any branch of the bank in that country and, except as provided in subsection (2), not elsewhere.

Idem.

(2) Where the bank has issued its notes for circulation in a country outside Canada and ceases to have a branch in that country without making arrangements for the redemption in that country of the notes, the bank is liable to redeem them at the head office of the bank in Canadian currency at a rate of exchange to be established from time to time for the purpose by the Treasury Board.

Idem.

(3) Where the bank has issued its notes for circulation in a country outside Canada, and under the laws in force in that country the bank is permitted or required to redeem the notes by a payment to a designated authority in that country, such a payment, if approved by the Treasury Board, discharges the liability of the bank in respect of the notes.

Idem.

73. Notwithstanding any other Act, the Bank of Canada is liable to redeem the notes of each bank specified in Schedule P issued for circulation in Canada upon presentation thereof at the head office of the Bank of Canada.

DESTRUCTION OF OLD RECORDS.

Destruction of records.

74. (1) Except as provided in subsection (4) of section 94, the bank may destroy books, records, documents, vouchers, paid instruments and papers in its possession where they are dated or were in existence or contain entries or writings made, more than twenty years prior to the destruction.

Evidence.

(2) Except as provided in subsection (3), in any action or proceeding the liability of the bank shall be determined by reference only to evidence of matters that have arisen or things that have occurred, including books and records or the portions thereof, and documents, vouchers, paid instruments and papers, that are dated or came into existence, or that contain entries or writings made, during the period of twenty years immediately preceding the commencement of the action or proceeding, or notices given during that period.

Idem.

(3) In any action or proceeding to establish the ownership of shares of capital stock of the bank, such ownership shall be determined by reference only to evidence of matters that

72. *Section 61 (3) (4).*

73. *Section 61 (8).*

74. Section 92 (6).

have arisen or things that have occurred, including books and records, or the portions thereof, and documents, vouchers, paid instruments and papers, that are dated or came into existence, or that contain entries or writings made, during the period of twenty years immediately preceding the commencement of the action or proceeding, excepting the share register of the bank.

Statute of Limitations.

(4) Nothing in subsection (1), (2) or (3) affects the operation of any statute of limitation or prescription or the right of the bank to destroy any books, records, documents, vouchers, paid instruments or papers not specified in subsection (4) of section 94 or relieves the bank from any liability to the Bank of Canada in respect of any debt or instrument to which subsection (1) of section 94 applies.

BUSINESS AND POWERS OF BANK.

General.

Business and powers of bank.

75. (1) The bank may

(a) open branches;

(b) acquire, deal in, discount and lend money and make advances upon the security of, and take as security for any loan or advance made by it, bills of exchange, promissory notes and other negotiable instruments, gold and silver coin and bullion and securities;

(c) lend money and make advances upon the security of, and take as security for any loan or advance made by it, lien or other notes, conditional sale contracts or any instruments or agreements made or entered into respecting the sale of goods, wares and merchandise, and money payable thereunder;

(d) lend money and make advances without security; and

(e) engage in and carry on such business generally as appertains to the business of banking.

Prohibitions.

(2) Except as authorized by or under this Act, the *National Housing Act, 1954*, the *Farm Improvement Loans Act* or the *Veterans' Business and Professional Loans Act*, the bank shall not, directly or indirectly,

(a) issue or reissue notes of the bank payable to bearer on demand and intended for circulation;

(b) deal in goods, wares and merchandise or engage in any trade or business;

(c) acquire, deal in or lend money or make advances upon the security of shares of the capital stock of the bank or any other bank;

(d) lend money or make advances on the security of real or immovable property, or of ships or vessels, or of goods, wares and merchandise;

(e) lend money or make advances to or on the guarantee of the general manager or any officer or employee subordinate to the general manager

75. *Section 75.*

(i) without the consent of the directors, if the principal amount outstanding of loans and advances made to and secured by him, together with the proposed loan or advance, exceeds twenty-five hundred dollars, or

(ii) if the principal amount outstanding of loans and advances made to and secured by him, together with the proposed loan or advance, exceeds twenty thousand dollars;

(f) lend money or make advances in a principal amount exceeding five per cent of its paid-up capital to a director of the bank or to any firm or corporation of which a director or the general manager of the bank is a member or shareholder without the consent of two-thirds of the directors present at a regular meeting of the board or a meeting of the board specially called for the purpose; and

(g) except with the consent of the Treasury Board, contribute to any guarantee or pension fund if any part of the fund has, at any time after the coming into force of this Act, been invested in shares of the capital stock of a bank.

Loans to directors.

(3) A director of the bank shall not be present or vote at a meeting of the board during the time at the meeting when a loan or advance to himself or a firm or corporation of which he is a member or director is under consideration, unless the loan or advance is to a corporation controlled by the bank, all the issued capital stock of which, except the qualifying shares of directors, is owned by the bank.

No officer, etc., to act as agent for insurance company.

(4) No officer or employee of the bank shall act as agent for any insurance company or for any person in the placing of insurance, nor shall the bank exercise pressure upon a borrower to place insurance for the security of the bank in any particular insurance agency, but nothing in this subsection precludes the bank from requiring such insurance to be placed with an insurance company approved by it.

Exception.

(5) Nothing in paragraph *(d)* of subsection (2) shall be construed to prohibit the acquisition by the bank from a corporation of securities issued or guaranteed by the corporation that are secured on any property, whether in favour of a trustee or otherwise, or the making of a loan or advance by the bank to the corporation against the issue of such securities.

Bank to have lien on shares of its debtors.

76. (1) Unless under the by-laws of the bank it is unnecessary that transfers of shares of its capital stock be made in the books of the bank, the bank has a privileged lien for any debt or liability for any debt to the bank on the shares of its own capital stock and on any dividends payable to the debtor or person liable, and may decline to allow any transfer of the shares of such debtor or person until the debt is paid.

Sale of shares.

(2) The bank shall, within twelve months after a debt has accrued and become payable, sell the shares on which it has a lien therefor, but notice shall be given to the holder of the shares of the intention of the bank to sell them, by mailing the notice to the holder at his recorded address at least thirty days prior to the sale.

Transfer.

(3) Upon the sale being made the president, a vice-president or the general manager shall execute a transfer of the shares to the purchaser thereof in the transfer book of the bank.

Effect of transfer.

(4) A transfer under this section vests in the purchaser all the rights in or to the shares that were possessed by the holder thereof, with the same obligation of warranty on his part as if he were the vendor thereof, but without any warranty from the bank or by the officer of the bank executing the transfer.

Securities may be sold.

77. Securities acquired and held by the bank as security, may, in case of default in the payment of the debt for the securing of which they were so acquired and held, be dealt with, sold and conveyed,

(a) in like manner and subject to the same restrictions as are provided in this Act in respect of shares of the capital stock of the bank on which it has acquired a lien under this Act, or

(b) in like manner as and subject to the restrictions under which a private individual might in like circumstances deal with, sell and convey the same,

but the bank is not obliged to sell within twelve months, and the right to deal with and dispose of securities as provided in this section may be waived or varied by any agreement between the bank and the owner of the securities.

Additional security.

78. (1) Where a debt or liability has been incurred to the bank in the course of its business, the bank may subsequently take, hold and dispose of security of any kind for such debt or liability upon any real or personal, immovable or movable property, except shares of the capital

76. *Section 76.*

77. *Section 77.*

78. *Section 79.*

stock of the bank on which the bank has a privileged lien under section 76, but no such security is effective in respect of any personal or movable property that at the time the security is taken is, by any statutory law that was in force on the 1st day of July, 1923, exempt from seizure under writs of execution.

Rights in respect of additional security.

(2) The rights, powers and privileges that the bank is by this Act declared to have, or to have had, in respect of real or immovable property on which it has taken security, shall be held and possessed by it in respect of any personal or movable property on which it has taken security.

Purchases of realty.

79. The bank may purchase any real or immovable property offered for sale

(a) under execution, or in insolvency, or under the order or decree of a court, or at a sale for taxes, as belonging to any debtor to the bank,

(b) by a mortgagee or other encumbrancer, having priority over a mortgage or other encumbrance held by the bank, or

Notice of sale by auction.

(c) by the bank under a power of sale given to it for that purpose, notice of such sale by auction to the highest bidder having been first given by advertisement for four weeks in a newspaper published in the county or electoral district in which such property is situate,

in cases in which, under similar circumstances, an individual could so purchase, without any restriction as to the value of the property that it may so purchase, and may acquire title thereto as any individual, purchasing at a sheriff's sale or sale for taxes or under a power of sale, in like circumstances could do, and may take, have, hold and dispose of the same.

Bank may acquire absolute title to mortgaged premises.

80. (1) The bank may acquire and hold an absolute title in or to real or immovable property mortgaged or hypothecated to it as security for a debt due or owing to it, either by the obtaining of a release of the equity of redemption in the mortgaged property, or by procuring a foreclosure, or by other means whereby, as between individuals, an equity of redemption can, by law, be barred, or a transfer of title to real or immovable property can, by law, be effected, and may purchase and acquire any prior mortgage or charge on such property.

No Act or law to prevent.

(2) Nothing in any charter, Act or law shall be construed as ever having been intended to prevent or as preventing the bank from acquiring and holding an absolute title to and in any mortgaged or hypothecated real or immovable property referred to in subsection (1), whatever the value thereof, or from exercising or acting upon any power of sale contained in any mortgage given to or held by the bank, authorizing or enabling it to sell or convey any property so mortgaged.

79. *Section 80.*

80. *Section 81.*

Real Property.

Acquisition of real property.

81. (1) The bank may acquire and hold real and immovable property for its actual use and occupation and the management of its business, and may sell or dispose of the same, and acquire other property in its stead for the same purpose.

Limit on right to hold real property.

(2) The bank may hold real or immovable property for a period of seven years

(a) from the day on which it acquired the property, or

(b) from the day on which it ceased to require the property for its own use, as determined by the directors,

whichever is later, and forthwith after the expiry of that period the bank shall sell or otherwise dispose of the property absolutely so that the bank no longer has, directly or indirectly, any interest or control in respect thereof except by way of security.

Forfeiture.

(3) Where the bank fails to dispose of property in accordance with subsection (2), the Attorney General of Canada may, upon such notice as a Judge of the Exchequer Court of Canada may order, apply to a Judge of that Court for an order declaring the property to be forfeited to Her Majesty in right of Canada, and the Judge may, if he is satisfied that the bank has not disposed of the property in accordance with subsection (2), declare the property forfeited to Her Majesty, except that

(a) the property shall not be vested in Her Majesty before the expiry of six calendar months from the day on which notice of the application was given to the bank in accordance with the order of the Judge, and

(b) the bank may, at any time before the property vests in Her Majesty, sell or otherwise dispose of it as required by subsection (2) as if no application, order or declaration had been made.

Loans and Advances.

Loans on hydrocarbons.

82. (1) The bank may lend money and make advances upon the security of any or all of the following:

(a) hydrocarbons, in, upon or under the ground, in place or in storage;

(b) the rights, licences or permits of any person to obtain and remove any of such hydrocarbons and to enter upon, occupy and use lands from or on which any of such hydrocarbons are or may be produced;

(c) the estate or interest of any person in or to any such hydrocarbons, rights, licences, permits and lands whether such estate or interest is entire or partial; and

81. *Sections 78 (1), 82 (1), 82 (4).*

82. New.

(d) the casing and equipment used or to be used in producing or seeking to produce and storing any such hydrocarbons;

or of any rights or interests in or to any of the foregoing.

Security.

(2) Security under this section may be given by signature and delivery to the bank by or on behalf of the person giving the security of an instrument in the form set out in Schedule L or in a form to the like effect, and shall affect the property described in the instrument giving the security

(a) of which the person giving the security is the owner at the time of the delivery of such instrument, or

(b) of which such person becomes the owner at any time thereafter before the release of the security by the bank, whether or not such property is in existence at the time of such delivery,

all of which property is for the purposes of this Act property covered by the security.

Rights under security.

(3) Any security given under this section vests in the bank, in addition to and without limitation of any other rights or powers vested in or conferred on it, full power, right and authority, through its officers or agents, in the event of

(a) non-payment of any loan or advance as security for the payment of which the bank has taken the security, or

(b) failure to care for, maintain, protect or preserve the property covered by the security,

to take possession of, seize, care for, maintain, use, operate and sell the property covered by the security or part thereof as it sees fit, returning to the person entitled thereto any surplus proceeds of any such operation or sale remaining after payment of all such loans and advances, with interest and expenses; a sale of any of the property by the bank vests in the purchaser all the right and title in and to such property that the person giving the security had when the security was given and that he acquired thereafter; unless the person by whom the security was given has agreed otherwise, any such sale shall be made by public auction after

(c) notice of the time and place of the sale has been sent by registered mail to the recorded address of the person by whom the security was given, at least ten days prior to the sale, and

(d) publication of an advertisement of the sale, at least two days prior to the sale, in at least two newspapers published in or nearest to the place where the sale is to be made; and if the sale is in the Province of Quebec at least one of such newspapers shall be a newspaper published in the English language and one other newspaper shall be a newspaper published in the French language.

Priority of bank's rights.

(4) Subject to subsection (5), all the rights and powers of the bank in respect of the property covered by security given under this section, have priority over all rights subsequently acquired in, on or in respect of such property and also over the claim of any mechanics' lien holder or of any unpaid vendor of casing or equipment, but such priority does not extend over the claim of any unpaid vendor who had a lien upon the casing or equipment at the time of the acquisition by the bank of such security, unless the same was acquired without knowledge on the part of the bank of such lien.

Idem.

(5) The rights and powers of the bank do not have priority over an interest or right acquired in, on or in respect of the property covered by security given under this section unless an original of the instrument giving the security, or a copy thereof, certified by an officer of the bank to be a true copy, or a caution, caveat or memorial in respect of the rights of the bank has been registered or filed in the proper registry or land titles office or office in which are recorded the rights, licences or permits referred to in this section, before the registration of such interest or right or the registration or filing of the deed or other instrument evidencing it, or of a caution, caveat or memorial in respect thereof, and every registrar or officer in charge of such proper registry or land titles or other office to whom an original of an instrument giving such security, or a copy thereof, certified by an officer of the bank to be a true copy, or a caution, caveat or memorial in respect of the rights of the bank is tendered, shall register or file the same according to the ordinary procedure for registering or filing within such office documents that evidence liens or charges against, or cautions, caveats or memorials in respect of claims to interests in or rights in respect of any such property and subject to payment of the like fees; but this subsection does not apply if the provincial law does not permit registration or filing of such original or certified copy of the instrument giving the security or a caution, caveat or memorial in respect of the rights of the bank.

Further security.

(6) When making a loan or advance on the security provided for by this section, the bank may take, on any property covered by such security, any further security it sees fit.

Substitution of security.

(7) Notwithstanding anything in this Act, where the bank holds any security covering hydrocarbons, it may take in lieu thereof, to the extent of the quantity covered by the security, any security covering or entitling it to the delivery of the same hydrocarbons or hydrocarbons of the same or a similar grade or kind.

Loans on standing timber.

83. The bank may lend money and make advances upon the security of standing timber or the rights or licences held by persons to cut or remove such timber, and, if the provincial law permits, the instrument evidencing such security shall be registered against the land upon which such timber stands or in the offices in which are recorded such rights or licences.

Loans to receiver or liquidator under *Winding-up Acts* and to officer under *Bankruptcy Act*.

84. The bank may lend money and make advances to a receiver, to a receiver and manager, to a liquidator appointed under any *Winding-up Act*, or to a custodian, interim receiver, or trustee under the *Bankruptcy Act*, if the receiver, receiver and manager, liquidator, custodian, interim receiver or trustee, has been duly authorized or empowered to borrow, and, in making the loan or advance, or thereafter, the bank may take security, with or without personal liability, from the receiver, receiver and manager, liquidator, custodian, interim receiver or trustee to such an amount, and upon such property as may be directed or authorized by any court of competent jurisdiction.

Advances for building, repairing, equipping, and altering ships.

85. (1) The bank may lend money and make advances in aid of the building of any ship or vessel or of the installation of engines or equipment therein or of the repair or alteration of any ship or vessel, or its engines or equipment, and in making the loan or advance and thereafter has the same right of acquiring and holding security upon the ship or vessel before and during such building, installation, repair or alteration, and after completion thereof, either by way of mortgage, hypothec, hypothecation, privilege or lien thereon, or purchase or transfer thereof, as any person has in the province wherein the ship or vessel is being built, equipped, repaired or altered.

Rights and obligations.

(2) The bank may, for the purpose of obtaining and enforcing any security under subsection (1), avail itself of all such rights and means, and is subject to all such obligagations, limitations and conditions as are, by the law of such province, conferred or imposed upon individuals making the advances.

Warehouse receipts and bills of lading.

86. (1) The bank may acquire and hold any warehouse receipt or bill of lading as security for the payment of any debt incurred in its favour, or as security for any liability incurred by it for any person, in the course of its banking business.

Effect of taking.

(2) Any warehouse receipt or bill of lading acquired under subsection (1) vests in the bank, from the date of the acquisition thereof,

83. *Section 83.*

84. *Section 84.*

85. *Section 85.*

86. *Section 86.*

(a) all the right and title to the warehouse receipt or bill of lading and to the goods, wares and merchandise covered thereby of the previous holder or owner thereof, and

(b) all the right and title to the goods, wares and merchandise mentioned therein of the person from whom the goods, wares and merchandise were received or acquired by the bank, if the warehouse receipt or bill of lading is made directly in favour of the bank, instead of to the previous holder or owner of the goods, wares and merchandise.

When previous holder is an agent.

87. (1) Where the previous holder of a warehouse receipt or bill of lading referred to in section 86 is a person

(a) entrusted with the possession of the goods, wares and merchandise mentioned therein, by or by the authority of the owner thereof,

(b) to whom the goods, wares and merchandise are, by or by the authority of the owner thereof, consigned, or

(c) who, by or by the authority of the owner of the goods, wares and merchandise, is possessed of any bill of lading, receipt, order or other document covering the same, such as is used in the course of business as proof of the possession or control of goods, wares and merchandise, or as authorizing or purporting to authorize, either by endorsement or by delivery, the possessor of such a document to transfer or receive the goods, wares and merchandise thereby represented,

the bank is, upon the acquisition of such warehouse receipt or bill of lading, vested with all the right and title of the owner of the goods, wares and merchandise, subject to the right of the owner to have the same retransferred to him if the debt or liability, as security for which the warehouse receipt or bill of lading is held by the bank, is paid.

Presumption of possession.

(2) For the purposes of this section, a person shall be deemed to be the possessor of goods, wares and merchandise, or a bill of lading, receipt, order or other document

(a) who is in actual possession thereof, or

(b) for whom, or subject to whose control the goods, wares and merchandise are, or bill of lading, receipt, order, or other document is held by any other person.

Loans to certain borrowers and security.

88. (1) The bank may lend money and make advances

(a) to any wholesale purchaser or shipper of, or dealer in, products of agriculture, products of the forest, products of the quarry and mine, or products of the sea, lakes and rivers, upon the security of such products;

87. *Section 87.*

88. *Section 88.*

(b) to any person engaged in business as a manufacturer, upon the security of goods, wares and merchandise manufactured by him or procured for such manufacture or production;

(c) to any farmer, upon the security of threshed grain grown upon the farm;

(d) to any farmer

(i) for the purchase of seed grain or seed potatoes, upon the security of the seed grain or the seed potatoes and any crop to be grown therefrom,

(ii) for the purchase of fertilizer, upon the security of the fertilizer and any crop to be grown from land on which, in the same season, the fertilizer is to be used, and

(iii) for the purchase of binder twine, upon the security of the binder twine and the crop in the harvesting of which the binder twine is to be used;

(e) to any farmer or any person engaged in live stock raising, upon the security of live stock, but the security taken under this paragraph is not effective in respect of any live stock that at the time the security is taken is, by statutory law that was in force on the 1st day of July, 1923, exempt from seizure under writs of execution;

(f) to any farmer for the purchase of agricultural implements, upon the security of such agricultural implements;

(g) to any farmer for the purchase or installation of agricultural equipment or a farm electric system, upon the security of such agricultural equipment or farm electric system;

(h) to any farmer for

(i) the alteration or improvement of a farm electric system,

(ii) the erection or construction of fencing or works for drainage on a farm,

(iii) the construction, repair or alteration of, or making of additions to, any building or structure on a farm, and

(iv) any works for the improvement or development of a farm for which a farm improvement loan as defined in the *Farm Improvement Loans Act* may be made,

upon the security of agricultural implements, but security taken under this paragraph is not effective in respect of any such agricultural implements that at the time the security is taken are, by statutory law that was in force on the 1st day of September, 1944, exempt from seizure under writs of execution; and

(i) to any fisherman, upon the security of fishing vessels, fishing equipment and supplies or products of the sea, lakes and rivers, but security taken under this paragraph is not effective in respect of any such property that at the time the security is taken is, by statutory law that was in force on the 1st day of September, 1944, exempt from seizure under writs of execution;

and the security may be given by signature and delivery to the bank by or on behalf of the person giving the security of a document in the form set out in the appropriate Schedule or in a form to the like effect.

Rights and powers vested by delivery of document.

(2) Delivery of a document giving the security upon property to a bank under the authority of this section vests in the bank in respect of property therein described

(a) of which the person giving security is the owner at the time of the delivery of such document, or

(b) of which such person becomes the owner at any time thereafter before the release of the security by the bank, whether or not such property is in existence at the time of such delivery,

the following rights and powers, namely,

(c) if such property is property on which security is given under paragraph *(a)*, *(b)*, *(e)*, *(h)* or *(i)* of subsection (1), the same rights and powers as if the bank had acquired a warehouse receipt or bill of lading in which such property was described, or

(d) if such property is property on which security is given under paragraph *(c)*, *(d)*, *(f)* or *(g)* of subsection (1), a first and preferential lien and claim thereon for the sum secured and interest thereon, and as regards a crop as well before as after the severance from the soil, harvesting or threshing thereof, and, in addition thereto, the same rights and powers in respect of such property as if the bank had acquired a warehouse receipt or bill of lading in which the property was described; and all rights and powers of the bank subsist notwithstanding that such property is affixed to real or immovable property and notwithstanding that the person giving the security is not the owner of such real or immovable property;

and all such property in respect of which such rights and powers are vested in the bank under this section is for the purposes of this Act property covered by the security.

Power of the bank to take possession, etc.

(3) Where security upon any property is given to the bank under paragraph *(c)*, *(d)*, *(e)*, *(f)*, *(g)*, *(h)* or *(i)* of subsection (1), the bank, in addition to and without limitation of any other rights or powers vested in or conferred on it, has full power, right and authority, through its officers or agents, in case of

(a) non-payment of any of the loans or advances for which such security was given,

(b) failure to care for or harvest any crop or to care for any live stock covered by the security,

(c) failure to care for any property on which security is given under paragraph *(f)*, *(g)*, *(h)* or *(i)* of subsection (1),

(d) any attempt, without the consent of the bank, to dispose of any property covered by the security, or

(e) seizure of any property covered by the security,

to take possession of or seize the property covered by the security, and in the case of a crop to care for it and harvest it or thresh the grain therefrom, and in the case of live stock to care for it, and has the right and authority to enter upon land or premises whenever necessary for any such purpose and to detach and remove such property, exclusive of wiring, conduits or piping incorporated in a building, from any real or immovable property to which it is affixed.

Notice of intention to be registered.

(4) The following provisions apply where security upon property is given to the bank under this section:

(a) the rights and powers of the bank in respect of property covered by the security are null and void as against creditors of the person giving the security and as against subsequent purchasers or mortgagees in good faith of the property covered by the security unless a notice of intention signed by or on behalf of the person giving the security was registered in the appropriate agency not more than three years immediately before the security was given;

Notices to be numbered consecutively, filed, etc.

(b) the agent shall number consecutively every notice of intention received by him and shall endorse thereon the number and the hour and date of its receipt and shall file the same and enter, in alphabetical order, in a book to be kept by him, the name of every person who has given such notice of intention with the number endorsed thereon opposite to each name;

Number, hour and date of registration.

(c) the agent shall endorse over his signature on a copy of the notice of intention to be supplied by the bank, for the records of the bank, the number and the hour and date of receipt, and the production of the copy with such endorsement and signature is conclusive evidence in all courts of the registration and of the time of registration as thereon endorsed;

Cancellation.

(d) registration of a notice of intention may be cancelled by registration in the appropriate agency in which the notice of intention was registered of a certificate of release signed on behalf of the bank named in the notice of intention and bearing the number

and date endorsed thereon, stating that each and every security to which the notice of intention relates has been released or that no security was given to the bank, as the case may be;

Certificates of release to be numbered consecutively, etc.

(e) the agent shall number consecutively every certificate of release received by him and shall endorse thereon the number and the hour and date of its receipt and shall file the same, whereupon the registration of the notice of intention in respect of which such certificate was given shall be deemed to be cancelled and the agent shall cancel it, and after the cancellation the notice of intention is without effect as regards any security given to the bank thereafter and may be destroyed by the agent; after five years have elapsed from the receipt of a certificate of release, the agent may destroy it;

Transcription of registration.

(f) the agent may transcribe the registration of any notice of intention onto another page of the registration book, whereupon the transcription shall take the place of the entry so transcribed, and the agent may destroy any pages on which all the entries have been cancelled or transcribed in accordance with this subsection;

Access to registration book.

(g) every person, upon payment of the proper fees, is entitled to have access to and to inspect any registration book, notice of intention or certificate of release kept by or in the custody of the agent;

Fees.

(h) for services under this section the agent is entitled to a fee of twenty-five cents for each of the following, namely,

(i) the registration of a notice of intention and endorsement of copy over signature,

(ii) the production of a registration book for inspection,

(iii) the production of a notice of intention for inspection, and

(iv) the registration of a certificate of release;

Inquiries.

(i) any person desiring to ascertain whether a notice of intention given by a person remains registered in an agency may inquire by sending a prepaid telegram or written communication addressed to the agent, and it is the duty of the agent, in the case of a written inquiry if it is accompanied by a fee of fifty cents, and in the case of an inquiry by telegram without payment of any fee, to make the necessary inspection of the registration books and of the relative documents, if any, and to reply to the inquirer stating the name of the bank mentioned in any such notice of intention, the reply to be by mail unless a telegraphic reply is requested, in which case it shall be sent at the expense of the inquirer;

Annual notice of registrations.

(j) the bank shall annually, during the month of March, send by registered post to each agency a statement showing the notices of intention to give security to the bank registered in the agency more than five years before the end of the preceding December in connection with which security was given to the bank and is still in effect or stating that there are no such notices of intention; the statement shall show the name of the person who gave each such notice of intention and the number and date of its registration; on receipt of the statement, the agent shall cancel the registrations of all notices of intention to give security to the bank registered in the agency more than five years before the end of the preceding December and not shown in such a statement, and thereafter the registrations of such notices of intention are without effect and the agent may destroy all such notices of intention; and

Interpretation. "Agency".

(k) in this subsection,

(i) "agency" means, in a province, the office of the Bank of Canada or its authorized representative but does not include its Ottawa office, and in the Yukon Territory and the Northwest Territories means the office of the Clerk of the Court of each of those Territories respectively;

"Agent".

(ii) "agent" means the officer in charge of the office mentioned in subparagraph (i), and includes any person acting for such officer;

"Appropriate agency."

(iii) "appropriate agency" means the agency for the province or territory in which the person by or on whose behalf a notice of intention is signed has his place of business or if such person has more than one place of business in Canada and such places of business are not in the same province or territory, the agency for the province or territory in which such person has his principal place of business or if such person has no place of business, the agency for the province or territory in which such person resides; and in respect of any notice of intention registered before the coming into force of this Act, means the office in which registration was required to be made by the law in force at the time of such registration;

"Notice of intention."

(iv) "notice of intention" means a notice of intention in the form set out in Schedule K or in a form to the like effect, and includes a notice of intention registered before the coming into force of this Act, in the form and registered in the manner required by the law in force at the time of the registration of such notice of intention; and

"Principal place of business."

(v) "principal place of business" means, in the case of a company incorporated by or under the authority of any Act of the Parliament of Canada, or by or under the authority of any Act of the late Province of Canada, or by or under the authority of any province or territory of Canada, the place where according to the company's charter, memorandum of association or by-laws, the head office of the company in Canada is situate and in the case of any other company means the place at which civil process in the province or territory in which the loans or advances will be made can be served upon the company.

Priority accorded to claim for wages.

(5) Notwithstanding anything in subsection (2) and notwithstanding that a notice of intention has been registered pursuant to this section by a person giving security upon property under this section, where under the *Bankruptcy Act* a receiving order is made against, or an assignment is made by such person, wages, salaries or other remuneration owing in respect of the period of three months next preceding the making of such order or assignment, to employees of such person employed in connection with the business or farm in respect of which the property covered by the security was held or acquired by such person, shall be a charge upon the property covered by the security in priority to the rights of the bank therein and if the bank takes possession or in any way disposes of such property, such wages, salaries or other remuneration owing for the said period shall be paid by the bank and the bank is subrogated in and to all the rights of such employees to the extent of the amounts so paid.

Priority of bank's claim.

89. (1) All the rights and powers of the bank in respect of the property mentioned in or covered by a warehouse receipt or bill of lading acquired and held by the bank, and those rights and powers of the bank in respect of the property covered by a security given to the bank under section 88 that are the same as if the bank had acquired a warehouse receipt or bill of lading in which such property was described, have, subject to the provisions of subsection (4) of section 88 and of subsections (2) and (3) of this section, priority over all rights subsequently acquired in, on or in respect of such property, and also over the claim of any unpaid vendor, but such priority does not extend over the claim of any unpaid vendor who had a lien upon the property at the time of the acquisition by the bank of such warehouse receipt, bill of lading or security, unless the same was

89. *Section 89.*

acquired without knowledge on the part of the bank of such lien, and where security is given upon property under paragraph *(g)* of subsection (1) of section 88, such priority shall exist notwithstanding that such property is or becomes affixed to real or immovable property.

Bank required to register against land in certain cases.

(2) Where security has been given to the bank under paragraph *(g)* of subsection (1) of section 88 upon property that is or has become affixed to real or immovable property, the rights and powers of the bank do not have priority over an interest or right acquired in, on or in respect of the real or immovable property after such property has become affixed thereto unless an original of the document giving the security, or a copy thereof, certified by an officer of the bank to be a true copy, or a caution, caveat or memorial in respect of the rights of the bank, has been registered or filed in the proper registry or land titles office before the registration of such interest or right, or of the deed or other instrument evidencing it, or of a caution, caveat or memorial in respect thereof, and every registrar or officer in charge of such proper land titles or registry office to whom a copy of a document giving such security, certified by an officer of the bank, or such a caution, caveat or memorial is tendered, shall register or file the same according to the ordinary procedure for registering or filing within such office, documents that evidence liens or charges against, or cautions, caveats or memorials in respect of claims to interests in or rights in respect of real or immovable property and subject to payment of the like fees; but this subsection does not apply if the provincial law does not permit the registration or filing of such original or certified copy of the document giving the security or a caution, caveat or memorial in respect of the rights of the bank.

Bank required to register security on fishing vessels under *Canada Shipping Act.*

(3) Where security has been given to the bank under paragraph *(i)* of subsection (1) of section 88, upon a fishing vessel that is recorded or registered under the *Canada Shipping Act*, the rights and powers of the bank do not have priority over any rights that are subsequently acquired in the vessel and are recorded or registered under that Act, unless a copy of the document giving the security, certified by an officer of the bank to be a true copy, has been recorded or registered under that Act in respect of the vessel before the recording or registration thereunder of such rights, and a copy of the document giving such security certified by an officer of the bank may be recorded or registered under that Act as if it were a mortgage given thereunder, and upon the recording or registration thereof the bank, in addition to and without limitation of any other rights or powers vested

in or conferred on it, has all the rights and powers in respect of the vessel that it would have if the security were a mortgage recorded or registered under that Act.

Sale of goods on non-payment of debt.

(4) In the event of non-payment of any debt, liability, loan or advance, as security for the payment of which the bank has acquired and holds a warehouse receipt or bill of lading or has taken any security under section 88, the bank may sell all or any part of the property mentioned therein or covered thereby and apply the proceeds against such debt, liability, loan or advance, with interest and expenses, returning the surplus, if any, to the person by whom such security was given; but such power of sale shall, unless such person has agreed to sale thereof otherwise than as herein provided, be exercised subject to the following provisions, namely:

Conditions of sale of property other than live stock.

(a) every sale of such property other than live stock shall be by public auction after

(i) notice of the time and place of the sale has been sent by registered mail to the recorded address of the person by whom the security was given, at least ten days prior to the sale in the case of any such property other than products of the forest, and at least thirty days prior to the sale in the case of any such property consisting of products of the forest, and

(ii) publication of an advertisement of the sale, at least two days prior to such sale, in at least two newspapers published in or nearest to the place where the sale is to be made stating the time and place thereof; and if the sale is in the Province of Quebec at least one of such newspapers shall be a newspaper published in the English language and one other newspaper shall be a newspaper published in the French language;

Conditions of sale of live stock.

(b) every sale of live stock shall be made by public auction not less than five days after

(i) publication of an advertisement of the time and place of the sale in a newspaper, or in the Province of Quebec in two newspapers, one in the English language and one in the French language, published in or nearest to the place where the sale is to be made, and

(ii) posting of a notice in writing, which notice shall, in the Province of Quebec, be in the English and the French languages, of the time and place of such sale, in or at the post office nearest to the place where the sale is to be made;

and the proceeds of such a sale of live stock, after deducting all expenses incurred by the bank and all expenses of seizure and sale, shall first be applied to satisfy privileges, liens or pledges having priority over the security given to the bank and for which claims have been filed with the person making the sale, and the balance shall be applied in payment of the debt, liability, loan or advance, with interest and the surplus if any returned to the person by whom such security was given;

any sale of property by the bank under this subsection vests in the purchaser all the right and title in and to the property that the person from whom security was taken under section 86 had when the security was given or that the person from whom security was taken under section 88 had when the security was given and that he acquired thereafter.

Goods manufactured from articles pledged.

(5) Where goods, wares and merchandise are manufactured or produced from goods, wares and merchandise, or any of them, mentioned in or covered by any warehouse receipt or bill of lading acquired and held by the bank or any security given to the bank under section 88, the bank has the same rights and powers in respect of the goods, wares and merchandise so manufactured or produced, as well during the process of manufacture or production as after the completion thereof, and for the same purposes and upon the same conditions as it had with respect to the original goods, wares and merchandise.

Subrogation of security.

(6) Where payment or satisfaction of any debt, liability, loan or advance in respect of which the bank has taken security under section 86 or 88 is guaranteed by a third person and such debt, liability, loan or advance is paid or satisfied by the guarantor, such guarantor is subrogated in and to all of the powers, rights and authority of the bank under the security that the bank holds in respect thereof under sections 86 and 88 and this section.

Bank may assign its rights.

(7) The bank may assign to any person all or any of its rights and powers in respect of any property on which security has been given to it under paragraph *(f)*, *(g)*, *(h)* or *(i)* of subsection (1) of section 88, whereupon such person has and may exercise all or any of the rights, powers and authority of the bank under such security.

Conditions under which bank may take security.

90. (1) The bank shall not acquire or hold any warehouse receipt or bill of lading, or any security under section 88, to secure the payment of any debt, liability, loan or advance unless such debt, liability, loan or advance is contracted or made

90. *Section 90.*

(*a*) at the time of the acquisition thereof by the bank, or

(*b*) upon the written promise or agreement that a warehouse receipt or bill of lading or security under section 88 would be given to the bank, in which case the debt, liability, loan or advance may be contracted or made before or at the time of or after such acquisition,

and such debt, liability, loan or advance may be renewed, or the time for the payment thereof extended, without affecting any security so acquired or held.

Exchanging of warehouse receipt for bill of lading and *vice versa*.

(2) The bank may

(*a*) on the shipment of any property for which it holds a warehouse receipt, or any security under section 88, surrender the receipt or security and receive a bill of lading in exchange therefor;

(*b*) on the receipt of any property for which it holds a bill of lading, or any security under section 88, surrender the bill of lading or security, store the property and take a warehouse receipt therefor, or ship the property, or part of it, and take another bill of lading therefor;

(*c*) surrender any bill of lading or warehouse receipt held by it and receive in exchange therefor any security that may be taken under this Act;

(*d*) when it holds any security under section 88 on grain in any elevator, take a bill of lading covering the same grain or grain of the same grade or kind shipped from such elevator, in lieu of such security, to the extent of the quantity shipped; and

(*e*) when it holds any security covering grain, take, in lieu of the security to the extent of the quantity covered by the security taken, a bill of lading or warehouse receipt for, or any document entitling it under the provisions of the *Canada Grain Act* to the delivery of, the same grain or grain of the same grade or kind.

Interest and Charges.

Interest exceeding 6% shall not be charged.

91. (1) Except as provided in subsection (2), no bank shall in respect of any loan or advance payable in Canada stipulate for, charge, take, reserve or exact any rate of interest or any rate of discount exceeding six per cent per annum and no higher rate of interest or rate of discount is recoverable by the bank.

Minimum charges.

(2) Where the interest or discount on any loan or advance amounts to less than one dollar the bank may, notwithstanding subsection (1), stipulate for, charge, take, reserve or exact a total charge in respect of interest or discount not exceeding one dollar, except that where the loan or advance is not in excess of twenty-five dollars and the interest or discount thereon is less than fifty cents, the maximum charge in respect thereof shall not exceed fifty cents.

91. *Section 91 (1) (2).*

Charges on discounts.

92. The bank may, in discounting a bill of exchange, promissory note or other negotiable instrument, in order to defray the expense of collection thereof, charge in addition to the discount thereon,

(a) where the instrument is payable at a branch of the bank in Canada and is discounted at another branch, an amount not exceeding one-eighth of one per cent of the amount of the instrument or fifteen cents, whichever is greater, or

(b) where the instrument is payable at a place in Canada, other than a branch of the bank, an amount not exceeding one-fourth of one per cent of the amount of the instrument or twenty-five cents, whichever is greater.

Official cheques and cheques payable to government to be paid at par.

93. (1) No bank shall make a charge for cashing a cheque or other instrument drawn on the Receiver General or on his account in the Bank of Canada or in any other bank, or for cashing any other instrument issued as authority for the payment of money out of the Consolidated Revenue Fund, or in respect of any cheque or other instrument drawn in favour of the Receiver General, the Government of Canada or any department thereof or any public officer in his capacity as such, and tendered for deposit to the credit of the Receiver General.

Charges on keeping accounts.

(2) No bank shall directly or indirectly charge or receive any sum for the keeping of an account unless the charge is made by express agreement between the bank and the customer.

Deposits.

Transfer to Bank of Canada of unclaimed deposits, etc.

94. (1) Where

(a) a debt payable in Canada in Canadian currency is owing by the bank by reason of a deposit at a branch of the bank in Canada in respect of which no transaction has taken place and no statement of account has been requested or acknowledged by the creditor during a period of ten years reckoned

(i) in the case of a deposit made for a fixed period, from the day on which the fixed period terminated, and

(ii) in the case of any other deposit, from the day on which the last transaction took place or a statement of account was last requested or acknowledged by the creditor, whichever is later, or

(b) a cheque, draft or bill of exchange (including an instrument drawn by one branch of the bank upon another branch of the bank) payable in Canada in Canadian currency has been issued, certified or

92. *Sections 93, 94.*

93. *Sections 98, 91, (5).*

94. *Section 92.*

accepted by the bank at a branch in Canada and no payment has been made in respect thereof for a period of ten years from the date of issue, certification or acceptance,

the bank shall pay to the Bank of Canada an amount equal to the amount owing by the bank in respect of the debt or to the amount that would be owing if the instrument had been presented for payment, including interest, if any, in accordance with the terms of the debt or instrument, and payment accordingly discharges the bank from all liability in respect of the debt or instrument.

Minister may direct bank to withhold payment in case of doubt.

(2) Where in the opinion of the Minister, there is doubt as to who is entitled to payment of a debt or instrument specified in subsection (1) he may, in writing, direct the bank to withhold the payment required by subsection (1) and the bank shall not make the payment until directed to do so in writing by the Minister.

Payment to claimant.

(3) Subject to subsection (4) of section 18 of the *Bank of Canada Act*, where payment has been made to the Bank of Canada under subsection (1) with respect to a debt or instrument, the Bank of Canada, if payment is demanded or the instrument is presented at the Bank of Canada by the person who, but for subsection (1), would be entitled to receive payment of the debt or instrument, is liable to pay at its agency in the province in which the debt was payable, an amount equal to the amount so paid to it, with interest thereon for a period not exceeding twenty years, from the day on which the payment was received by the Bank of Canada until the date of payment to the claimant, at such rate and computed in such manner as the Treasury Board determines if interest was payable in accordance with the terms of the debt, and such liability may be enforced by action against the Bank of Canada in a court of competent jurisdiction in the province in which the debt or instrument was payable.

Retention of records.

(4) Where the bank has paid an amount to the Bank of Canada under subsection (1) in respect of a debt or instrument, it shall keep all signature cards and signing authorities relating to the debt or instrument until the Bank of Canada notifies the bank that they are no longer required and thereafter may destroy them.

Statutes of limitation not to apply.

(5) Except as provided in subsection (1) of this section, and in subsection (2) of section 74, no debt owing by the bank by reason of a deposit is extinguished and no action to enforce payment thereof is barred by any statute of prescription or limitation.

Deposits may be received from persons unable to contract.

95. (1) The bank may without the authority, aid, assistance or intervention of any other person or official being required,

94. (2) New.

95. *Sections 95, 92 (1).*

(a) receive deposits from any person whomsoever, whatever his age, status or condition in life, and whether such person is qualified by law to enter into ordinary contracts or not, and

Payments.

(b) from time to time pay any or all of the principal thereof and any or all of the interest thereon to or to the order of such person, unless before payment the money so deposited in the bank is claimed by some other person in any action or proceeding to which the bank is a party and in respect of which service of a writ or other process originating such action or proceeding has been made on the bank, or in any other action or proceeding pursuant to which an injunction or order made by the court requiring the bank not to make payment of such money or to make payment thereof to some person other than the depositor has been served on the bank, and in the case of any such claim so made the money so deposited may be paid to the depositor with the consent of the claimant or to the claimant with the consent of the depositor.

Interest.

(2) The bank may allow any rate of interest on a debt payable by the bank by reason of a deposit.

Bank not bound to see to trust in deposits.

96. (1) The bank is not bound to see to the execution of any trust, whether express, implied or constructive, to which any deposit made under the authority of this Act is subject.

Payment where bank has notice of trust.

(2) When any deposit made under the authority of this Act is subject to a trust of which the bank has notice, the receipt or cheque of the person in whose name any such deposit stands, or, if it stands in the names of two or more than two persons, the receipt or cheque of all such persons or of such of them as under the document creating the trust may be entitled to receive such deposit is, notwithstanding any trust to which such deposit is then subject, a sufficient discharge to all concerned for the payment of any money payable in respect of such deposit and the bank is not bound to see the application of any money paid upon such receipt or cheque.

Payments in other cases.

(3) Except only in the case of a claim made in the manner referred to in paragraph *(b)* of subsection (1) of section 95, by some other person before repayment, the receipt or cheque of the person in whose name any deposit stands, or, if it stands in the names of two persons, the receipt or cheque of one, or, if it stands in the names of more than two persons, the receipt or cheque of the majority of such persons is a sufficient discharge to all concerned for the payment of any money payable in respect of such deposit.

96. *Section 96.*

Garnishee, writ, affect only branch where served.

(4) An attaching or garnishee order or summons or a writ of extent affects and binds only property in the possession of the bank belonging to, or moneys to the credit of, the debtor at the branch where such order, summons or writ or notice thereof is served.

Where depositor dies, claim not exceeding $2,000, how proved.

97. (1) Where a person dies, having a deposit with the bank not exceeding two thousand dollars, the production to the bank of

(a) any authenticated copy of the probate of the will of the deceased depositor, or of letters of administration of his estate, or of letters of verification of heirship, or of the act of curatorship or tutorship, granted by any court in Canada having power to grant the same, or by any court or authority in a country of the British Commonwealth or any colony, dependency or protectorate of any such country, or of any testament-testamentar or testament-dative expede in Scotland,

(b) an authentic copy of the will of the deceased depositor, if such will is in notarial form, according to the law of the Province of Quebec, or

(c) if the deceased depositor died elsewhere than in a place mentioned in paragraph *(a)*, any authenticated copy of the probate of his will, or of letters of administration of his property, or other document of like import, granted by any court or authority having the requisite power in such matters,

is sufficient justification and authority for paying such deposit, in pursuance of and in conformity to such probate, letters of administration, or other documents.

Deposit of copy of document.

(2) When the authenticated copy or other document of like import is produced to the bank under subsection (1) there shall be deposited with the bank a true copy thereof.

Payment in Bank of Canada notes.

98. The bank, when making any payment shall, on the request of the person to whom the payment is to be made, make the payment or a part thereof, not exceeding one hundred dollars, as that person requests, in Bank of Canada notes for one, two or five dollars each.

Purchase of Assets and Amalgamation.

Banks may buy and sell assets.

99. (1) A bank may sell the whole or part of its assets to any other bank and the other bank may purchase them.

Terms of agreement.

(2) The terms of purchase and sale of assets under this section shall be specified in an agreement (hereinafter called a "sale agreement") entered into between the banks concerned in accordance with section 101.

97. *Section 97.*

98. *Section 71 (1).*

99. *Sections 99 (1), 100 (1) (2), 103, 104, 105, 107, 108, 110, 111.*

87846—8

Issue of stock as consideration.

(3) Where, pursuant to a sale agreement, a bank is required to issue shares of its capital stock by way of consideration under the agreement and for such purpose it is necessary to increase the capital stock of the bank, the shareholders may, notwithstanding anything in this Act, by by-law, increase the capital stock to the extent necessary to comply with the agreement, and the provisions of this Act relating to the increase of capital stock and the allotment and sale of such increased stock do not apply in respect of the increase of capital stock under this section or the shares issued as a result of the increase; a by-law made under this subsection has no force or effect unless and until the sale agreement is approved by the Governor in Council under section 102.

Effect of agreement.

(4) The approval by the Governor in Council under section 102 of a sale agreement vests in the purchasing bank the assets of the selling bank that under the agreement are purchased by the purchasing bank, and, subject to the agreement, the selling bank shall thereafter, if requested by the purchasing bank, execute such formal and separate conveyances, assignments and assurances as are reasonably required to confirm or evidence the vesting in the purchasing bank of the full title and ownership of the said assets.

Liability of purchasing bank for obligations of selling bank.

(5) Upon approval of a sale agreement by the Governor in Council, the purchasing bank becomes liable instead of the selling bank to discharge all obligations of the selling bank that have been assumed by the purchasing bank under the agreement and, notwithstanding anything in the agreement, to redeem the outstanding notes of the selling bank issued for circulation in a country outside Canada exclusive of those in respect of which payment has been made as contemplated by subsection (3) of section 72, and the notes shall be deemed for all purposes to be notes of the purchasing bank.

Winding-up of selling bank.

(6) When the Governor in Council has approved a sale agreement, the selling bank may thereafter carry on business only to the extent necessary to enable the directors to carry out the sale agreement and wind up the business of the bank.

Amalgamation.

100. (1) Any two or more banks may amalgamate for the purpose of continuing as one bank (hereinafter called the "amalgamated bank") under the name of one of the amalgamating banks or under a new name.

Agreement.

(2) The banks proposing to amalgamate shall enter into an agreement (hereinafter called an "amalgamation agreement"), in accordance with section 101, prescribing

(a) the terms of the amalgamation,

(b) the name of the amalgamated bank,

100. New.

(c) the names, callings and places of residence of the directors of the amalgamated bank who shall hold office until the first annual meeting,

(d) the capital of the amalgamated bank,

(e) the manner and terms of issuing shares of the amalgamated bank to the shareholders of the banks that are parties to the agreement, and

(f) such other matters as may be necessary to perfect the amalgamation and to provide for the subsequent management and working of the amalgamated bank.

Effect of agreement.

(3) The approval by the Governor in Council under section 102 of an amalgamation agreement amalgamates the banks that are parties to the agreement and creates them one body politic and corporate and they shall continue thereafter as one bank under the name specified in the agreement.

Rights, liabilities of amalgamated banks.

(4) The amalgamated bank owns and possesses all the property, rights and interests and is subject to all the duties, liabilities and obligations of each of the parties to the amalgamation agreement, and the outstanding notes of the parties to the agreement shall be deemed for all purposes to be notes of the amalgamated bank.

Act is charter.

(5) When approved by the Governor in Council, the amalgamation agreement has the force of law and, subject to the agreement, this Act, except section 14, applies to and is the charter of the amalgamated bank.

Conditions applicable to sale and amalgamation.

101. (1) This section and section 102 apply in respect of a sale agreement and an amalgamation agreement.

Submission of agreement to shareholders.

(2) The terms of a proposed agreement shall be submitted to the shareholders of each of the banks that are to become parties thereto either at an annual general meeting or at a special general meeting duly called for the purpose.

Notice of meeting.

(3) The directors of each bank shall cause a draft of the proposed agreement to be sent by registered mail to every shareholder of the bank at his recorded address at least four weeks prior to the date of the meeting at which the agreement is to be submitted, together with a notice of the time and place of the holding of the meeting.

Approval of agreement by shareholders.

(4) If at a meeting of the shareholders of each bank at which the proposed agreement is submitted in accordance with this section, the agreement is approved by resolution carried by the votes of shareholders, voting in person or by proxy, representing not less than two-thirds of the amount of the subscribed capital stock of the bank, the agreement may be executed on behalf of each bank.

Approval by Governor in in Council.

102. (1) A sale or amalgamation agreement has no force or effect until it has been approved by the Governor in Council.

101. *Sections 101, 102 (1).*

102. *Sections 99 (2), 102 (2), 106, 109.*

Conditions.

(2) The Governor in Council shall not approve the agreement unless

(a) the Minister, before the proposed agreement was submitted to the shareholders, in writing approved the making of such an agreement by the banks concerned,

(b) the Treasury Board recommends that the agreement be approved,

(c) he is satisfied that the shareholders of the parties to the agreement have approved the agreement in accordance with section 101,

(d) the application for approval is made within three months from the date of execution of the agreement, and

(e) notice of the intention of the parties to the agreement to apply to the Governor in Council for approval of the agreement has been published for at least four weeks in the *Canada Gazette* and in one or more newspapers published in the place where the head office of each bank is situate.

Evidence of approval.

(3) The approval of the Governor in Council of an agreement shall be evidenced by an Order of the Governor in Council and a copy of the Order purporting to have annexed thereto a true copy of the agreement, certified by the Clerk or Assistant Clerk of the Privy Council for Canada, is in all courts and for all purposes, *prima facie* evidence of the agreement, of the due execution thereof, of its approval by the Governor in Council and of the regularity of all proceedings in connection therewith.

Refusal.

(4) Nothing in this Act shall be construed as precluding the Minister, the Treasury Board or the Governor in Council from refusing to give or to recommend any approval that is required in respect of an agreement.

RETURNS.

Monthly return in form of Schedule M.

103. (1) The bank shall, within the first twenty-eight days of each month, make a return to the Minister and Bank of Canada in the form set out in Schedule M, which shall present fairly the financial position of the bank on the last day of the last preceding month.

Controlled corporation outside Canada.

(2) Where a bank carries on the business of banking outside Canada in the name of a corporation controlled by the bank, and owns all the issued capital stock of the corporation except the qualifying shares of directors, the assets and liabilities of the corporation shall be consolidated with those of the bank for the purposes of the return required by this section and attention drawn to the consolidation by way of footnote.

103. *Sections 112 (1), (3), (10), (2).*

Return date for branches.

(3) Where the return of a branch of the bank or of a corporation referred to in subsection (2) for the last day of a month does not, before the tenth day of the next following month, reach

(a) the head office of the bank, or

(b) the office of the general manager, if his office is at a place other than the head office,

the return last received from the branch showing, as far as that branch is concerned, the financial position of the bank at the date specified therein may be used in the preparation of the return required by this section.

Amendment of Schedule M.

(4) The Governor in Council may, in his discretion amend Schedule M.

Montly cash reserve return.

104. The bank shall, within the first twenty-eight days of each month, make a return to the Minister and to the Bank of Canada, in a form prescribed by the Minister, of its cash reserve for the last preceding month showing the information appropriate to determine the reserve as defined in subsection (2) of section 71.

Return of foreign currencies.

105. The bank shall, at such times and in such form as the Minister prescribes, make a return to the Minister of its assets, cash reserves and liabilities that are valued or payable in foreign currencies.

Annual return in form of Schedule Q.

106. The bank shall, within thirty days after the end of each calendar year, make a return to the Minister in the form set out in Schedule Q for the financial year of the bank ending in that calendar year.

Annual return of outstanding loans.

107. The bank shall, once in each year, make a return to the Minister, in accordance with regulations of the Treasury Board, with respect to all loans made by the bank in Canada that are outstanding on a day specified in the regulations.

Annual return of deposit liabilities.

108. The bank shall, once in each year, make a return to the Minister, in accordance with regulations of the Treasury Board, with respect to deposit liabilities of the bank payable at branches of the bank in Canada in Canadian currency on a day specified in the regulations.

Annual return of unclaimed deposits.

109. (1) The bank shall, within thirty days after the end of each calendar year, make a return to the Minister as of the end of that calendar year with respect to all debts payable by the bank in Canada in Canadian currency by reason of deposits at branches of the bank in Canada in

104. New. Formerly in *Bank of Canada Act*.

105. *Section 59.*

106. *Section 53 (9).*

107. *Section 115.*

108. *Section 116.*

109. *Section 117 (1), (2).*

respect of which no transaction has taken place and no statement of account has been requested or acknowledged by the creditor during a period of nine years or more, reckoned

(a) in the case of a deposit made for a fixed period, from the day on which the fixed period terminated, and

(b) in the case of any other deposit, from the day on which the last transaction took place or a statement of account was last requested or acknowledged by the creditor, whichever is later,

until the date of the return.

Content of return.

(2) A return made under subsection (1) shall show

(a) the name of each creditor to whom, according to the books of the bank, the debts are payable,

(b) the recorded address of each such creditor,

(c) the amount payable to each such creditor, and

(d) the branch of the bank at which the last transaction took place with respect to the debt, and the date thereof.

Annual return of unpaid instruments.

110. (1) The bank shall, within thirty days after the end of each calendar year, make a return to the Minister as of the end of that calendar year of every cheque, draft or bill of exchange (including an instrument drawn by one branch of the bank upon another branch of the bank) payable in Canada in Canadian currency that has been issued, certified or accepted by the bank at a branch in Canada and in respect of which no payment has been made for a period of nine years or more reckoned from the date of issue, certification or acceptance until the date of the return.

Content of return.

(2) A return made under subsection (1) shall show

(a) the name of each person to whom or at whose request each instrument was issued, certified or accepted,

(b) the recorded address of each such person,

(c) the name of the payee of each instrument,

(d) the amount and date of each instrument,

(e) the name of the place where each instrument was payable, and

(f) the branch of the bank at which each instrument was issued, certified or accepted.

Annual return of unpaid dividends.

111. (1) The bank shall, within thirty days after the end of each calendar year, make a return to the Minister as of the end of that calendar year of all dividends that have become payable and have remained unpaid and unacknowledged by the shareholder or his legal representative for a period of more than five years reckoned from the day on which the dividend became due and payable until the date of the return.

110. *Section 117 (3).*

111. *Section 117 (1) (2) (4).*

Content of return.

(2) A return made under subsection (1) shall show

(a) the name of each shareholder to whom a dividend to which subsection (1) applies is payable,

(b) the recorded address of each such shareholder, and

(c) the total amount of dividends to which subsection (1) applies that is payable to each shareholder.

Idem.

(3) Where the total amount of dividends payable to a shareholder is less than twenty-five dollars and has been included in returns made under this section for two consecutive years, the bank may thereafter omit the particulars required by subsection (2) from further returns made under this section unless the amount increases to twenty-five dollars or more.

Notice of unpaid amount to person entitled.

112. (1) The bank shall mail to each person, insofar as known to the bank,

(a) to whom a debt referred to in section 109 is payable,

(b) to whom or at whose request an instrument referred to in section 110 was issued, certified or accepted, and

(c) to whom a dividend referred to in section 111 is payable,

at his recorded address, a notice in writing stating that the debt, instrument or dividend, as the case may be, remains unpaid.

When notice to be given.

(2) The notice required by subsection (1) shall be given during the month of January next after the end of the first two-year period, and also during the month of January next after the end of the first five-year period, in respect of which

(a) no transaction has taken place and no statement of account has been requested or acknowledged by the creditor,

(b) the instrument has remained unpaid, or

(c) the dividend has remained unpaid,

as the case may be.

Annual return of interest charges.

113. (1) The bank shall, within thirty days after the end of each calendar year, make a return to the Minister in the form of a declaration in writing disclosing whether, according to the books of the bank and the signed returns received from the managers of branches, the bank has, during that calendar year, stipulated for, charged, taken, reserved or exacted in respect of any loan or advance payable in Canada any rate of interest or discount exceeding the rate authorized by section 91.

Signature.

(2) A declaration required by this section shall be signed by the persons who are required to sign the declaration mentioned in subsection (1) of section 118.

112. *Section 117 (5) (6).*

113. *Section 91 (3) (4).*

Annual return of real property.

114. The bank shall, once in each year, make a return to the Minister at such time and in such form as the Minister prescribes, of the real or immovable property held by the bank that has ceased to be required for its own use as determined in accordance with subsection (2) of section 81.

Annual return of names of directors, etc.

115. (1) The bank shall, within thirty days after each annual general meeting of the shareholders, make a return to the Minister showing

(a) the name and address of each director elected at the meeting, the banks and corporations of which he is a director and the firms of which he is a member, and

(b) the names of the president and vice-president of the bank.

Notice of vacancies.

(2) Where a vacancy occurs in the board of directors or in the office of president or vice-president, the bank shall, forthwith upon the vacancy being filled, notify the Minister of the name and address of the person who fills the vacancy and the banks and corporations of which he is a director and the firms of which he is a member.

Change in officers.

(3) Where a change is made in the holder of the office of general manager or chief accountant, the bank shall forthwith notify the Minister of the name of the person appointed to the office.

Annual return of names of shareholders.

116. The bank shall, within thirty days after the end of each calendar year, make a return to the Minister of its shareholders as at the end of the financial year of the bank ending in that calendar year, showing

(a) the name of each shareholder who holds five hundred or more shares of the capital stock of the bank,

(b) the city, town or other place of the recorded address of each such shareholder,

(c) the number of shares held by him and the amount, if any, remaining to be paid thereon, and

(d) the total number of all other shareholders of the bank, the total number of shares held by them and the total amount, if any, remaining to be paid thereon.

Additional information.

117. (1) In addition to the returns required by sections 103 to 116, the bank shall furnish to the Minister

(a) the documents required to be sent to him under section 44, subsection (4) of section 58 and subsection (16) of section 61, and

(b) such other information in such form as the Minister may from time to time require.

Minister may determine information.

(2) The Minister may, in any case of doubt, determine

(a) the information that is to be included in any classification, and

114. New.

115. *Section 113.*

116. *Section 114.*

117. *Section 112 (4) (5).*

(b) in which classification particular information shall be included,

in any form prescribed by or under this Act.

Extension of time.

(3) The Minister may, in his discretion, extend the time for making a return required by this Act for a period not exceeding thirty days.

Declaration to be annexed.

118. (1) A return made by a bank under sections 103 to 111 shall have annexed thereto as part of the return, a declaration in the form set out in Schedule R, signed

(a) as to Part I thereof, by the chief accountant or a person authorized to sign in the place of the chief accountant, and

(b) as to Part II thereof, by the president, a vice-president or a director authorized to sign in the place of the president, and by the general manager or a person authorized to sign in the place of the general manager.

Signature.

(2) A return made by a bank under section 114, 115 or 116 shall be signed by the president, a vice-president or a director authorized to sign in the place of the president, and by the general manager or a person authorized to sign in the place of the general manager.

Returns to be laid before Parliament.

119. (1) Each return made under section 109, 110, 111 or 116 and a compilation for all banks of the information contained in the returns made under sections 106, 107 and 108 shall be laid before Parliament within fifteen days after the expiry of the time prescribed by or pursuant to this Act for making the return or, if Parliament is not then in session, within fifteen days after the commencement of the next ensuing session.

Publication.

(2) The Minister shall, in each year, cause the returns made under section 109, 110 or 111 in that year and the compilations of the information contained in the returns made under sections 106, 107 and 108, to be published in the *Canada Gazette* within thirty days after the expiry of the time prescribed by or pursuant to this Act for making the return.

INSOLVENCY.

Suspension for 90 days to constitute insolvency.

120. Any suspension by the bank of payment of any of its liabilities as they accrue, in Bank of Canada notes, if it continues for ninety days consecutively, or at intervals within twelve consecutive months, constitutes the bank insolvent.

Charter to remain in force for calls and winding-up.

121. The charter or Act of incorporation of the bank in the case mentioned in section 120, remains in force only for the purpose of enabling the directors, or other lawful

118. *Section 118 (1) (2).*

119. *Section 53 (10), 118 (3).*

120. *Section 130.*

121. *Section 131.*

authority, to make and enforce the calls mentioned in section 122, and to wind up the business of the bank.

If no proceedings within 3 months thereafter, directors to make calls.

122. (1) Where any suspension of payment in full, in Bank of Canada notes, of any of the liabilities of the bank, continues for three months after the expiration of the time that, under section 120 would constitute the bank insolvent, and no proceedings are taken under any Act for the winding-up of the bank, the directors shall make calls on each shareholder thereof to the amount they deem necessary to pay all the debts and liabilities of the bank not exceeding the amount uncalled on his shares, without waiting for the collection of any debts due to the bank or the sale of any of its assets or property.

Provisions applicable to calls.

(2) The following provisions apply in respect of calls made under subsection (1), namely:

(a) the calls shall be payable at intervals of thirty days;

(b) notice of the calls shall be given to the shareholders;

(c) any number of calls may be made by one resolution;

(d) no call shall exceed twenty per cent of the amount subscribed in respect of each share;

(e) payment of calls may be enforced in like manner as payment of any other calls under this Act;

(f) the first of such calls may be made within ten days after the expiration of the said three months;

(g) in the event of proceedings being taken under any Act for the winding-up of the bank in consequence of the insolvency of the bank, the calls shall be made in the manner prescribed for the making of such calls in such Act; and

(h) failure on the part of a shareholder to pay any such call when due constitutes a forfeiture by the shareholder of all claim in or to any part of the assets of the bank; but the call and any further call thereafter is recoverable from him as if no forfeiture had taken place.

Liability of shareholders who have transferred their stock.

123. The following persons, namely,

(a) persons who, having been shareholders of the bank, have transferred their shares, or any of them, within sixty days before the commencement of the suspension of payment by the bank, and

Or whose shares have been forfeited.

(b) persons whose shares of the capital stock of the bank have been forfeited within sixty days before the commencement of the suspension of payment by the bank,

are liable to all calls on the shares held or subscribed for by them, as if they held such shares at the time of such suspension of payment, saving their recourse against those by whom such shares were then actually held.

122. *Section 132.*

123. *Section 134.*

Order of charges.

124. In the case of the insolvency of the bank

(a) the payment of the notes issued by the bank, intended for circulation in a country outside Canada and then in circulation, exclusive of those in respect of which payment has been made as contemplated by subsection (3) of section 72, shall be the first charge upon the assets of the bank,

(b) the payment of any amount due to the Government of Canada, in trust or otherwise, shall be the second charge upon such assets,

(c) the payment of any amount due to the government of a province, in trust or otherwise, shall be the third charge upon such assets, and

(d) the amount of any penalties for which the bank is liable shall be a charge upon the assets of the bank, after all other liabilities are paid.

CURATOR.

Minister to appoint curator.

125. (1) The Minister shall, if a bank suspends payment in Bank of Canada notes of any of its liabilities as they accrue, forthwith appoint in writing a curator to supervise the affairs of the bank.

Idem.

(2) The Minister may, if the Inspector reports that in his opinion a bank is insolvent, forthwith appoint in writing a curator to supervise the affairs of the bank.

Removal.

126. The Minister may at any time remove the curator and may appoint in writing another person to act in his stead.

Powers and duties of curator.

127. (1) The curator shall assume supervision of the affairs of the bank, and of all necessary arrangements for the payment of the notes of the bank issued for circulation in a country outside Canada, and, at the time of his appointment, outstanding and in circulation, exclusive of those in respect of which payment has been made as contemplated by subsection (3) of section 72.

Generally.

(2) The curator has generally all powers and shall take all steps and do all things necessary or expedient to protect the rights and interests of the creditors and shareholders of the bank, and to conserve and ensure the proper disposition, according to law, of the assets of the bank; and, for the purposes of this section, he is entitled to free and full access to all books, accounts, cash, securities, documents and vouchers of the bank and any security held by the bank.

Supervision.

(3) The curator shall supervise the affairs of the bank until he is removed from office, or until a liquidator is duly appointed to wind up the business of the bank.

124. *Section 135*

125. *Sections 121, 56 (12).*

126. *Section 122.*

127. *Section 123.*

Officers and employees to assist curator.

128. The directors, officers and employees of the bank shall give and afford to the curator all such information and assistance as he requires in the discharge of his duties.

No act of directors valid unless approved by curator.

129. No by-law, regulation, resolution or act, relating to the affairs or management of the bank, passed, made or done by the directors during the time the curator is in charge of the bank, is of any force or effect until approved in writing by the curator.

Remuneration of curator.

130. The remuneration of the curator for his services, and his expenses and disbursements in connection with the discharge of his duties, shall be fixed and determined by a judge of a superior court in the province where the head office of the bank is situate, and shall be paid out of the assets of the bank, and, in case of the winding-up of the bank shall rank on the estate equally with the remuneration of the liquidator.

LIQUIDATOR

Returns by liquidation.

131. A liquidator appointed to wind up the affairs of a bank shall furnish to the Minister such information, in such form, relating to the affairs of the bank, as the Minister may from time to time require of him.

PAYMENTS UPON WINDING-UP.

Unclaimed money on winding-up to be paid to Minister.

132. (1) Notwithstanding the *Winding-Up Act*, where the business of the bank is being wound up, the liquidator shall, before the final winding-up thereof, pay to the Minister on demand any amount that is payable by the liquidator to a creditor or shareholder of the bank to whom payment thereof has not, for any reason, been made.

Payment to Bank of Canada.

(2) The Minister shall pay to the Bank of Canada any amounts paid to him under subsection (1).

Idem.

(3) The Minister shall, forthwith upon the coming into force of this Act, pay to the Bank of Canada out of the Consolidated Revenue Fund an amount equal to

(a) any amount that has been paid to the Minister before the coming into force of this Act representing an amount payable by a liquidator to a creditor in respect of the winding-up of a bank specified in Schedule O less any principal amounts thereof paid out of the Consolidated Revenue Fund by the Minister under statutory authority, and

(b) any amount to which a person is entitled under *The Home Bank Creditors' Relief Act, 1925*, that has not, at the coming into force of this Act, been paid to the

128. *Section 124.*

129. *Section 125.*

130. *Section 127.*

131. *Section 126.*

132. *Section 119.*

person entitled thereto, which shall be deemed to have been a claim against the liquidator and to have become payable on the 17th day of August, 1923.

Liquidator and bank discharged.

(4) Payment by a liquidator to the Minister under this section discharges the liquidator and the bank in respect of which the payment is made from all liability for the amount so paid and payment by the Minister to the Bank of Canada under this section discharges the Minister from all liability for the amount so paid.

Liability of Bank of Canada.

(5) Subject to subsection (4) of section 18 of the *Bank of Canada Act*, where payment has been made to the Bank of Canada of an amount under this section, the Bank of Canada, if payment is demanded by the person who, but for this section, would be entitled to receive payment of that amount from the liquidator or the Minister, is liable to pay at its head office an amount equal to the amount so paid to it, with interest thereon for the period, not exceeding twenty years, from the day on which the payment was received by the Bank of Canada until the date of payment to the claimant, at such rates and computed in such manner as the Treasury Board determines, and such liability may be enforced by action against the Bank of Canada in any court of competent jurisdiction in Canada.

Outstanding notes.

133. (1) Notwithstanding the *Winding-Up Act*, where the business of the bank is being wound up and notes of the bank issued for circulation in a country outside Canada, exclusive of those in respect of which payment has been made as contemplated by subsection (3) of section 72, are outstanding, the liquidator shall, before the final winding-up but not later than three years from the commencement of the winding-up, out of the assets of the bank,

(a) pay, in accordance with arrangements prescribed by the Treasury Board, to a person in that country, an amount in the currency of that country equal to the amount of the notes, or

(b) pay to the Bank of Canada in Canadian currency an amount equal to the amount of the notes at a rate of exchange to be fixed by the Treasury Board,

whichever the Treasury Board requires, and payment accordingly discharges the liquidator and the bank from all liability in respect of the notes.

Redemption.

(2) Notwithstanding any other Act, where a payment has been made to the Bank of Canada under this section, the Bank of Canada is liable to redeem the notes with respect to which the payment was made upon presentation thereof at the head office of the Bank of Canada, in Canadian currency at the rate of exchange that was fixed under subsection (1) in respect of the payment.

133. *Section 120.*

Payments of Incorporation and Organization Expenses.

Payment of expenses prior to obtaining Treasury Board certificate.

134. (1) Every provisional director or director who, prior to the time at which the certificate permitting a bank to commence the business of banking has been obtained from the Treasury Board, authorizes or is a party to the payment of, or receives, out of moneys paid in by subscribers or interest thereon, any sum for commission, salary or charges for services in connection with or arising out of the incorporation or organization of the bank, is guilty of an offence against this Act.

After certificate obtained.

(2) Every general manager or other officer of a bank who, after the certificate has been obtained from the Treasury Board, pays or causes to be paid, out of moneys paid in by subscribers or interest thereon, any sum for or on account of the incorporation or organization expenses of the bank, and every director who authorizes payment of such sum, unless the sum so paid is mentioned or included in the statement submitted to the Treasury Board at the time at which the application is made under this Act to the Board for a certificate permitting the bank to commence the business of banking, is guilty of an offence against this Act.

When no certificate obtained.

(3) Where no certificate from the Treasury Board has been obtained within the time limited by this Act, any provisional director or director who authorizes or is a party to the payment of or receives, out of moneys paid in by subscribers or interest thereon, any sum for commission, salary or charges for services in connection with or arising out of the incorporation or organization of the bank, unless provision had been made pursuant to section 17 for payment, is guilty of an offence against this Act.

Bank officers obtaining gifts or showing favour.

135. (1) Every person is guilty of an offence and liable, upon conviction on indictment, to two years' imprisonment or to a fine not exceeding twenty-five hundred dollars, or to both fine and imprisonment, and, upon summary conviction, to imprisonment for six months, or to a fine not exceeding five hundred dollars, or to both fine and imprisonment, who

(a) being a director, officer or employee of a bank, corruptly accepts or obtains, or agrees to accept or attempts to obtain, from any person for himself or for any other person, any gift or consideration as an inducement or reward for doing or forbearing to do, or for having done or forborne to do, any act relating to the bank's business or affairs, or for showing or forbearing to show favour or disfavour to any person with relation to the bank's business or affairs, or

134. *Section 136.*

135. *Section 137.*

Offering gifts or showing favour to bank officers.

(b) corruptly gives or agrees to give or offers any gift or consideration to a director, officer or employee of a bank as an inducement or reward or consideration for doing or forbearing to do, or for having done or forborne to do, any act relating to the bank's business or affairs, or for showing or forbearing to show favour or disfavour to any person with relation to the bank's business or affairs.

"Consideration" defined.

(2) In this section "consideration" includes valuable consideration of any kind.

Commencement of Business.

Commencing business without certificate.

136. Every director or provisional director of a bank and every other person who, before the obtaining of the certificate from the Treasury Board required by this Act permitting the bank to commence business, transacts or authorizes the transaction of any business in connection with such bank, except as authorized by this Act to be transacted before the obtaining of such certificate, is guilty of an offence against this Act.

Sale and Transfer of Shares.

Sale and transfer contrary to requirements.

137. Every person, whether principal, broker or agent, who sells or transfers or attempts to sell or transfer any share of the capital stock of a bank

(a) knowing that the person making the sale or transfer, or that the person in whose name or on whose behalf the sale or transfer is made, is not at the time of the sale or attempted sale the registered owner, or

(b) without the assent to the sale of the registered owner thereof,

is guilty of an offence against this Act.

Issue and Circulation of Notes.

Issue and re-issue of notes.

138. Every bank that issues or re-issues a note contrary to paragraph *(a)* of subsection (2) of section 75, and every director, officer or employee of the bank who knowingly is a party thereto, is guilty of an offence against this Act.

Unauthorized issue of notes for circulation.

139. Every person who issues or re-issues, makes, draws or endorses any bill, bond, note, cheque or other instrument, intended to circulate as money, or to be used as a substitute for money, is liable to a penalty of five hundred dollars.

Mutilation of notes.

140. Every person who cuts, tears or otherwise mutilates, or in any way defaces a Bank of Canada note or a bank note is liable on summary conviction to a fine not exceeding twenty dollars.

136. *Section 138.*

137. *Section 139.*

138. *Section 145.*

139. *Section 141.*

140. *Section 142.*

Annual Statement.

Statements not signed as required.

141. Every bank that issues or publishes

(a) a copy of the annual statement that has not been signed as required by section 58, or

(b) a copy of the annual statement required by section 58 that does not have a copy of the auditor's report attached to the statement of assets and liabilities,

and every director, officer or employee of the bank who is knowingly a party to the issue or publication is liable to a penalty of two hundred and fifty dollars.

Auditor.

Auditor accepting extra remuneration.

142. An auditor who accepts remuneration from a bank, contrary to subsection (17) of section 61, and every bank paying such remuneration is guilty of an offence against this Act.

Inspection.

Refusal to give evidence.

143. (1) A person who refuses to give evidence under oath or to produce any book or document material thereto when required to do so by the Inspector or his representative when acting under subsection (4) of section 63 is guilty of an offence against this Act.

Acceptance of grant or gratuity.

(2) The Inspector or any other person appointed or employed under section 62 who accepts a grant or gratuity in contravention of section 66 is guilty of an offence against this Act.

Making of grant or gratuity.

(3) Every bank that, and every director, officer or employee of a bank who, makes or pays a grant or gratuity in contravention of section 66 is guilty of an offence against this Act.

Disclosure of information.

(4) The Inspector or any other person appointed or employed under section 62 or any person to whom powers are delegated under subsection (4) of section 63 who discloses any information in contravention of section 67 is guilty of an offence against this Act.

Cash Reserves.

Failure to maintain cash reserves.

144. When a bank knowingly fails to maintain cash reserves as required by section 71, the amount of the deficiency shall be deemed to be a deficiency for the entire month in which it occurs and the bank is liable to a penalty at the rate of ten per cent per annum of the amount for that period.

141. *Section 146.*

142. *Section 55 (17).*

143. *Sections 56 (11), 147, 148.*

144. New. Formerly in *Bank of Canada Act.*

Acquisition of warehouse receipts, bills of lading, etc.

145. Every bank that acquires or holds any warehouse receipt or bill of lading or any document signed and delivered to the bank giving or purporting to give to the bank security on property under section 88, to secure the payment of any debt, liability, loan or advance, is liable to a penalty of five hundred dollars unless

(a) such debt, liability, loan or advance is contracted or made at the time of the acquisition by the bank of such warehouse receipt, bill of lading or document,

(b) such debt, liability, loan or advance is contracted or made upon the written promise or agreement that the warehouse receipt, bill of lading or security under section 88 would be given to the bank, or

(c) the acquisition or holding by the bank of the warehouse receipt, bill of lading or security is otherwise authorized by this Act.

Non-compliance with requirements for sale.

Penalty.

146. Where any debt or liability to a bank is secured by

(a) any warehouse receipt or bill of lading, or

(b) any security upon property given to the bank under section 88,

and is not paid, the bank is liable to a penalty of five hundred dollars if it sells the property covered by such warehouse receipt, bill of lading or security under the power of sale conferred upon it by this Act without complying with the provisions of this Act applicable to the exercise of such power of sale.

Making false statements in warehouse receipt or bill of lading or document under s. 88.

147. Every person who wilfully makes any false statement

(a) in any warehouse receipt or bill of lading given to a bank under the authority of this Act, or

(b) in any document giving or purporting to give security upon property to a bank under section 88,

is guilty of an indictable offence and liable to imprisonment for a term not exceeding two years

Wilfully disposing of or withholding goods covered by security.

148. Every person who, having possession or control of property mentioned in or covered by any warehouse receipt, bill of lading or any security given to the bank under section 88, and having knowledge of such receipt, bill of lading or security, without the consent of the bank in writing before the loan, advance, debt or liability thereby secured has been fully paid

(a) wilfully alienates or parts with any such property, or

(b) wilfully withholds from the bank possession of any such property if demand for such possession is made by

145. *Section 149.*

146. *Section 150.*

147. *Section 151.*

148. *Section 152.*

the bank after default in payment of such loan, advance, debt or liability,

is guilty of an indictable offence and liable to imprisonment for a term not exceeding two years.

Bank not selling shares subject to privileged lien.

149. Every bank having, by virtue of this Act, a privileged lien for any debt or liability for any debt to the bank, on the shares of its own capital stock held by the debtor or person liable, that

(a) neglects to sell such shares within twelve months after such debt or liability has accrued and become payable, or

Or selling without notice.

(b) sells any such shares without giving notice to the holder thereof of the intention of the bank to sell the same, by mailing such notice to the holder at his recorded address at least thirty days prior to such sale,

Penalty.

is liable to a penalty of five hundred dollars.

Prohibited Business.

Bank doing prohibited business.

150. (1) Every bank that violates any of the provisions of paragraph *(b)*, *(c)*, *(d)* or *(e)* of subsection (2) of section 75 is liable to a penalty of five hundred dollars in respect of each violation.

Penalty.

(2) Every bank that violates the provisions of paragraph *(f)* or *(g)* of subsection (2) of section 75 is liable to a penalty not exceeding five thousand dollars in respect of each violation.

If director is present or votes respecting loans in which personally interested.

(3) Except as authorized by this Act, if any director of a bank is present or votes at a meeting of the board during the time at the meeting when loans or advances to himself or any firm, corporation of which he is a member or director are under consideration, the bank and the director are each liable to a penalty of five thousand dollars, and such director shall forthwith vacate his office of director and is not eligible for election as a director of a bank within a period of five years after the date of the said meeting of the board.

Acting as agent for insurance company.

(4) Every bank that, and every officer or employee of a bank who, violates the provisions of subsection (4) of section 75 is liable to a penalty of five hundred dollars in respect of each violation.

Violation of interest provisions.

151. Every bank that violates the provisions of section 91 is guilty of an offence and liable on summary conviction or on conviction upon indictment to a fine not exceeding five hundred dollars, and every person who, being an officer or employee of the bank, violates the provisions of section 91 is guilty of an offence and liable on summary conviction to a fine not exceeding one hundred dollars.

149. *Section 153.*

150. *Section 154.*

151. *Section 155.*

Returns.

Failure to make returns.

152. (1) Every bank that fails

(a) to make a return required to be made by it under this Act, or

(b) to furnish to the Minister any information required to be furnished by it under subsection (1) of section 117,

in the form and manner, within the time and containing the information prescribed by or pursuant to this Act, is liable to a penalty of fifty dollars for each day after the expiry of the time so prescribed for making the return or furnishing the information during which the failure continues.

Date of posting returns.

(2) If any return required to be made or any information required to be furnished under or pursuant to this Act is transmitted by post, the date appearing by the post office stamp or mark upon the envelope or wrapper enclosing the return or information received by the Minister or by the Bank of Canada, as the date of deposit in the post office of the place at which the head office of the bank was situated shall be taken *prima facie* for the purpose of subsection (1) to be the day upon which the return was made or the information was furnished

False statements.

153. (1) Every director, officer or employee of a bank and every auditor of a bank who knowingly prepares, signs, approves or concurs in any account, statement, return, report or document respecting the affairs of the bank containing any false or deceptive statement, or any return that does not present fairly information as required by this Act, is guilty of an indictable offence and liable to imprisonment for a term not exceeding five years.

Idem.

(2) Every director, officer or employee of a bank and every auditor of a bank who negligently prepares, signs, approves or concurs in any account, statement, return, report or document respecting the affairs of the bank containing any false or deceptive statement, or any return that does not present fairly information as required by this Act, is guilty of an indictable offence and liable to imprisonment for a term not exceeding three years.

Suspension of Payment.

Calls.

154. Every director of a bank who refuses to make or enforce or to concur in the making or enforcing of any call on the shareholders of the bank as required by section 122 is guilty of an indictable offence and liable to imprisonment for a term not exceeding two years.

152. *Section 157.*

153. *Section 158.*

154. *Section 159.*

Payment of liabilities.

155. Every director, officer or employee of a bank who, during any period of suspension of payment in Bank of Canada notes of any of the liabilities of the bank as they accrue, with knowledge of such suspension and without the consent of a duly appointed curator or liquidator, pays or causes to be paid to any person any debt or liability of the bank, is guilty of an offence against this Act.

Undue Preference to the Bank's Creditors.

Officers giving undue preference to any creditor.

156. Every director, officer or employee of a bank who wilfully gives or concurs in giving to any creditor of the bank any fraudulent, undue or unfair preference over other creditors, by giving security to such creditor, or by changing the nature of his claim, or otherwise, is guilty of an indictable offence, and liable to imprisonment for a term not exceeding two years.

Use of the Title "bank", etc.

Unauthorized use of title "bank", etc.

157. (1) Every person who, in any language, uses the word "bank", "banker", or "banking" either alone or in combination with other words, or any word or words of import equivalent thereto to indicate or describe his business in Canada or any part of his business in Canada without being authorized so to do by this or any other Act, is guilty of an offence against this Act.

Use of bank's name in prospectus or advertisement.

(2) Every person other than a bank who uses the name of a bank in a prospectus or advertisement for the sale of securities of any kind other than those issued by or guaranteed as to principal and interest by Canada, and every bank that authorizes its name to appear in such a prospectus or advertisement or uses its name in such a prospectus or advertisement published in a newspaper, is guilty of an offence against this Act.

Punishment for Offences against this Act.

Punishment for offences.

158. Every person who commits an offence against this Act, is, unless otherwise provided by this Act, liable

(a) on summary conviction, to a fine not exceeding five hundred dollars or to imprisonment for a term not exceeding six months, or to both fine and imprisonment; or

(b) on conviction upon indictment, to a fine not exceeding one thousand dollars or to imprisonment for a term not exceeding five years, or to both fine and imprisonment.

155. *Section 156.*

156. *Section 160.*

157. *Section 161.*

158. *Section 162.*

Procedure.

Pecuniary penalties.

159. (1) Unless otherwise provided by this Act, pecuniary penalties imposed upon a bank or person by this Act are recoverable and enforceable, with costs, at the suit of Her Majesty instituted by the Attorney General of Canada, and such penalties belong to Her Majesty in right of Canada, except that the Governor in Council, on the report of the Treasury Board, may direct that any portion of any penalty be remitted, or paid to any person, or applied in any manner deemed best adapted to attain the objects of this Act, and to secure the due administration thereof.

Waiver.

(2) The Minister may waive all or any part of the pecuniary penalties imposed by this Act in any case where in his opinion the circumstances so warrant.

REPEAL.

Repeal.

160. (1) The *Bank Act*, chapter 12 of the Revised Statutes of Canada, 1952, and *The Home Bank Creditors' Relief Act, 1925*, chapter 45 of the statutes of 1925, are repealed.

Saving.

(2) Notwithstanding subsection (1), the charter of the Home Bank of Canada remains in force for the purpose of enabling the liquidator of the bank to wind up the business of the bank.

COMING INTO FORCE.

Coming into force.

161. This Act shall come into force on a day to be fixed by proclamation of the Governor in Council.

159. *Section 163.*

160. (2) *Section 7.*

SCHEDULE A

(Section 4)

Name of Bank	Additional name under which Bank is authorized to carry on business	Authorized capital stock	Head Office of the Bank
1. Bank of Montreal....	Banque de Montréal....	$50,000,000	Montreal
2. The Bank of Nova Scotia.....	La Banque de Nova Scotia.....	25,000,000	Halifax
3. The Bank of Toronto.	La Banque de Toronto..	10,000,000	Toronto
4. La Banque Provinciale du Canada.....	The Provincial Bank of Canada.....	10,000,000	Montreal
5. The Canadian Bank of Commerce.....	La Banque Canadienne de Commerce.....	50,000,000	Toronto
6. The Royal Bank of Canada.....	La Banque Royale du Canada.....	50,000,000	Montreal
7. The Dominion Bank.	La Banque Dominion...	10,000,000	Toronto
8. Banque Canadienne Nationale.....	National Canadian Bank.....	10,000,000	Montreal
9. Imperial Bank of Canada.....	Banque Imperial du Canada.....	10,000,000	Toronto
10. Barclays Bank (Canada).....	Banque de Barclays (Canada).....	3,000,000	Montreal
11. The Mercantile Bank of Canada.....	La Banque Mercantile du Canada.....	3,000,000	Montreal

SCHEDULE B

(Section 9)

An Act to incorporate the————————Bank.

Whereas the persons hereinafter named have by their petition prayed that it be enacted as hereinafter set forth and it is expedient to grant the prayer of the said petition: Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1. [*Insert names of those applying for incorporation; the full name, address and description of each director must be given*], together with such persons as become shareholders in the corporation by this Act created, are incorporated under the name of [*insert name of bank*] hereinafter called "the Bank."

2. The persons named in section 1 shall be the provisional directors of the Bank.

3. The capital stock of the Bank shall be————dollars.

4. The head office of the Bank shall be at————————.

5. Schedule A of the *Bank Act* is amended by adding thereto the following:

"[*Insert Name of Bank, Additional name under which Bank is authorized to carry on business, Authorized capital stock and Head office of the Bank*]"

SCHEDULE C

(Section 88 (1) (a), (b), (c) or (e) — security on all property of specified kinds)

For good and valuable consideration, the undersigned hereby assigns to the————————Bank (hereinafter called "the bank") as security for the payment of all loans and advances made or to be made by the bank to the undersigned up to and including the————————day of ————————, 19——, pursuant to the application for credit and promise to give security made by the undersigned to the bank and dated the————————day of ————————, 19——, and any application(s) for credit and promise(s) to give security supplemental thereto made or to be made by the undersigned to the bank, or renewals of such loans, and advances or substitutions therefor and interest on such loans and advances and on any such renewals and substitutions, all property of the kind(s) hereinafter described of which the undersigned is now or may hereafter become the owner, to wit,—

*(Description of property)**

and which is now or may hereafter be in the place or places hereinafter designated, to wit,—

*(Designation of place or places)**

This security is given under the provisions of section 88 of the *Bank Act*.

The property now owned by the undersigned and hereby assigned is free from any mortgage, lien or charge thereon, other than previous assignments, if any, to the bank *(or as, the case may be)*, and the undersigned warrants that the property which may hereafter be acquired by the undersigned and is hereby assigned shall be free from any mortgage, lien or charge thereon, other than previous assignments, if any, to the bank *(or as the case may be)*.

DATED at————————the————————day of——,

19——.

————————————————

* (NOTE—*The description of property and the designation of place or places, or any part thereof, may be set out on the back of the form or in a schedule annexed.)*

SCHEDULE D

(Section 88 (1) (d) (i) or (ii))

In consideration of a loan or advance of———— dollars made to the undersigned by the———— Bank (hereinafter called "the bank"), for which the bank holds the following note(s) of the undersigned: *(describe the note(s))*, such loan or advance being made for the purchase of seed grain (*or* seed potatoes), (*or* fertilizer) to be sown (*or* used) upon land situate in the Province of————and being————, the undersigned hereby assigns to the bank as security for the payment of the said loan or advance or renewals thereof or substitutions therefor and interest on such loan or advance and on any such renewals and substitutions, the seed grain (*or* seed potatoes) purchased and the crop to be grown therefrom upon the land aforesaid (*or* the fertilizer purchased and the crop to be grown from the land on which in the same season such fertilizer is to be used).

This security is given under the provisions of section 88 of the *Bank Act.*

DATED at————the————day of ————, 19——.

————————

SCHEDULE E

(Section 88 (1) (d) (iii))

In consideration of a loan or advance of———— dollars made to the undersigned by the———— Bank (hereinafter called "the bank"), for which the bank holds the following note(s) of the undersigned: *(describe the note(s))*, such loan or advance being made for the purchase of binder twine for use in the harvesting of a crop grown on land situate in the Province of————and being ————, the undersigned hereby assigns to the bank as security for the payment of the said loan or advance or renewals thereof or substitutions therefor and interest on such loan or advance and on any such renewals and substitutions, the binder twine purchased and the crop in the harvesting of which the binder twine is to be used.

This security is given under the provisions of section 88 of the *Bank Act.*

Dated at————the————day of————, 19——.

————————

SCHEDULE F

(Section 88 (1) (c) or (e)—security on particular property)

In consideration of a loan or advance of———————— dollars made to the undersigned by the———————— Bank (hereinafter called "the bank"), for which the bank holds the following note(s) of the undersigned: *(describe the note(s))*, the undersigned hereby assigns to the bank as security for the payment of the said loan or advance or renewals thereof or substitutions therefor and interest on such loan or advance and on any such renewals and substitutions, the property hereinafter described of which the undersigned is now or may hereafter become the owner, to wit,—

*(Description of property)**

and which is now or may hereafter be in the place or places hereinafter designated, to wit,—

*(Designation of place or places)**

This security is given under the provisions of section 88 of the *Bank Act*.

The property now owned by the undersigned and hereby assigned is free from any mortgage, lien or charge thereon, other than previous assignments, if any, to the bank *(or as the case may be)*, and the undersigned warrants that the property which may hereafter be acquired by the undersigned and is hereby assigned shall be free from any mortgage, lien or charge thereon, other than previous assignments, if any, to the bank *(or as the case may be)*.

DATED at————————the————————day of

————————, 19——.

————————

*(NOTE—*The description of property and the designation of place or places, or any part thereof, may be set out on the back of the form or in a schedule annexed.)*

SCHEDULE G

(Section 88 (1) (f) or (g))

In consideration of a loan or advance of———— dollars made to the undersigned by the———— Bank (hereinafter called "the bank"), for which the bank holds the following note(s) of the undersigned: *(describe the note(s))*, such loan or advance being made for the purchase (*or* the installation *or* the purchase and installation, *as the case may be)* of the property hereinafter described, the undersigned hereby assigns to the bank as security for the payment of the said loan or advance or renewals thereof or substitutions therefor and interest on such loan or advance and on any such renewals and substitutions, the property hereinafter described of which the undersigned is now or may hereafter become the owner, to wit,—

*(Description of property)**

and which is now or may hereafter be in the place or places hereinafter designated, to wit,—

*(Designation of place or places)**

This security is given under the provisions of section 88 of the *Bank Act.*

The property now owned by the undersigned and hereby assigned is free from any mortgage, lien or charge thereon, other than previous assignments, if any, to the bank *(or as the case may be)*, and the undersigned warrants that the property which may hereafter be acquired by the undersigned and is hereby assigned shall be free from any mortgage, lien or charge thereon, other than previous assignments, if any, to the bank *(or as the case may be).*

DATED at————the————day of

————, 19——.

————————

*(NOTE—*The description of property and the designation of place or places, or any part thereof, may be set out on the back of the form or in a schedule annexed.)*

SCHEDULE H

(Section 88(1) (h)—security on all agricultural implements)

In consideration of a loan or advance of———— dollars made to the undersigned by the———— Bank (hereinafter called "the bank"), for which the bank holds the following note(s) of the undersigned: *(describe the note(s))*, such loan or advance being made for *(state the purpose(s) of the loan or advance, being one or more (as the case may be) of those mentioned in section 88 (1) (h))*, the undersigned hereby assigns to the bank as security for the payment of the said loan or advance or renewals thereof or substitutions therefor and interest on such loan or advance and on any such renewals and substitutions, the following property, to wit,—all agricultural implements as defined in the *Bank Act* of which the undersigned is now or may hereafter become the owner and which are now or may hereafter be in the place or places hereinafter designated, to wit,—

*(Designation of place or places)**

This security is given under the provisions of section 88 of the *Bank Act.*

The property now owned by the undersigned and hereby assigned is free from any mortgage, lien or charge thereon, other than previous assignments, if any, to the bank *(or as the case may be)*, and the undersigned warrants that the property which may hereafter be acquired by the undersigned and is hereby assigned shall be free from any mortgage, lien or charge thereon, other than previous assignments, if any, to the bank *(or as the case may be).*

DATED at————the————day of

————, 19——.

————————

*(NOTE—*The designation of place or places, or any part thereof, may be set out on the back of the form or in a schedule annexed.)*

SCHEDULE I

(Section 88 (1) (h)—security on particular agricultural implements)

In consideration of a loan or advance of———————— dollars made to the undersigned by the———————— Bank (hereinafter called "the bank"), for which the bank holds the following note(s) of the undersigned: *(describe the note(s))*, such loan or advance being made for *(state the purpose(s) of the loan or advance, being one or more (as the case may be) of those mentioned in section 88 (1) (h))*, the undersigned hereby assigns to the bank as security for the payment of the said loan or advance or renewals thereof or substitutions therefor and interest on such loan or advance and on any such renewals and substitutions, the property hereinafter described of which the undersigned is now or may hereafter become the owner, to wit,—

*(Description of Property)**

and which is now or may hereafter be in the place or places hereinafter designated, to wit,—

*(Designation of place or places)**

This security is given under the provisions of section 88 of the *Bank Act*.

The property now owned by the undersigned and hereby assigned is free from any mortgage, lien or charge thereon, other than previous assignments, if any, to the bank *(or as the case may be)*, and the undersigned warrants that the property which may hereafter be acquired by the undersigned and is hereby assigned shall be free from any mortgage, lien or charge thereon, other than previous assignments, if any, to the bank *(or as the case may be)*.

DATED at————————the————————day of

————————, 19——.

————————

*(NOTE—*The description of property and the designation of place or places, or any part thereof, may be set out on the back of the form or in a schedule annexed.)*

SCHEDULE J

(Section 88 (1) (i))

For good and valuable consideration, the undersigned hereby assigns to the————————Bank (hereinafter called "the bank") as security for the payment of all loans and advances made or to be made by the bank to the undersigned up to and including the———day of————————, 19——, pursuant to the application for credit and promise to give security made by the undersigned to the bank and dated the———day of————————, 19——, and any application(s) for credit and promise(s) to give security supplemental thereto made or to be made by the undersigned to the bank, or renewals or such loans and advances or substitutions therefor and interest on such loans and advances and on any such renewals and substitutions, all property of the kind(s) hereinafter described of which the undersigned is now or may hereafter become the owner, to wit,—

*(Description of property)**

wherever such property may be; registered vessel(s) and/or recorded vessel(s) being built or equipped or about to be built comprised in the said property being the following:

*(Number, name and port of registry of each registered or recorded vessel)**

This security is given under the provisions of section 88 of the *Bank Act.*

The property now owned by the undersigned and hereby assigned is free from any mortgage, lien or charge thereon, other than previous assignments, if any, to the bank *(or as the case may be)*, and the undersigned warrants that the property which may hereafter be acquired by the undersigned and is hereby assigned shall be free from any mortgage, lien or charge thereon, other than previous assignments, if any, to the bank *(or as the case may be).*

DATED at————————the————day of————,

19——.

————————————

*(NOTE—*The description of property or any part thereof may be set out on the back of the form or in a schedule annexed.*)

SCHEDULE K

(Section 88 (4) (k))

Notice of Intention

To Whom it May Concern:

.....

(name of person, firm or company. P.O. address)

hereby gives notice that it is————————intention to give security under the authority of section 88 of the *Bank Act*, to the————————————Bank.

Dated at————————this————day of————, 19—.

————————————

SCHEDULE L

(Section 82 (2))

For good and valuable consideration, the undersigned hereby assigns, transfers and sets over to the————————————————————————Bank (hereinafter called "the bank") as security for the payment of all loans and advances made or to be made by the bank to the undersigned up to and including the————————day of————————, 19——, or renewals of such loans and advances or substitutions therefor and interest on such loans and advances and on any such renewals and substitutions, the following property of which the undersigned is now or may hereafter become the owner, to wit,—

*(Description and location of property of any or all of the kinds mentioned in section 82 of the Bank Act)**

and the undersigned hereby covenants and agrees to sign and deliver to the bank such other and further assurances by way of transfer or otherwise as the bank may request.

This security is given under the provisions of section 82 of the *Bank Act*.

The property now owned by the undersigned and hereby assigned is free from any mortgage, lien or charge thereon other than previous assignments, if any, to the bank *(or as the case may be)*, and the undersigned warrants that the property which may hereafter be acquired by the undersigned and is hereby assigned shall be free from any mortgage, lien or charge thereon, other than previous assignments, if any, to the bank *(or as the case may be)*.

DATED at————, the————day of————————, 19——.

*(NOTE—*The description and location of property or any part thereof may be set out on the back of the form or in a schedule annexed*).*

SCHEDULE M

(Section 103)

Return of the assets and liabilities of the.....

Bank as at the.....day of.....19....

(In Canadian currency; thousands of dollars)

Assets

1. Gold and subsidiary coin in Canada.....$
2. Gold and subsidiary coin outside Canada.
3. Notes of and deposits with Bank of Canada
4. Government and bank notes other than Canadian.....
5. Deposits with other banks in Canadian currency.....
6. Deposits with other banks in currencies other than Canadian.....
7. Cheques and other items in transit, net....
8. Government of Canada treasury bills.....
9. Other Government of Canada direct and guaranteed securities maturing within two years, not exceeding market value.....
10. Government of Canada direct and guaranteed securities maturing after two years, not exceeding market value.....
11. Canadian provincial government direct and guaranteed securities, not exceeding market value.....
12. Canadian municipal and school corporation securities, not exceeding market value...
13. Other Canadian securities, not exceeding market value.....
14. Securities other than Canadian, not exceeding market value.....
15. Mortgages, insured under the National Housing Act.....
16. Call and short loans in Canada to brokers and investment dealers, secured.....
17. Call and short loans outside Canada to brokers and investment dealers, secured.
18. Loans to Canadian provincial governments
19. Loans to Canadian municipalities and school corporations, less provision for estimated loss.....
20. Other current loans in Canada, less provision for estimated loss.....
21. Other current loans outside Canada, less provision for estimated loss.....

22. Non-current loans, less provision for estimated loss.....
23. Bank premises at cost, less amounts written off.....
24. Shares of and loans to corporations controlled by the bank.....
25. Customers' liability under acceptances, guarantees and letters of credit, as per contra
26. Other assets..... _____

$

LIABILITIES

1. Deposits by Government of Canada in Canadian currency.....$
2. Deposits by Canadian provincial governments in Canadian currency.....
3. Deposits by other banks in Canadian currency.....
4. Deposits by other banks in currencies other than Canadian.....
5. Personal savings deposits payable after notice, in Canada, in Canadian currency
6. Other deposits payable after notice, in Canadian currency.....
7. Other deposits payable on demand in Canadian currency.....
8. Other deposits in currencies other than Canadian.....
9. Advances from Bank of Canada, secured...
10. Acceptances, guarantees and letters of credit.....
11. Other liabilities.....
12. Capital paid up.....
13. Rest account.....
14. Undivided profits at latest fiscal year end..

$

SUPPLEMENTARY INFORMATION

Aggregate amount of loans to directors and firms of which they are members, and loans for which they are guarantors.....$

Contingent liability on bills rediscounted with the Bank of Canada.....

Approximate net amount in currencies other than Canadian included in "Cheques and other items in transit, net".....(Dr. or Cr.)

Branch returns used in the preparation of this return and antedating the last day of the month.

Branch Date of return

SCHEDULE N

(Section 58 (1) (a))

Statement of the assets and liabilities of the.....
Bank as at the.....day of.....19....
(In Canadian currency, omitting cents)

Assets

1. Gold and subsidiary coin.....$.
2. Notes of and deposits with Bank of Canada
3. Government and bank notes other than Canadian.....
4. Deposits with other banks.....
5. Cheques and other items in transit, net....
6. Government of Canada direct and guaranteed securities, not exceeding market value.....
7. Canadian provincial government direct and guaranteed securities, not exceeding market value.....
8. Other securities, not exceeding market value
9. Mortgages, insured under the National Housing Act.....
10. Call and short loans to brokers and investment dealers, secured.....
11. Other current loans, less provision for estimated loss.....
12. Non-current loans, less provision for estimated loss.....
13. Bank premises at cost, less amounts written off.....
14. Shares of and loans to corporations controlled by the bank.....
15. Customers' liability under acceptances, guarantees and letters of credit, as per contra.....
16. Other assets.....

$

Liabilities

1. Deposits by Government of Canada.....$
2. Deposits by Canadian provincial governments.....
3. Deposits by other banks.....
4. Personal savings deposits payable after notice, in Canada, in Canadian currency.
5. Other deposits.....
6. Advances from Bank of Canada, secured..
7. Acceptances, guarantees and letters of credit
8. Other liabilities.....
9. Capital paid up.....
10. Rest account.....
11. Undivided profits.....

$

SCHEDULE O

(Section 132 (3))

1. The Home Bank of Canada.
2. The Bank of Vancouver.
3. La Banque de St. Jean.
4. La Banque de St. Hyacinthe
5. Ontario Bank.
6. La Banque Ville Marie.
7. La Banque du Peuple.
8. The Commercial Bank of Manitoba.
9. The Central Bank of Canada.

SCHEDULE P

(Section 73)

Part I

Name of Bank

1. Bank of Montreal
   - *(a)* The Molsons Bank
   - *(b)* The Merchants Bank of Canada
   - *(c)* The Bank of British North America
   - *(d)* The Peoples Bank of New Brunswick
   - *(e)* The People's Bank of Halifax
   - *(f)* The Exchange Bank of Yarmouth
   - *(g)* Commercial Bank of Canada
2. The Bank of Nova Scotia
   - *(a)* The Bank of Ottawa
   - *(b)* The Metropolitan Bank
   - *(c)* Bank of New Brunswick
   - *(d)* The Summerside Bank
   - *(e)* Union Bank of Prince Edward Island
3. The Bank of Toronto
4. La Banque Provinciale du Canada
   - *(a)* La Banque Jacques Cartier
5. The Canadian Bank of Commerce
   - *(a)* The Standard Bank of Canada
   - *(b)* The Sterling Bank of Canada
   - *(c)* Bank of Hamilton
   - *(d)* The Eastern Townships Bank
   - *(e)* The Western Bank of Canada
   - *(f)* The Merchants Bank of Prince Edward Island
   - *(g)* The Halifax Banking Company
   - *(h)* The Bank of British Columbia
   - *(i)* The St. Lawrence Bank
   - *(j)* Gore Bank

6. The Royal Bank of Canada
   - *(a)* Union Bank of Canada
   - *(b)* The Northern Crown Bank
   - *(c)* The Quebec Bank
   - *(d)* The Traders Bank of Canada
   - *(e)* United Empire Bank
   - *(f)* Union Bank of Halifax
   - *(g)* The Crown Bank of Canada
   - *(h)* The Northern Bank
   - *(i)* Commercial Bank of Windsor
   - *(j)* Merchants Bank of Halifax

7. The Dominion Bank
8. Banque Canadienne Nationale
   - *(a)* La Banque d'Hochelaga
   - *(b)* La Banque Nationale
9. Imperial Bank of Canada
   - *(a)* The Weyburn Security Bank
   - *(b)* Niagara District Bank
10. Barclays Bank (Canada)

PART II

11. The Home Bank of Canada
12. Banque Internationale du Canada
13. The Bank of Vancouver
14. The Farmers Bank of Canada
15. St. Stephens Bank
16. La Banque de St. Jean
17. La Banque de St. Hyacinthe
18. The Sovereign Bank of Canada
19. Bank of Yarmouth
20. La Banque Ville Marie
21. La Banque du Peuple
22. The Commercial Bank of Manitoba

Notes

1. The names indented under those of existing banks in Part I are names that have been changed or of banks that have been merged and wound up. The names in Part II are those of banks that have been placed in liquidation and wound up.

2. Notes isued by the Ontario Bank intended for circulation in Canada and outstanding are redeemable by The Royal Trust Company, Toronto.

3. Notes issued by banks other than the Ontario Bank and those enumerated in this Schedule intended for circulation in Canada and outstanding are not redeemable.

SCHEDULE Q

(Section 106)

Return of current operating earnings and expenses and other information of the ——————————Bank for the financial year ended ——————————19——.

(In thousands of dollars)

Current Operating Earnings

1. Interest and discount on loans.....$
2. Interest, dividends and trading profits on securities.....
3. Exchange, commission, service charges and other current operating earnings.....

4. Total current operating earnings.....

Current Operating Expenses

5. Interest on deposits.....
6. Remuneration to employees.....
7. Provision for taxes.....
8. Contributions to pension fund.....
9. Provision for depreciation of bank premises.
10. All other current operating expenses (exclusive of losses or specific provision for losses or for general contingencies).....

11. Total current operating expenses (exclusive of losses or specific provision for losses or for general contingencies).....

Supplementary Information

12. Dividends to shareholders.....$
13. Net amount of current operating earnings available for losses or specific provision for losses and for general contingencies..$
14. Net amount of capital profits, including non-recurring profits.....$
15. Average annual amount required for losses or specific provision for losses on loans, securities and other assets, *less* recoveries during the twenty-five financial years ending with the year to which this return relates.....$

SCHEDULE R

Declaration Required by Section 118 (1)

PART I

I declare that the above return is correct according to the books of the bank.

Dated at————————this————————day of ————————, 19——.

————————

Chief Accountant.

PART II

We declare that the foregoing return, to the best of our knowledge and belief, is correct and presents fairly the information required by section . . . of the *Bank Act* according to the latest information available to us.

Dated at————————this————————day of ————————, 19——.

————————

President

————————

General Manager.

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 339.

An Act to amend the Pension Act.

First reading, March 4, 1954

THE MINISTER OF VETERANS AFFAIRS.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

87538

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 339.

An Act to amend the Pension Act.

R.S. cc. 207, 332.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1. Section 2 of the *Pension Act*, chapter 207 of the Revised Statutes of Canada, 1952, is amended by repealing paragraph *(l)* thereof and by adding thereto, immediately after paragraph *(v)* thereof, the following paragraph:

"Treatment allowance."

"*(vv)* "treatment allowance" means an allowance paid or payable by the Department to or on behalf of a person while under treatment by the Department for a pensionable disability;"

2. (1) Subsection (11) of section 3 of the said Act is repealed and the following substituted therefor:

Salaries.

"(11) The Chairman, Deputy Chairman, the other Commissioners and the *ad hoc* Commissioners shall each be paid a salary to be fixed by the Governor in Council."

(2) Until the salaries of the Chairman, Deputy Chairman, Commissioners and *ad hoc* Commissioners are otherwise fixed by the Governor in Council under subsection (11) of section 3 of the said Act, as enacted by subsection (1) of this section, each of the said persons shall continue to be paid the salary of which he was in receipt at the coming into force of this Act.

3. Subsection (1) of section 7 of the said Act is repealed and the following substituted therefor:

Powers under *Inquiries Act*.

"**7.** (1) The Commission, or subject to the direction of the Commission, any Appeal Board, has all the powers and authority of a commissioner appointed under Part I of the *Inquiries Act*, and may exercise any discretion conferred by this Act upon the Commission."

Explanatory Notes.

The purpose of the present Bill is to advance the cut-off date line for the payment of additional pension for W.W. I disability pensioners; make provision for the payment of additional pension for legally adopted children; remove an added benefit, no longer necessary, in favour of W.W. II pensioners whereby the retroactive period of the award may be extended from a maximum of eighteen months to thirty-six months; make provision for the salaries of the Chairman and his colleagues to be prescribed by the Governor in Council; and to make certain other amendments to facilitate the administration of the Act.

1. The paragraph to be repealed at present reads as follows:—

"*(l)* "hospital allowance" means pay and allowances or compensation payable or paid by the Department to or on behalf of a person while undergoing treatment;"

The term "hospital allowance" is no longer used.

2. The subsection to be repealed at present reads as follows:—

"**3.** (11) The Chairman shall be paid a salary of twelve thousand dollars per annum, the Deputy Chairman shall be paid a salary of ten thousand dollars per annum, and each of the other Commissioners, including *ad hoc* Commissioners, shall be paid a salary at the rate of nine thousand dollars per annum; such salaries shall be paid monthly out of any unappropriated moneys forming part of the Consolidated Revenue Fund of Canada."

This is a new subsection which provides that the salaries of the Chairman, Deputy Chairman and Commissioners, including *ad hoc* Commissioners, are to be fixed by the Governor in Council rather than by the statute as heretofore.

3. The subsection at present reads as follows:—

"**7.** (1) The Commission, or subject to the direction of the Commission, any quorum thereof, has all the powers and authority of a Commissioner appointed under Part I of the *Inquiries Act*, and may exercise any discretion conferred by this Act upon the Commission."

Quorums of the Commission were discontinued in 1939 and the duties formerly performed by such quorums assumed by Appeal Boards of the Commission.

4. Subsection (8) of section 24 of the said Act is repealed.

5. (1) Subsection (3) of section 26 of the said Act is repealed and the following substituted therefor:

Payable only if child was maintained at appearance of disability, with certain exceptions.

"(3) No pension shall be paid to or in respect of a child unless the child was acknowledged and maintained by a member of the forces in respect of whom a pension is claimed at the time of the appearance of the injury or disease that caused the disability for which he is pensioned or that resulted in his death, except that a pension shall be paid to or in respect of a legitimate child born, and a child adopted by him, subsequent to the appearance of such injury or disease, but the pension for or in respect of such adopted child shall not be paid until a final adoption order or decree has been issued by a court of competent jurisdiction and may be paid as of a date not more than twelve months prior to the date of the issue of such decree or order."

(2) Subsection (7) of section 26 of the said Act is repealed and the following substituted therefor:

Children of deceased pensioner in classes 1 to 11.

"(7) The children of a pensioner who has died and at the time of his death was in receipt of a pension in any of the classes one to eleven, inclusive, mentioned in Schedule A, or who died while on the strength of the Department for treatment and but for his death would have been in receipt of pension in one of the said classes, are entitled to a pension as if he had died on service whether his death was attributable to his service or not."

(3) Subsection (9) of section 26 of the said Act is repealed and the following substituted therefor:

Pension continued of minor children on death of wife.

"(9) On and after the death of the wife of a pensioner pensioned on account of disability, or the dissolution of her marriage, the additional pension for a married member of the forces may, in the discretion of the Commission, be continued to him for so long as there is a minor child or are minor children of pensionable age, if there exists a daughter or other person competent to assume and who does assume the household duties and care of the said child or children."

4. The subsection to be repealed reads as follows:—

"**24.** (8) For the purposes of this section pension shall include hospital allowance, pay and allowances or compensation, credited or payable to a pensioner while receiving treatment by the Department for a pensionable disability."

When subsection (8) was originally passed, pension was suspended during the time that a pensioner was under treatment by the Department for a pensionable disability and hospital allowances paid in lieu of pension. By the 1946 amendments and effective 31st August, 1946, this practice was altered and pension remains in payment during periods of treatment, and if less than the treatment allowance that can be paid, is supplemented by treatment allowances. The latter are the direct responsibility of the Department which, it is felt, should be empowered to dispose of any accumulated balance in the event of the man's death.

5. (1) The subsection to be repealed at present reads as follows:—

"**26.** (3) No pension shall be paid to or in respect of a child unless such child was acknowledged and maintained by a member of the forces in respect of whom a pension is claimed at the time of the appearance of the injury or disease that caused the disability for which he is pensioned or which resulted in his death; but a legitimate child born subsequent to the appearance of such injury or disease is entitled to a pension."

The purpose of this amendment is to preserve authority to pay additional pension for legitimate children born to a pensioner subsequent to the appearance of the disease or injury and to provide express authority to pay additional pension for children legally adopted by him subsequent to that time.

(2) The subsection to be repealed at present reads as follows:—

"**26.** (7) The children of a pensioner who has died and who at the time of his death was in receipt of a pension in any of the classes one to eleven, inclusive, mentioned in Schedule A or who died while on the strength of the Department for treatment and but for his death would have been in receipt of pension in one of the said classes, is entitled to a pension as if he had died on service whether his death was attributable to his service or not."

The purpose of this amendment is to correct a grammatical error.

(3) The subsection to be repealed at present reads as follows:—

"**26.** (9) On and after the death of the wife of a pensioner pensioned on account of disability, the additional pension for a married member of the forces may, in the discretion of the Commission, be continued to him for so long as there is a minor child or are minor children of pensionable age, if there exists a daughter or other person competent to assume and who does assume the household duties and care of the said child or children."

The purpose of this amendment is to clothe the Commission with discretion to continue additional pension at married rates in cases where a pensioner's marriage has been legally dissolved and the pensioner continues to maintain a household for the care of his child or children. It will have the effect of conferring equal benefits on such pensioners as now exist for pensioners who are widowers.

(4) Subsection (10) of section 26 of the said Act is repealed and the following substituted therefor:

On death of widow.

"(10) On and after the death of a widow of a member of the forces who has been in receipt of a pension, the pension for the widow may, in the discretion of the Commission, be continued for so long as there is a minor child or there are minor children of pensionable age, to a daughter competent to assume and who does assume the household duties and care of the other child or children; in such cases the pension payable for children shall continue."

6. Section 27 of the said Act is repealed.

7. Subsection (1) of section 30 of the said Act is repealed and the following substituted therefor:

Extra allowance for total disability where attendance required.

"**30.** (1) A member of the forces who is totally disabled and helpless, whether entitled to a pension of class one or a lower class, and who is, in addition, in need of attendance, is entitled, if he is not cared for under the jurisdiction of the Department of Veterans Affairs in a hospital, to an addition to his pension, subject to review from time to time, of an amount in the discretion of the Commission of not less than four hundred and eighty dollars per annum and not exceeding fourteen hundred dollars per annum."

8. Subsection (3) of section 31 of the said Act is repealed.

(4) The subsection to be repealed at present reads as follows:—

"**26.** (10) On and after the death of a widow of a member of the forces who has been in receipt of a pension, the pension for the widow may, in the discretion of the Commission, be continued for so long as there is a minor child or there are minor children of pensionable age, to a daughter competent to assume and who does assume the household duties and care of the other child or children; in such cases the pension payable for children shall continue, *but the rate payable for orphan children does not apply.*"

The deleted words have the effect of making the subsection repugnant to subsection 12 of section 26.

6. The section to be repealed reads as follows:—

"**27.** When pension is awardable under the provisions of this Act in respect of the death of a member of the forces and when such member of the forces has died leaving an orphan child, or when his widow, divorced wife, parent or the woman awarded a pension under subsection (4) of section 36, has died leaving an orphan child of such member of the forces, such orphan child is entitled to a pension in accordance with the provisions of Schedule B."

Section 26 (12), as enacted by the 1951 amendments, provides that children who are pensionable as a result of the death of their father must be paid at orphan rates and as such rates are definitely fixed by this subsection and orphan children fall in this category, there is no necessity to retain section 27 in the Act.

7. The subsection to be repealed at present reads as follows:—

"**30.** (1) A member of the forces who is totally disabled and helpless whether entitled to a pension of class one or a lower class and who is, in addition, in need of attendance, is entitled if he is not cared for under the jurisdiction of the Department of Veterans Affairs, to an addition to his pension, subject to review from time to time, of an amount in the discretion of the Commission not less than four hundred and eighty dollars per annum and not exceeding fourteen hundred dollars per annum."

This amendment is required to remove any doubt that helplessness allowance is payable during a period when a pensioner is in receipt of out-patient treatment under jurisdiction of the Department of Veterans Affairs.

During out-patient treatment the pension award is supplemented by treatment allowance so that the combined amount is the equivalent of 100% pension.

Attendance is furnished during treatment in hospital and the amendment will provide an allowance when at home.

8. The subsection to be repealed reads as follows:—

"**31.** (3) Notwithstanding any limitations contained in this section, the Commission may, in its discretion, in respect of service during World War II, make an additional award not exceeding an amount equivalent to an additional eighteen months' pension where, through delays in securing service or other records, or through other administrative difficulties, beyond the applicant's control, it is apparent that an injustice might otherwise ensue."

In 1945, owing to delays in securing service documentation for World War II personnel many of whom had served with United Kingdom and other forces, provision was made by Order in Council P.C. 2395 of April 9th, 1945, for

9. Section 33 of the said Act is repealed and the following substituted therefor:

Pension reduced during treatment.

"**33.** (1) During such time as, under departmental regulations in that behalf, a pensioner is entitled to treatment allowance while an in-patient under treatment from the Department and his pension including the pension, if any, for his dependants, is greater than the treatment allowance awardable by the Department, pension shall be reduced by an amount that will make such pension equal to the treatment allowance.

Pension in excess of treatment allowance to be reduced.

(2) During such time as, under departmental regulations in that behalf, a pensioner is an in-patient under treatment in respect of a disability other than his pensionable disability, his pension, if in excess of the amount he would have been entitled to receive by way of treatment allowance, if the disability for which he is under treatment had been pensionable, shall be reduced to such amount; pending a fresh award, the payment of pension in full shall recommence forthwith upon the pensioner's ceasing to be an in-patient.

Blind pensioners.

(3) Notwithstanding subsections (1) and (2), any addition to pension granted under subsection (1) of section 30 to a member of the forces who is blind shall be paid during the time he is an in-patient under treatment or care from the Department."

10. Subsection (5) of section 34 of the said Act is repealed and the following substituted therefor:

Pension at discretion of Commission in certain cases.

"(5) If a member of the forces, in receipt of a disability pension, was, before the 1st day of January, 1954, living with a woman to whom he was not legally married and since that date such woman has continuously been maintained by him and represented by him as his wife, the Commission may, in its discretion, if the said member of the forces has married the said woman, award additional pension for a married member of the forces."

an additional retroactive period of 18 months where delays resulted from administrative and other causes beyond the applicant's control.

The original Order in Council stipulated the benefit would be limited to the duration of the war or one year thereafter.

Statutory effect was given in chapter 62 of the statutes of 1946, but the limitation was not incorporated.

There is no cause for delay now, documentation is available, appeals are heard very soon after they are listed as ready.

It is considered the proviso has served its original intent and the procedure for World War I and World War II claims should be uniform. It allows for a retroactive period of 12 months and an additional 6 months in cases of hardship and distress.

By departmental regulation, reimbursement for allowable treatment expenses for the pensionable condition may be granted for a period not exceeding 3 years from the effective date of the Canadian Pension Commission award.

9. Section 33 of the said Act at present reads as follows:—

"**33.** (1) During such time as, under departmental regulations in that behalf, a pensioner is entitled to hospital allowance while an in-patient under treatment from the Department and his pension including the pension, if any, for his dependants, is greater than the hospital allowance awardable by the Department, pension shall be reduced by an amount that will make such pension equal to the hospital allowance.

(2) During such time as, under the departmental regulations in that behalf, a pensioner is an in-patient under treatment in respect of a disability other than his pensionable disability, his pension, if in excess of the amount he would have been entitled to receive by way of hospital allowance, if the disability for which he is under treatment had been pensionable, shall be reduced to such amount; pending a fresh award, the payment of pension in full shall recommence forthwith upon the pensioner's ceasing to be an in-patient as aforesaid.

(3) *Hospital allowance shall be paid from any appropriation granted by Parliament for this purpose or from moneys provided by Parliament for the payment of pensions under this Act.*

(4) Notwithstanding subsections (1) and (2), any addition to pension granted under subsection (1) of section 30 to a member of the forces who is blind shall be paid during the time he is an in-patient under treatment or care from the Department."

The term "hospital allowance" is no longer used.

The *Appropriation Act* passed annually contains provision for the payment of treatment allowances; therefore, such Acts and not the *Pension Act* provide for such payments.

10. The subsection to be repealed at present reads as follows:—

"**34.** (5) If a member of the forces, in receipt of a disability pension, was, before the 1st day of May, 1951, living with a woman to whom he was not legally married and since that date such woman has continuously been maintained by him and represented by him as his wife, the Commission may, in its discretion, if the said member of the forces has married or hereafter marries the said woman, award additional pension for a married member of the forces."

The purpose of this amendment is to extend the date line for this class of dependant from the 1st day of May, 1951, to the 1st day of January, 1954. It is considered that the provision for additional pension will encourage pensioners in this position to legalize their domestic relationship.

11. Paragraph *(a)* of subsection (3) of section 36 of the said Act is repealed and the following substituted therefor:

"*(a)* in the case of service during World War I, if she was married to him prior to the 1st day of January, 1954, or if the marriage was contracted on or after that date additional pension on her behalf was awarded him under the provisions of subsection (5) of section 34, and

(i) the death of her husband has occurred more than one year subsequent to the date of marriage, or

(ii) the death of her husband has occurred less than one year subsequent to the date of marriage and the Commission is of the opinion that he had at the date of such marriage a reasonable expectation of surviving for at least one year thereafter;

but if the marriage took place between the 30th day of April, 1951, and the 1st day of January, 1954, no payment shall be made for any period prior to the 1st day of January, 1954; and"

12. Paragraph *(a)* of subsection (1) of section 37 of the said Act is repealed and the following substituted therefor:

"*(a)* in the case of service during World War I, if she was married to him prior to the 1st day of January, 1954, or if the marriage was contracted on or after that date additional pension on her behalf was awarded him under the provisions of subsection (5) of section 34, and

(i) the death of her husband has occurred more than one year subsequent to the date of marriage, or

(ii) the death of her husband has occurred less than one year subsequent to the date of marriage and the Commission is of the opinion that he had, at the date of such marriage, a reasonable expectation of surviving for at least one year thereafter;

but if the marriage took place between the 30th day of April, 1951, and the 1st day of January, 1954, no payment shall be made for any period prior to the 1st day of January, 1954; and"

13. Subsections (2) and (3) of section 42 of the said Act are repealed and the following substituted therefor:

Additional award.

"(2) Notwithstanding any limitation contained in this section, the Commission may, in its discretion, make an additional award not exceeding an amount equivalent to an additional six months' pension, where it is apparent that hardship and distress might otherwise ensue; but no payments may be made under this section in respect of any member of the forces who has died, for any period prior to the date of death, or for any period in excess of eighteen months prior to the date on which pension is finally awarded."

11. The repealed paragraph at present reads as follows:—

"**36.** (3) *(a)* in the case of service during World War I, if she was married to him prior to the 1st day of May, 1951; or if the marriage was contracted on or after that date additional pension on her behalf was awarded him under the provisions of subsection (5) of section 34; and

(i) the death of her husband has occurred more than one year subsequent to the date of marriage, or

(ii) the death of her husband has occurred less than one year subsequent to the date of marriage and the Commission is of the opinion that he had at the date of such marriage a reasonable expectation of surviving for at least one year thereafter;

but if the marriage took place between the 30th day of April, 1948, and the 1st day of May, 1951, no payment shall be made for any period prior to the 1st day of May, 1951; and"

The purpose of this amendment is to extend the benefits of this section to widows who were married subsequent to April 30th, 1951, and prior to January 1st, 1954.

12. The paragraph to be repealed at present reads as follows:—

"**37.** (1) *(a)* in the case of service during World War I, if she was married to such member of the forces either before he was granted a pension for the injury or disease which has resulted in his death or, if the marriage took place subsequent to the grant of such pension, she is entitled to a pension if she was married to him prior to the 1st day of May, 1951, and

(i) the death of her husband has occurred more than one year subsequent to the date of marriage, or

(ii) the death of her husband has occurred less than one year subsequent to the date of marriage and the Commission is of the opinion that he had, at the date of such marriage, a reasonable expectation of surviving for at least one year thereafter;

but if the marriage took place between the 30th day of April, 1948, and the 1st day of May, 1951, no payment shall be made for any period prior to the 1st day of May, 1951; and"

These amendments are necessary to provide the same benefits for widows awarded pension under section 13 as is provided for widows awarded pension under the provisions of section 36, and to allow payment with respect to marriages contracted after April 30th, 1951, and prior to January 1st, 1954.

13. The repealed subsections read as follows:—

"**42.** (2) Notwithstanding any limitation contained in this section, the Commission may, in its discretion, make an additional award not exceeding an amount equivalent to an additional six months' pension, where it is apparent that hardship and distress might otherwise ensue; but no payments may be made under this section in respect of any member of the forces who has died, for any period prior to the date of death, or for any period in excess of eighteen months prior to the date on which pension is finally awarded, *except as otherwise provided in subsection (3).*

(3) *Notwithstanding limitations contained in this section, the Commission may, in its discretion, in respect of service during World War II, make an additional award not exceeding an amount equivalent to an additional eighteen months' pension where, through delays in securing service or other records or through other administrative difficulties, beyond the applicant's control, it is apparent that an injustice might otherwise ensue; but no such payment may be made in respect of any member of the forces who has died for any period prior to the date of death.*"

The explanatory note appended to subsection (3) of section 31 (*See* clause 8 on page 3) is applicable.

14. Section 43 of the said Act is repealed and the following substituted therefor:

Payments to dependants pending consideration of claim.

"**43.** On the death of a pensioner who was at the time of his death in receipt of pension at the rate of fifty to one hundred per cent, in respect of whom additional pension for a dependant or dependants is payable pending consideration of a claim from such dependant or dependants for pension on account of such death, payment of an amount equal to pension for death shall be made to the dependant or dependants for a period not exceeding one month, such amount to be refunded if pension is eventually awarded."

15. Subsection (1) of section 44 of the said Act is repealed and the following substituted therefor:

Cancellation of pension of female pensioners in certain cases.

"**44.** (1) The pension of any female pensioner, except a pension awarded under section 13, who is found to be a common prostitute or who openly lives with any man in the relationship of man and wife without being married to him shall be suspended, discontinued or cancelled."

16. Section 53 of the said Act is amended by adding thereto the following subsection:

Ss. 50 and 52 may be extended to minors.

"(2) The benefits of sections 50 and 52 may be conferred upon persons who, although not domiciled in Canada, were on the date of commencement of World War I or World War II, as the case may be, minors resident in Canada and who are in all other respects qualified for the benefits of those sections."

17. Section 56 of the said Act is repealed and the following substituted therefor:

Increase of certain pensions while recipients resident in Canada.

"**56.** Pensions payable to or in respect of members of Canadian naval or army forces who were killed, had died or were disabled on active service, during drill or training or on other military duty previous to the outbreak of World War I, shall, during the continuance of the residence in Canada of the recipients of such pensions, be paid at the rates set forth in Schedules A and B."

18. Paragraphs *(a)* and *(b)* of subsection (1) of section 74 of the said Act are repealed and the following substituted therefor:

"*(a)* in respect of service during World War I, under Schedule A or Schedule B, to or in respect of any child of a member of the forces or pensioner if such child was born on or after the 1st day of January, 1954, of a marriage contracted on or after that date; or

14. The section to be repealed at present reads as follows:—

"**43.** On the death of a pensioner who was at the time of his death in receipt of pension at the rate of fifty to one hundred per cent, in respect of whom additional pension for a dependant or dependants is payable pending consideration of a claim from such dependant or dependants for pension on account of such death, payment of an amount equal to pension for death shall be made to the dependant or dependants for a period not exceeding one month, such amount to be refunded if pension is eventually awarded; *but if the payments under subsection (8) of section 26 exceed the amount payable under this section, that subsection applies in lieu of this section.*"

The proviso is redundant as the children of such deceased pensioners are automatically entitled to pension under the provisions of section 26 (7).

15. The subsection to be repealed at present reads as follows:—

"**44.** (1) The pension of any female pensioner who is found to be a common prostitute or who openly lives with any man in the relationship of man and wife without being married to him shall be suspended, discontinued or cancelled."

There is no provision in the Act by which a disability pension awarded to a male member of the forces is affected by circumstances similar to those set out in this section and the purpose of the amendment is to ensure that female disability pensioners are placed in the same position as male pensioners.

16. This is a new subsection, the purpose of which is to clothe the Commission with discretion to extend the benefits of sections 50 and 52 of the Act to residents of Canada at the date of commencement of World Wars I or II who were unable at such times to acquire a legal domicile in Canada by reason of the fact that they had not reached their majority.

17. The section to be repealed at present reads as follows:—

"**56.** The pensions that are now being paid to or in respect of members of Canadian naval or army forces who were killed, had died or were disabled on active service, during drill or training or on other military duty previous to the outbreak of the War, shall, during the continuance of the residence in Canada of the recipients of such pensions, hereafter be increased to the rates set forth in Schedules A and B."

This section applies to the period prior to World War I and the amendment is for the purpose of clarification.

18. The paragraphs to be repealed at present read as follows:—

"**74.** (1) *(a)* in respect of service during World War I, under Schedule A or Schedule B, to or in respect of any child of a member of the forces or pensioner if such child was born on or after the 1st day of May, 1951, of a marriage contracted on or after that date; or

(b) in respect of service during World War I, under Schedule A, to or in respect of the wife of a member of the forces or pensioner, if she was married to him on or after the 1st day of January, 1954, unless there is a minor child or there are minor children of the pensioner of pensionable age born of a previous marriage and the wife assumed the household duties and care of such child or children, in which case additional pension for a married member of the forces may, in the discretion of the Commission, be awarded or paid during the time such child or children are of pensionable age."

19. Schedule B to the said Act is amended by striking out the words "or the child of a widow in receipt of a pension under section thirteen" where they occur in the fifth column thereof.

(b) in respect of service during World War I, under schedule A, to or in respect of the wife of a member of the forces or pensioner, if she was married to him on or after the 1st day of May, 1948, unless there is a minor child or there are minor children of the pensioner of pensionable age born of a previous marriage and the said wife assumes the household duties and care of such child or children, when additional pension for a married member of the forces may, in the discretion of the Commission, be awarded or paid during the time such child or children are of pensionable age."

The purpose of this amendment is to extend the marriage date line in respect to service during World War I to the 1st day of January, 1954, and of children born of such unions.

19. The schedule to be amended is shown below.

"SCHEDULE B

SCALE OF PENSIONS FOR DEATHS.

Rank or rating of Member of Forces	Rate per annum			
	Widow	Dependent parent	Child or dependent brother or sister	Orphan child or orphan brother or sister *or the child of a widow in receipt of a pension under section thirteen*
	$ cts.	$ cts.	$ cts.	$ cts.
Lieutenant (Naval), Captain (Army), Flight Lieutenant (Air) and all ranks and ratings below	1,200 00	*900 00		
Lieutenant Commander (Naval), Major (Army), Squadron Leader (Air)	1,200 00	*1,008 00		
Commander (Naval), Lieutenant-Colonel (Army), Wing Commander (Air)	1,248 00	*1,248 00		
Captain (Naval), Colonel (Army), Group Captain (Air)	1,512 00	*1,512 00		
Commodore and higher ranks (Naval), Brigadier, Brigadier-General and higher ranks (Army), Air Commodore and higher ranks (Air)	2,160 00	*2,160 00		
Additional pension for children or dependent brothers or sisters for above ranks—				
First child	.....	.....	*240 00	*480 00
Second child	.....	.....	*180 00	*360 00
Each subsequent child additional	.....	.....	*144 00	*288 00

* Pensions awarded to parents or brothers and sisters may be less than these amounts in accordance with the provisions of this Act."

The words "or the child of a widow in receipt of a pension under section eleven" are deleted from the fifth column as the rate of pension for such children is fixed by section 26 (12).

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE SENATE OF CANADA

BILL 340 ~~F~~.

An Act respecting Canadian Nurses' Association.

AS PASSED BY THE SENATE, 4th MARCH, 1954.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

86693

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE SENATE OF CANADA

BILL F[11].

An Act respecting Canadian Nurses' Association.

Preamble. 1947, c. 88

WHEREAS Canadian Nurses' Association, a corporation incorporated by chapter 88 of the statutes of 1947, has by its petition prayed that it be enacted as hereinafter set forth, and it is expedient to grant the prayer of the petition: Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Repeal.

1. Section 6 of chapter 88 of the statutes of 1947 is repealed and the following substituted therefor:

Association members.

"**6.** The following associations or their respective successors and assigns shall be association members:

(*a*) The Alberta Association of Registered Nurses;
(*b*) Registered Nurses' Association of British Columbia;
(*c*) The Manitoba Association of Registered Nurses;
(*d*) The New Brunswick Association of Registered Nurses;
(*e*) Association of Registered Nurses of Newfoundland;
(*f*) The Registered Nurses' Association of Nova Scotia;
(*g*) Registered Nurses Association of Ontario;
(*h*) The Association of Nurses of Prince Edward Island;
(*i*) The Association of Nurses of the Province of Quebec;
(*j*) The Saskatchewan Registered Nurses' Association."

Explanatory Notes.

The purpose of the Bill is to *(a)* include as an association member in Canadian Nurses' Association, the Association of Registered Nurses of Newfoundland, which had not become one of the provinces of Canada when Canadian Nurses' Association was incorporated by chapter 88 of the statutes of 1497; and *(b)* correct the corporate name of The Association of Nurses of Prince Edward Island, the name of this latter body having been changed by Provincial Act since Canadian Nurses' Association was incorporated.

Section 6 of the present Act, being chapter 88 of the statutes of 1947, reads as follows:

"**6.** The following associations or their respective successors and assigns shall be association members:

(a) The Alberta Association of Registered Nurses;
(b) Registered Nurses' Association of British Columbia;
(c) The Manitoba Association of Registered Nurses;
(d) The New Brunswick Association of Registered Nurses;
(e) The Registered Nurses' Association of Nova Scotia;
(f) Registered Nurses Association of Ontario;
(g) The Association of Nurses of the Province of Quebec;
(h) The Registered Nurses' Association of Prince Edward Island; and
(i) The Saskatchewan Registered Nurses' Association.

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 354.

An Act to amend the British North America Acts, 1867 to 1952, with respect to the Tenure of Place in the Senate.

First reading, March 8, 1954

Mr. FOLLWELL.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

87906

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 354.

An Act to amend the British North America Acts, 1867 to 1952, with respect to the Tenure of Place in the Senate.

Preamble.

WHEREAS section twenty-nine of *The British North America Act, 1867*, provides at present that a senator shall, subject to the provisions of the Act, hold his place in the Senate for life; AND WHEREAS it seems preferable that there should be an age limit to the tenure of place in the Senate; THEREFORE, Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1. (1) Section 29 of *The British North America Act, 1867*, chapter three of the Statutes of the United Kingdom of Great Britain and Ireland, 1867, is repealed and the following substituted therefor:

Tenure of place in Senate.

"**29.** A Senator shall, subject to the provisions of this Act, hold his place in the Senate till he has reached the age of seventy-five years."

Limitation.

(2) This section shall not apply to a person who has been summoned to the Senate before the coming into force of this Act.

Short title and citation.

2. This Act may be cited as the *British North America Act, 1954*, and the *British North America Acts, 1867 to 1952*, and this Act may be cited together as the *British North America Acts, 1867 to 1954*.

Explanatory Note.

The purpose of this bill, as explained in the preamble, is to provide that there should be an age limit, namely seventy-five years, to the tenure of place in the Senate.

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 373.

An Act to provide Diplomatic and Consular Immunities for Commonwealth Representatives in Canada.

First reading, March 12, 1954.

SECRETARY OF STATE FOR EXTERNAL AFFAIRS.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

87901

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 373.

An Act to provide Diplomatic and Consular Immunities for Commonwealth Representatives in Canada.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

SHORT TITLE.

Short title.

1. This Act may be cited as the *Diplomatic Immunities (Commonwealth Countries) Act.*

INTERPRETATION.

Definitions "Chief representative."

2. In this Act,

(a) "chief representative" means a person who is recognized by the Government of Canada as the chief representative in Canada of a country in respect of which this Act applies, whether such person is known by the title of High Commissioner for that country or by another title; and

"Envoy."

(b) "envoy" means the envoy of a foreign sovereign power accredited to Her Majesty in right of Canada.

APPLICATION.

Application of Act.

3. (1) Subject to subsection (3), this Act applies in respect of the following countries:

(a) Australia, Ceylon, India, New Zealand, Pakistan, the Union of South Africa and the United Kingdom; and

(b) any country designated under subsection (2) as a country in respect of which this Act applies.

Proclamation by Governor in Council.

(2) The Governor in Council may by proclamation designate any Commonwealth country, except Canada or any country mentioned in paragraph *(a)* of subsection (1), as a country in respect of which this Act applies.

Reciprocal immunities.

(3) Where it appears to the Governor in Council that a country in respect of which this Act applies has, in relation to Canada, failed to accord immunities similar to those provided for by this Act, the Governor in Council may, by proclamation,

(a) declare that this Act does not apply in respect of that country, or

(b) declare that this Act applies in respect of that country only in such manner and to such extent as is specified in the proclamation,

and upon the issue of such proclamation this Act applies in respect of that country as specified in the proclamation.

Further proclamation by Governor in Council.

(4) The Governor in Council may by further proclamation amend or revoke any proclamation issued under subsection (3).

Immunities.

Chief Representative.

Chief representative.

4. A chief representative is entitled to the like immunities from suit and legal process and the like inviolability of residence, official premises and official archives as are accorded to an envoy.

Staff.

Official staff.

5. (1) Such members of the official staff of a chief representative as are performing duties substantially corresponding to those performed by members of the official staff of an envoy are entitled to the like immunities from suit and legal process as are accorded to members of the official staff of an envoy.

Family of chief representative and staff.

(2) The members of the family of a chief representative or of a member of the official staff of the chief representative to whom subsection (1) applies are entitled to the like immunities from suit and legal process as are accorded to members of a family of an envoy or of a member of the official staff of an envoy, as the case may be.

Domestic staff.

(3) Members of the domestic staff of the chief representative are entitled to the like immunities from suit and legal process as are accorded to members of the domestic staff of an envoy.

Saving provision.

(4) Notwithstanding anything in this section, no person who is a member of the official staff or domestic staff of a chief representative of a country and who is a citizen of Canada is entitled under this section to immunity from suit or legal process except in respect of acts done or omitted to be done in the course of the performance of his duties as a member of such staff, nor are the members of his family entitled as such under this section to any immunity from suit or legal process.

Other Officials.

Other officials.

6. The Governor in Council may by order confer upon any person in the service of the government of a country in respect of which this Act applies, who holds any office of a kind specified in the order that, in the opinion of the Governor in Council, involves the performance of duties substantially corresponding to those which, in the case of a foreign sovereign power, would be performed by a consular officer, the like immunities from suit and legal process and the like inviolability of official archives as are accorded to consular officers of foreign sovereign powers.

GENERAL.

Evidence.

7. If in any action or proceeding a question arises as to whether any person is entitled to immunity from suit or legal process under the provisions of this Act or any order or declaration made thereunder, a certificate purporting to have been issued by or under the authority of the Secretary of State for External Affairs, containing any statement of fact relevant to that question, shall, in respect of such action or proceeding, be received in evidence as prima facie proof of the fact so stated.

Waiver of immunity

8. Notwithstanding anything in this Act, a chief representative may waive any immunity to which, under this Act or any order or declaration made thereunder, he or his staff or the members of his family or staff, or any person in the service of the government of the country which he represents, may be entitled.

Actions begun prior to coming into force of Act.

9. Nothing in this Act affects any action or proceeding commenced prior to the coming into force of this Act.

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 374.

An Act respecting the Export and Import of Strategic and Other Goods.

First reading, March 15, 1954.

THE MINISTER OF TRADE AND COMMERCE.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

88343

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 374.

An Act respecting the Export and Import of Strategic and Other Goods.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

Short Title.

Short title.

1. This Act may be cited as the *Export and Import Permits Act.*

Interpretation.

Definitions.

2. In this Act,

"Area Control List."

(a) "Area Control List" means a list of countries established under section 4;

"Export Control List."

(b) "Export Control List" means a list of goods established under section 3;

"Import Control List."

(c) "Import Control List" means a list of goods established under section 5;

"Minister."

(d) "Minister" means the Minister of Trade and Commerce, and includes any person authorized by him to perform his functions under this Act; and

"Resident of Canada."

(e) "resident of Canada" means, in the case of a natural person, a person who ordinarily resides in Canada and, in the case of a corporation, a corporation having its head office in Canada or operating a branch office in Canada.

Establishment of Control Lists.

Export list of goods.

3. The Governor in Council may establish a list of goods, to be called an Export Control List, including therein any article the export of which he deems it necessary to control for any of the following purposes, namely,

(a) to ensure that arms, ammunition, implements or munitions of war, naval, army or air stores or any

Explanatory Notes.

The purpose of this Bill is to revise and consolidate the *Export and Import Permits Act.*

A reference to a section, subsection or paragraph is to the provision in the present *Export and Import Permits Act* that corresponds with the provision that appears in the text of the Bill.

1. Section 1.

2. Section 2.

(a) New.

(b) New.

(c) New.

(d) Section 2.

(e) New. Formerly section 3(2) of the Export Permit Regulations.

3. Section 3(1).

(a) New.

articles deemed capable of being converted thereinto or made useful in the production thereof or otherwise having a strategic nature or value will not be made available to any destination wherein their use might be detrimental to the security of Canada;

(b) to implement an intergovernmental arrangement or commitment; or

(c) to ensure that there is an adequate supply and distribution of such article in Canada for defence or other needs.

Export list of countries.

4. The Governor in Council may establish a list of countries, to be called an Area Control List, including therein any country the export of any goods to which he deems it necessary to control.

Import list of goods.

5. The Governor in Council may establish a list of goods, to be called an Import Control List, including therein any article the import of which he deems it necessary to control for any of the following purposes, namely,

(a) to ensure, in accordance with the needs of Canada, the best possible supply and distribution of an article that is scarce in world markets or is subject to governmental controls in the countries of origin or to allocation by intergovernmental arrangement;

(b) to implement any action taken under the *Agricultural Prices Support Act*, the *Fisheries Prices Support Act*, the *Agricultural Products Co-operative Marketing Act* or the *Agricultural Products Board Act*, to support the price of the article or that has the effect of supporting the price of the article; or

(c) to implement an intergovernmental arrangement or commitment.

Amendment of lists.

6. The Governor in Council may revoke, amend, vary or re-establish any Area Control List, Export Control List or Import Control List.

Permits and Certificates.

Export permits.

7. The Minister may issue to any resident of Canada applying therefor a permit to export goods included in an Export Control List or to a country included in an Area Control List, in such quantity and of such quality, by such persons, to such places or persons and subject to such other terms and conditions as are described in the permit or in the regulations.

(b) Section 3(1).

(c) Section 3(1).

4. Section 3(2).

5. Section 4(1).

(a) Section 4(1) *(a)*.

(b) Section 4(1) *(b)*.

(c) New.

6. Sections 3 and 4.

7. Section 8.

Import permits.

8. The Minister may issue to any resident of Canada applying therefor a permit to import goods included in an Import Control List, in such quantity and of such quality, by such persons, from such places or persons and subject to such other terms and conditions as are described in the permit or in the regulations.

Import certificates.

9. The Minister may, in order to facilitate importation of goods into Canada and compliance with the laws of the country of export, issue to any resident of Canada applying therefor an import certificate stating that the applicant has undertaken to import the goods described in the certificate within the time specified therein and containing such other information as the regulations require.

Alteration of permits, etc.

10. The Minister may amend, suspend, cancel or reinstate any permit, certificate or other authorization issued or granted under this Act.

Other lawful obligations not affected.

11. A permit, certificate or other authorization issued or granted under this Act does not affect the obligation of any person to obtain any licence, permit or certificate to export or import that may be required under this or any other law or to pay any tax, duty, toll, impost or other sum required by any law to be paid in respect of the exportation or importation of goods.

REGULATIONS.

Regulations.

12. The Governor in Council may make regulations,

(a) prescribing the information and undertakings to be furnished by applicants for permits, certificates or other authorizations under this Act, the procedure to be followed in applying for and issuing or granting permits, certificates or other authorizations, the duration thereof, and the terms and conditions, including those with reference to shipping or other documents, upon which permits, certificates or other authorizations may be issued or granted under this Act;

(b) respecting information to be supplied by persons to whom permits, certificates or other authorizations have been issued or granted under this Act and any other matter associated with their use;

(c) respecting the issue of and conditions or requirements applicable to general permits or general certificates;

(d) respecting the certification, authorization or other control of any in-transit movement through any port or place of any goods that are exported from Canada or of any goods that come into any port or place in Canada;

8. Section 9.

9. New. Formerly section 10(1) of the Import Permit Regulations.

10. Sections 8 and 9.

11. Section 10.

12. Section 11.
(a) Section 11*(a)*, *(b)* and *(c)*.

(b) New.

(c) New. Formerly section 1(2) of the Export Permit Regulations. Section 1(2) of the Import Permit Regulations.
(d) New.

(e) exempting any person or goods or any class of persons or goods from the operation of any or all of the provisions of this Act; and

(f) generally for carrying out the purposes and provisions of this Act.

OFFENCES AND PENALTIES.

Export or attempt to export.

13. No person shall export or attempt to export any goods included in an Export Control List or any goods to any country included in an Area Control List except under the authority of and in accordance with an export permit issued under this Act.

Import or attempt to import.

14. No person shall import or attempt to import any goods included in an Import Control List except under the authority of and in accordance with an import permit issued under this Act.

Diversion, etc.

15. Except with the authority in writing of the Minister, no person shall knowingly do anything in Canada that causes or assists or is intended to cause or assist any shipment, transshipment or diversion of any goods included in an Export Control List to be made, from Canada or any other place, to any country included in an Area Control List.

No transfer of permits.

16. No person who is authorized under a permit issued under this Act to export or import goods shall transfer the permit to, or allow it to be used by, a person who is not so authorized.

False information.

17. No person shall wilfully furnish any false or misleading information or knowingly make any misrepresentation in any application for a permit, certificate or other authorization under this Act or for the purpose of procuring its issue or grant or in connection with any subsequent use of such permit, certificate or other authorization or the exportation, importation or disposition of goods to which it relates.

Aiding and abetting.

18. No person shall knowingly induce, aid or abet or attempt to induce, aid or abet any person to violate a provision of this Act or the regulations.

Offence and penalty.

19. (1) Every person who violates any of the provisions of this Act or the regulations is guilty of an offence and is liable

(a) on summary conviction to a fine not exceeding five thousand dollars or to imprisonment for a term not exceeding twelve months or to both fine and imprisonment; or

(e) Section 11(*d*).

(f) Section 11 *(e)*.

13. Section 5.

14. Section 6.

15. New.

16. New. Formerly section 5 (2) of the Export Permit Regulations and section 4 of the Import Permit Regulations.

17. Section 7.

18. New.

19. Section 14.

(1) *(a)* Section 14 (1) *(a)*.

(b) on conviction upon indictment to a fine not exceeding twenty-five thousand dollars or to imprisonment for a term not exceeding five years or to both fine and imprisonment.

Limitation on summary offences.

(2) A prosecution under paragraph *(a)* of subsection (1) may be instituted at any time within three years from the time when the subject-matter of the complaint arose.

Officers of corporations.

20. Where an offence under this Act has been committed by a corporation, whether or not the corporation has been prosecuted or convicted, every person who at the time of the commission of the offence was a director or officer of the corporation, is guilty of the like offence and is liable, on conviction, to the punishment provided for the offence, upon proof that the act or omission constituting the offence took place with his knowledge or consent or that he failed to exercise due diligence to prevent the commission of such offence.

Responsibility of resident applicants for non-resident permittees.

21. Where a permit under this Act is issued to a person who has applied therefor for or on behalf of or for the use of another person who is not a resident of Canada and such other person commits an offence under this Act, the person who applied for the permit is, whether or not the non-resident has been prosecuted or convicted, guilty of the like offence and is liable, on conviction, to the punishment provided for the offence, upon proof that the act or omission constituting the offence took place with his knowledge or consent or that he failed to exercise due diligence to prevent the commission of such offence.

Venue.

22. (1) Any proceeding in respect of an offence under this Act may be instituted, tried or determined at the place in Canada where the offence was committed or at the place in Canada in which the person charged with the offence is, resides or has an office or place of business at the time of institution of the proceedings.

Where more than one offence.

(2) In any proceedings in respect of offences under this Act, an information may include more than one offence committed by the same person and all such offences may be tried concurrently and one conviction for any or all offences may be made, and no information, warrant, summons, conviction or other proceedings for such offences shall be deemed objectionable on the ground that it relates to two or more offences.

Evidence.

23. Where it appears from the original or a copy of a bill of lading, customs form, commercial invoice or other document (hereinafter called a "shipping document") that

(a) goods were shipped or sent from Canada or came into Canada,

(1) *(b)* Section 14 (1) *(b)*.

(2) Section 14 (2).

20. New.

21. New.

22. New.

23. New.

(*b*) a person, as shipper, consignor or consignee, shipped or sent goods from Canada or brought goods into Canada, or

(*c*) goods were sent to a destination or person other than as authorized in any export or import permit relating to the goods,

the shipping document is admissible in evidence in any prosecution under this Act in respect of those goods and is *prima facie* proof of any of the facts set out in paragraph (*a*), (*b*) or (*c*) appearing therefrom.

GENERAL.

Customs officers' duties.

24. All officers, as defined in the *Customs Act*, before permitting the export or import of any goods, shall satisfy themselves that the exporter or importer, as the case may be, has not violated any of the provisions of this Act or the regulations and that all requirements of this Act and the regulations with reference to those goods have been complied with.

Application of powers under the *Customs Act*.

25. All officers, as defined in the *Customs Act*, have, with respect to any goods to which this Act applies, all the powers they have under the *Customs Act* with respect to the importation and exportation of goods, and all the provisions of that Act and the regulations thereunder respecting search, detention, seizure, forfeiture and condemnation apply, *mutatis mutandis*, to any goods that are tendered for export or import or exported or imported or otherwise dealt with contrary to this Act and the regulations and to all documents relating to such goods.

Report to Parliament.

26. As soon as practicable after the 31st day of December of each year the Minister shall prepare and lay before Parliament a report of the operations under this Act for that year.

Duration.

27. This Act shall expire on the 31st day of July, 1957.

Repeal.

28. The *Export and Import Permits Act*, chapter 104 of the Revised Statutes of Canada, 1952, is repealed.

Coming into force.

29. This Act shall come into force on a day to be fixed by proclamation of the Governor in Council.

24. Section 12.

25. Section 13.

26. Section 15.

27. Section 16.

28. New.

29. New.

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 375.

An Act to amend the Research Council Act.

First reading, March 15, 1954.

THE MINISTER OF TRADE AND COMMERCE.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

88339

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 375.

An Act to amend the Research Council Act.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

R.S., c. 239.

1. Subsection (1) of section 8 of the *Research Council Act*, chapter 239 of the Revised Statutes of Canada, 1952, is repealed and the following substituted therefor:

Council incorporated.

"**8.** (1) The Council is a body corporate, capable of suing and being sued and having power to acquire and hold real and personal property for the purposes of and subject to this Act."

2. Section 10 of the said Act is repealed and the following substituted therefor:

Meetings.

"**10.** The Council shall meet at least three times a year in the City of Ottawa on such days as are fixed by the Council and at such other times and places as the Council deems necessary."

3. (1) All the words in paragraph *(c)* of section 13 of the said Act before subparagraph (ii) thereof are repealed and the following substituted therefor:

"*(c)* to undertake, assist or promote scientific and industrial research, including, without restricting the generality of the foregoing,

(i) the utilization of the natural resources of Canada,"

Explanatory Notes.

1. The present subsection is as follows:

"**8.** (1) The Council is a body corporate capable of suing and being sued and having the power to acquire money, securities, real estate or property by gift, grant, bequest, donation or otherwise, and of holding lands, tenements, hereditaments, goods, chattels and any other property, movable or immovable, for the purpose of, and subject to, this Act."

The purpose of the proposed new subsection is to clarify the authority of the Council to acquire real and personal property, including money and securities, during the course of any of its operations under the Act. The present subsection would appear to limit the authority of the Council to acquire such property by way of gift or other voluntary means.

2. The present section is as follows:

"**10.** The Council shall meet at least four times a year in the City of Ottawa on such days as may be fixed by the Council, and may also meet at such other times and places as the Council may deem necessary."

It has been found over the years that one meeting is required immediately before the end of the Council's fiscal year. A second meeting is held some three months later. A third meeting is required after the beginning of the University year with the result that if a fourth meeting is held within the calendar year it must be held very soon after the third meeting and it is not considered necessary.

3. (1) The present paragraph *(c)* and subparagraph (i) of section 13 are as follows:

"**13.** *(c)* to undertake in such way as may be deemed advisable
(i) to promote the utilization of the natural resources of Canada,"

The purpose of the proposed new section is to clarify the authority of the Council to make grants to assist research projects outside the Council both as regards fundamental and industrial research.

(2) Paragraphs *(e)*, *(f)* and *(g)* of section 13 of the said Act are repealed and the following substituted therefor:

"*(e)* to expend, for the purposes of this Act, any money appropriated by Parliament for the work of the Council or received by the Council through the conduct of its operations, bequest, donation or otherwise;

"*(f)* with the approval of the Chairman, to appoint such scientific, technical and other officers as are nominated by the President, and to fix the tenure of such appointments, to prescribe the several duties of such officers, and, subject to the approval of the Governor in Council, to fix their remuneration;

(g) subject to the approval of the Chairman, to publish and sell or otherwise distribute such scientific and technical information as the Council deems necessary;"

The present paragraph *(e)* of section 13 is as follows:

"13. *(e)* to expend such sums of money as may be annually appropriated by Parliament for the work of the Council or that have been received by the Council through bequest, donation or otherwise;"

Some question has been raised as to the authority of the Council to expend moneys received from sources other than gifts, bequests or similar voluntary sources. The Council in the course of its operations receives money from such sources as laboratory fees, carrying on of research for individual firms, sale of publications and royalties received under licensing agreements. The Council has in the past carried on operations on the understanding that it had authority to expend such money. The proposed section is intended to make it clear that it has such authority.

The present paragraph *(f)* of section 13 is as follows:

"13. *(f)* with the approval of the Committee, to appoint such scientific, technical and other officers as are nominated by the President, and to fix the tenure of such appointments, to prescribe the several duties of such officers, and, subject to the approval of the Governor in Council, to fix their remuneration;"

It has been the practice for approval documents to be signed by the Chairman of the Committee. The proposed section is to authorize this practice.

The present paragraph *(g)* of section 13 is as follows:

"13. *(g)* subject to the approval of the Chairman, to publish, from time to time, such scientific and technical information as the Council may deem necessary;"

The proposed amendment is to clarify the authority of the Council not only to publish scientific and technical information, but to distribute such publications either for a price or in appropriate cases without charge.

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 376.

An Act to amend the Emergency Gold Mining Assistance Act.

First reading, March 16, 1954.

THE MINISTER OF MINES AND TECHNICAL SURVEYS.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

82809

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 376.

An Act to amend the Emergency Gold Mining Assistance Act.

R.S., cc. 95, 318, 1952-53, c. 32.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

R.S., c. 318.

1. (1) Section 4 of the *Emergency Gold Mining Assistance Act*, chapter 95 of the Revised Statutes of Canada, 1952, is amended by repealing all the words therein before paragraph *(b)* thereof and substituting therefor the following:

Application of Act to 1951, 1952, 1953 and 1954.

"**4.** This Act applies in respect of gold produced from a mine and sold in any of the calendar years 1951, 1952, 1953 and 1954, subject to the following modifications:

(a) the expression "designated year" includes the calendar year 1951, 1952, 1953 and 1954;"

1952-53, c. 32.

(2) Paragraph *(d)* of section 4 of the said Act is repealed and the following substituted therefor:

"*(d)* the expression "rate of assistance" for a mine for any period during the designated years 1951 and 1952 means the amount that is fifty per cent of the amount by which the average cost of production of gold from the mine during the period exceeds twenty-two dollars, but not in any event exceeding eleven dollars and fifty cents; and the expression "rate of assistance" for a mine for any period during the designated years 1953 and 1954 means the amount that is fifty per cent of the amount by which the average cost of production of gold from the mine during the period exceeds eighteen dollars, but not in any event exceeding thirteen dollars and fifty cents; and"

Explanatory Notes.

The purpose of this Bill is to extend the application of the Act to the year 1954.

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 377.

An Act to establish an Account for the Replacement of Government Property Lost, Destroyed or Damaged through Fire.

AS PASSED BY THE HOUSE OF COMMONS, 22nd MARCH, 1954.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

88037

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 377.

An Act to establish an Account for the Replacement of Government Property Lost, Destroyed or Damaged through Fire.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

Short title.

1. This Act may be cited as the *Fire Losses Replacement Account Act.*

Definitions. "Account."

2. In this Act,

(a) "Account" means the Fire Losses Replacement Account established by this Act;

"Appropriate Minister."

(b) "appropriate Minister" in relation to a department means the Minister who, under the *Financial Administration Act*, is the appropriate Minister in relation to that department;

"Department."

(c) "department" means

(i) a department as defined in section 2 of the *Financial Administration Act*, except any such department or portion thereof excluded by regulation, and

(ii) a Crown corporation named in Schedule C to the *Financial Administration Act* and designated by regulation as a department for the purposes of this Act; and

"Property."

(d) "property" means real or personal property.

Application of Act.

3. This Act applies to and in respect of property under the administration or control of a department.

Advances out of C.R.F. for fire losses.

4. Subject to this Act, the Minister of Finance may, with the approval of the Treasury Board, advance out of the Consolidated Revenue Fund such amounts as are required for expenditures to restore, rebuild or repair any property lost, destroyed or damaged by or in consequence of a fire.

Explanatory Note.

The purpose of this Bill is to establish a Fire Losses Replacement Account and to authorize advances from the Account, with the approval of the Treasury Board, up to a maximum of five million dollars at any time for the restoration, rebuilding or repair of property under the administration or control of departments and certain Crown corporations that has been lost, destroyed or damaged through fire. Advances from the Account will be subsequently recovered by charges to Parliamentary appropriations for the services suffering loss.

Advances to be charged to Account.

5. There shall be established in the Consolidated Revenue Fund an account, to be known as the Fire Losses Replacement Account, and every advance out of the Consolidated Revenue Fund under section 4 shall in the first instance be entered as a charge against the Account.

Advances charged to appropriations deleted from Account.

6. If, during the fiscal year in which an advance for an expenditure was made under section 4, an appropriation is available for the expenditure, the amount of the advance may be charged against that appropriation, and when so charged shall be deleted from the charges against the Account.

Advances not charged to appropriations to be included in Estimates.

7. (1) All advances in a fiscal year for expenditures under section 4 not charged against appropriations for that fiscal year shall be included in Estimates for the following fiscal year submitted by the appropriate Ministers to the Governor in Council.

Charged to subsequent appropriations and deleted from Account.

(2) Any advance for an expenditure under section 4 not charged against an appropriation during the fiscal year in which the advance was made, may be charged against any subsequent appropriation available for that purpose, and an expenditure so charged shall be deleted from the charges against the Account.

Limit of advances.

8. An advance under section 4 shall not be greater than the amount by which five million dollars exceeds the aggregate of all amounts standing as a charge against the Account.

Regulations.

9. The Treasury Board may make regulations for carrying out the purposes and provisions of this Act, and without limiting the generality of the foregoing, may make regulations

(a) defining the extent and nature of the restoration, rebuilding or repairing of property for which advances may be made under section 4;

(b) excluding from the operation of this Act any losses below a minimum amount, or above a maximum amount;

(c) excluding any property or class of property from the operation of this Act;

(d) defining and determining the circumstances in which property shall for the purposes of this Act be deemed to have been lost, destroyed or damaged by or in consequence of a fire; and

(e) requiring departments as defined in section 2 of the *Financial Administration Act*, and Crown corporations named in Schedule C to that Act to report to the Treasury Board all cases where any property under the administration or control of such departments and Crown corporations was lost, destroyed or damaged by or in consequence of a fire.

378.

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE SENATE OF CANADA

BILL 378 G[11].

An Act to incorporate North American Baptists Inc., (Canada).

AS PASSED BY THE SENATE, 17th MARCH, 1954.

EDMOND CLOUTIER, C.M.G.,O .A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

85541

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE SENATE OF CANADA

BILL G[11].

An Act to incorporate North American Baptists Inc., (Canada).

Preamble.

WHEREAS a petition has been presented praying that it be enacted as hereinafter set forth, and it is expedient to grant the prayer of the petition: Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Incorporation.

1. Walter W. Grosser, of the village of Oak Park, Frank H. Woyke, of the town of Forest Park, Roland E. Ross, of the village of River Forest, all in the state of Illinois, one of the United States of America, Duncan Kenneth MacTavish and Ronald Charles Merriam, both of the city of Ottawa, in the province of Ontario, solicitors, are hereby

Corporate name.

incorporated under the name of North American Baptists Inc., (Canada,) hereinafter called "the Corporation", for the purposes set out in this Act and for the purpose of administering the property, business and other temporal affairs of the Corporation.

Directors.

2. The persons named in section one of this Act shall be the first directors of the Corporation.

Head office.

3. (1) The head office of the Corporation shall be at the city of Ottawa in the province of Ontario or at such other place as may be decided by the Corporation.

Notice of change.

(2) Notice in writing shall be given to the Secretary of State by the Corporation of any change of the head office and such notice shall be published forthwith in the *Canada Gazette*.

Objects.

4. The objects of the Corporation shall be,

(a) to promote, maintain, superintend and carry on in accordance with the faith, doctrines, constitution, acts and rulings of the Corporation any or all of the work of that body;

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE SENATE OF CANADA

BILL G[11].

An Act to incorporate North American Baptists Inc., (Canada).

Preamble.

WHEREAS a petition has been presented praying that it be enacted as hereinafter set forth, and it is expedient to grant the prayer of the petition: Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Incorporation.

1. Walter W. Grosser, of the village of Oak Park, Frank H. Woyke, of the town of Forest Park, Roland E. Ross, of the village of River Forest, all in the state of Illinois, one of the United States of America, Duncan Kenneth MacTavish and Ronald Charles Merriam, both of the city of Ottawa, in the province of Ontario, solicitors, are hereby

Corporate name.

incorporated under the name of North American Baptists Inc., (Canada,) hereinafter called "the Corporation", for the purposes set out in this Act and for the purpose of administering the property, business and other temporal affairs of the Corporation.

Directors.

2. The persons named in section one of this Act shall be the first directors of the Corporation.

Head office.

3. (1) The head office of the Corporation shall be at the city of Ottawa in the province of Ontario or at such other place as may be decided by the Corporation.

Notice of change.

(2) Notice in writing shall be given to the Secretary of State by the Corporation of any change of the head office and such notice shall be published forthwith in the *Canada Gazette*.

Objects.

4. The objects of the Corporation shall be,

(a) to promote, maintain, superintend and carry on in accordance with the faith, doctrines, constitution, acts and rulings of the Corporation any or all of the work of that body;

(b) to advance and increase the diffusion of the faith of the Corporation in all lawful ways;

(c) to organize, maintain and carry on churches and missions and to erect and maintain and conduct therein churches, seminaries, schools, colleges, hospitals, dispensaries, orphanages and homes for the aged;

(d) to promote the erection and purchase of houses of worship and parsonages;

(e) to administer the property, business and other temporal affairs of the Corporation;

(f) to establish, support and maintain a publishing house for the purpose of printing and disseminating Gospel literature for the support of the doctrines and faith of the Corporation;

(g) to promote the spiritual welfare of all the congregations and mission fields of the Corporation.

Power to make by-laws.

5. The Corporation may from time to time make by-laws, not contrary to law, for

(a) the administration, management and control of the property, business and other temporal affairs of the Corporation;

(b) the appointment, functions, duties and remuneration of all officers, agents and servants of the Corporation;

(c) the appointment or deposition of an executive committee or any special committees or boards from time to time created for the purposes of the Corporation, and defining the powers of such committees or boards;

(d) the calling of regular or special meetings of the Corporation or of the executive committee or the board of directors;

(e) fixing the necessary quorum and the procedure to be followed at all meetings referred to in the preceding paragraph;

(f) determining the qualifications of members;

(g) defining and applying the principles, doctrine and religious standards of the Corporation;

(h) generally carrying out the objects and purposes of the Corporation.

Management.

6. Subject to and in accordance with the by-laws enacted by the Corporation under section five, an executive committee consisting of such persons as the Corporation may from time to time elect or appoint thereto shall manage all the temporal affairs of the Corporation.

Incidental powers.

7. The Corporation may do all such lawful acts and things as are incidental or as may be conducive to the attainment of its objects.

Committees.

8. The Corporation may exercise all its powers by and through an executive committee or through such boards or committees as may from to time be elected or appointed by the Corporation for the management of its affairs.

Power to acquire and hold property.

9. (1) The Corporation may purchase, take, have, hold, receive, possess, retain and enjoy property, real and personal, corporeal and incorporeal, and any or every estate or interest whatsoever, given, granted, devised or bequeathed to it, or appropriated, purchased or acquired by it in any manner or way whatsoever, to, for or in favour of the uses and purposes of the Corporation, or to for or in favour of any religious, educational, eleemosynary or other institution established or intended to be established by, under the management of, or in connection with the uses or purposes of the Corporation.

(2) The Corporation may also hold such real property or estate therein as is bona fide mortgaged to it by way of security, or conveyed to it in satisfaction of debts or judgments recovered.

Investment in and disposal of property.

10. Subject always to the terms of any trust relating thereto, the Corporation may also sell, convey, exchange, alienate, mortgage, lease or demise any real property held by the Corporation, whether by way of investment for the uses and purposes of the Corporation or not; and may also from time to time, invest all or any of its funds, or moneys, and all or any funds or moneys vested in or acquired by it for the uses and purposes aforesaid, in and upon any security by way of mortgage, hypothec or charge upon real property; and for the purpose of such investment may take, receive and accept mortgages or assignments thereof, whether made and executed directly to the Corporation or to any corporation, body, company or person in trust for it; and may sell, grant, assign and transfer such mortgages or assignments either wholly or partly.

Obligation to dispose of lands.

11. (1) No parcel of land or interest therein at any time acquired by the Corporation and not required for its actual use or occupation, and not held by way of security, shall be held by the Corporation, or by any trustee on its behalf, for a longer period than ten years after the acquisition thereof, but shall, at or before the expiration of such period, be absolutely sold or disposed of, so that the Corporation shall no longer retain any interest or estate therein except by way of security.

Extension of time.

(2) The Secretary of State may extend the time for the sale or disposal of any such parcel of land, or any estate or interest therein, for a further period or periods not to exceed five years.

Fifteen year limit.

(3) The whole period during which the Corporation may hold any such parcel of land, or any estate or interest therein, under the foregoing provision of this section, shall not exceed fifteen years from the date of the acquisition thereof, or after it shall have ceased to be required for actual use or occupation by the Corporation.

Forfeiture of property held beyond time limit.

(4) Any such parcel of land, or any estate or interest therein, not within the exceptions hereinbefore mentioned, which has been held by the Corporation for a longer period than authorized by the foregoing provisions of this section without being disposed of, shall be forfeited to Her Majesty for the use of Canada.

Statement.

(5) The Corporation shall give the Secretary of State, when required, a full and correct statement of all lands, at the date of such statement, held by the Corporation, or in trust for it, and subject to the provisions of this section.

Application of mortmain laws.

12. In regard to any real property which, by reason of its situation or otherwise, is subject to the legislative authority of the Parliament of Canada, a licence in mortmain shall not be necessary for the exercise of the powers granted by this Act; but otherwise the exercise of the said powers shall in any province of Canada be subject to the laws of such province as to the acquisition and holding of lands by religious corporations, in so far as such laws apply to the Corporation.

Transfer of property held in trust.

13. In so far as authorization by the Parliament of Canada is necessary, any person or corporation, in whose name any property, real or personal, is held, in trust or otherwise, for the uses and purposes of the Corporation, or any such person or corporation to whom any such property devolves, may, subject always to the terms and conditions of any trust relating to such property, transfer such property or any part thereof to the Corporation.

Execution of documents.

14. Any deed or other instrument relating to real estate vested in the Corporation or to any interest in such real estate shall, if executed within the jurisdiction of the Parliament of Canada, be deemed to be duly executed if there is affixed thereto the seal of the Corporation and there is thereon the signature of any two officers of the Corporation duly authorized for such purpose, or of his lawful attorney.

Disposition of property by gift or loan.

15. The Corporation may make a gift of or lend any of its property, whether real or personal, for or to assist in the erection or maintenance of any building or buildings deemed necessary for any church, manse, seminary, college, school or hospital or for any other religious, charitable, educational, congregational or social purpose upon such terms and conditions as it may deem expedient.

Borrowing powers.

16. (1) The Corporation may, from time to time, for the purposes of the Corporation

(a) borrow money upon the credit of the Corporation;

(b) limit or increase the amount to be borrowed;

(c) make, draw, accept, endorse, or become party to promissory notes and bills of exchange and every such note or bill made, drawn, accepted or endorsed by the party thereto, authorized by the by-laws of the Corporation, and countersigned by the proper party thereto, authorized by the by-laws of the Corporation, shall be binding upon the Corporation and shall be presumed to have been made, drawn, accepted or endorsed with proper authority until the contrary is shown, and it shall not be necessary in any case to have the seal of the Corporation affixed to any such note or bill;

(d) mortgage, hypothecate or pledge any property of the Corporation, real or personal, to secure the repayment of any money borrowed for the purposes of the Corporation;

(e) issue bonds, debentures or other securities of the Corporation;

(f) pledge or sell such bonds, debentures or other securities for such sums and at such prices as may be deemed expedient.

Limitation.

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

Investment of funds.

17. The Corporation may invest and reinvest any of its funds

(a) in any bonds or debentures of any municipality or public school corporation or district in Canada, or in securities of or guaranteed by the Government of Canada or of any province thereof;

(b) in first mortgages or freehold property in Canada and for the purposes of the same may take mortgages or assignments thereof whether such mortgages or assignments be made directly to the Corporation in its own corporate name or to some company or person in trust for it, and may sell and assign the same;

(c) in any securities in which life insurance companies authorized from time to time by the Parliament of Canada to invest funds subject to the limitation on investments in stocks, bonds and debentures set out in the *Canadian and British Insurance Companies Act.*

R.S. 1952, c. 31.

Jurisdiction.

18. The Corporation may exercise its functions throughout Canada.

389

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE SENATE OF CANADA

389

BILL S[11].

An Act respecting Trans-Canada Pipe Lines Limited.

AS PASSED BY THE SENATE, 25th MARCH, 1954.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

87642

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE SENATE OF CANADA

BILL S[11].

An Act respecting Trans-Canada Pipe Lines Limited.

Preamble. 1951, c. 92.

WHEREAS Trans-Canada Pipe Lines Limited, a company incorporated by chapter 92 of the statutes of Canada 1951, has by its petition prayed that it be enacted as hereinafter set forth, and it is expedient to grant the prayer of the petition: Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Repeal.

1. Section 3 of An Act to incorporate Trans-Canada Pipe Lines Limited, chapter 92 of the statutes of 1951, is repealed and the following substituted therefor:

Capital stock.

"**3.** (1) The capital stock of the Company shall consist of

(a) ten million common shares of the par value of one dollar per share, and

(b) one million preferred shares of the par value of fifty dollars per share.

(2) The Company may by by-law

Preferred shares conditions.

(a) provide for the creation of classes of preferred shares with such preferences, privileges or other special rights, restrictions, conditions or limitations whether with regard to dividends, capital or otherwise as in the by-law may be declared,

Alteration of unissued preferred shares.

(b) subdivide, consolidate into shares of larger par value or re-classify any of the unissued preferred shares and may amend, vary, alter or change any of the preferences, privileges, rights, restrictions, conditions or limitations attached to the unissued preferred shares:

Validation of by-law.

Provided that no such by-law shall be valid or acted upon until it has been sanctioned by at least two-thirds of the votes cast at a special general meeting of the common shareholders of the Company duly called for considering the same nor until such by-law has been approved by the Board of Transport Commissioners for Canada.

Explanatory Note.

The purpose of the amendment is to increase the capital stock of the Company.

Section 3 of the present Act reads as follows:—

"**3.** The capital stock of the Company shall consist of five million shares of the par value of one dollar per share."

(3) The Directors may by resolution prescribe within the limits set forth in any by-law passed under subsection (2) the terms of issue and the precise preferences, privileges, rights, restrictions, conditions or limitations whether with regard to dividends, capital or otherwise, of any class of preferred shares.

Preferred shares non-voting.

(4) Holders of any class of preferred shares shall not have any voting rights, other than those provided by by-law passed under subsection (2), nor shall they be entitled to receive any notice of or attend any meeting of the common shareholders of the Company except the right to attend and vote at general meetings on any question directly affecting any of the rights or privileges attached to such class of preferred shares, and then there shall be one vote per share, but no change adversely affecting the rights or privileges of any class of preferred shares shall be made unless sanctioned by at least two-thirds of the votes cast at a special general meeting of the holders of such class of issued and outstanding preferred shares duly called for considering the same, and until the same has been approved by the Board of Transport Commissioners for Canada.

(5) Ownership of preferred shares shall not qualify any person to be a director of the Company."

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 390.

An Act to amend the Canada Elections Act.
(Age of Voters.)

First reading, March 29, 1954.

Mr. ARGUE.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

88643

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 390.

An Act to amend the Canada Elections Act.
(Age of Voters.)

R.S., c. 23.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1. (1) Paragraph *(a)* of subsection (1) of section 14 of the *Canada Elections Act*, chapter 23 of the Revised Statutes of Canada, 1952, is repealed and the following substituted therefor:

Qualification of electors.

"*(a)* is of the full age of eighteen years or will attain such age on or before polling day at such election;"

Subsection repealed.

(2) Subsection (3) of section 14 of the said Act is repealed.

Form amended.

2. Form No. 15 of Schedule One to the said Act is amended by substituting the words "of the full age of eighteen years" for the words "of the full age of twenty-one years" where these words are found in the "Grounds of disqualification" under the said Form.

Form amended.

3. Form No. 18 of Schedule One to the said Act is amended by substituting the words, "of the full age of eighteen years" for the words, "of the full age of twenty-one years" where these words are found in the "application" and in the "alternative application" under the said Form.

Schedule Three amended.

4. (1) Schedule Three to the said Act is amended by substituting the words, "the full age of eighteen years" for the words, "the full age of twenty-one years" in the second line of subparagraph (1) of paragraph 20 and for the words "the full age of twenty-one years (except in the

Explanatory Notes.

The purpose of this Bill is to provide that the age of voters under the *Canada Elections Act* be eighteen years in lieu of twenty-one as at present.

1. (2) This subsection which allowed members of the naval, military or air forces of Canada to vote at an election although they had not attained the full age of twenty-one years is not necessary if the voting age is made eighteen in lieu of twenty-one.

4. (2) This subparagraph is not necessary if the voting age is made eighteen in lieu of twenty-one. (See note above to subsection (2) of section 1.)

case referred to in subparagraph (2) of paragraph 20)" in the ninth, tenth and eleventh lines of subparagraph (1) of paragraph 33 of *The Canadian Defence Service Voting Regulations* in the said Schedule.

Subparagraph repealed.

(2) Subparagraph (2) of paragraph 20 of the said Schedule is repealed.

Form amended.

5. (1) Form No. 7 of Schedule Three to the said Act is amended by striking out item *5 thereof and substituting the following therefor:

"**5.** That I have attained the full age of eighteen years."

Idem.

(2) Form No. 7 is further amended by deleting, at the end thereof the following lines "*Strike out this line if it is not applicable pursuant to paragraph 20(2) of *The Canadian Forces Voting Regulations.*"

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 391.

An Act for granting to Her Majesty certain sums of money for the public service of the financial year ending the 31st March, 1955.

AS PASSED BY THE HOUSE OF COMMONS, 29th MARCH, 1954.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

88489

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 391.

An Act for granting to Her Majesty certain sums of money for the public service of the financial year ending the 31st March, 1955.

MOST GRACIOUS SOVEREIGN,

Preamble.

WHEREAS it appears by messages from His Excellency, the Right Honourable Vincent Massey, etc., etc., Governor General of Canada, and the estimates accompanying the said messages, that the sums hereinafter mentioned are required to defray certain expenses of the public service of Canada, not otherwise provided for, for the financial year ending the 31st day of March, 1955, and for other purposes connected with the public service: May it therefore please Your Majesty, that it may be enacted, and be it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, that:

Short title.

1. This Act may be cited as the *Appropriation Act, No. 1, 1954.*

$526,007,622 granted for 1954-55.

2. From and out of the Consolidated Revenue Fund, there may be paid and applied a sum not exceeding in the whole five hundred and twenty-six million, seven thousand, six hundred and twenty-two dollars, towards defraying the several charges and expenses of the public service, from the 1st day of April, 1954, to the 31st day of March, 1955, not otherwise provided for, and being one-sixth of the amount of each of the items to be voted set forth in the Main Estimates for the fiscal year ending the 31st day of March, 1955, as laid before the House of Commons at the present session of Parliament.

$216,900 granted for 1954-55.

3. From and out of the Consolidated Revenue Fund, there may be paid and applied, in addition to the amount granted therefor by section 2 of this Act, a sum not exceeding in the whole two hundred and sixteen thousand, nine hundred dollars, towards defraying the several charges and expenses of the public service, from the 1st day of April, 1954, to the 31st day of March, 1955, not otherwise provided for, and being one-quarter of the amount of the item to be voted set forth in Schedule A to this Act.

$417,594.33 granted for 1954-55.

4. From and out of the Consolidated Revenue Fund, there may be paid and applied, in addition to the amount granted therefor by section 2 of this Act, a sum not exceeding in the whole four hundred and seventeen thousand, five hundred and ninety-four dollars and thirty-three cents, towards defraying the several charges and expenses of the public service, from the 1st day of April, 1954, to the 31st day of March, 1955, not otherwise provided for, and being one-sixth of the amount of each of the several items to be voted set forth in Schedule B to this Act.

$4,303,708.08 granted for 1954-55.

5. From and out of the Consolidated Revenue Fund, there may be paid and applied, in addition to the amount granted therefor by section 2 of this Act, a sum not exceeding in the whole four million, three hundred and three thousand, seven hundred and eight dollars and eight cents, towards defraying the several charges and expenses of the public service from the 1st day of April, 1954, to the 31st day of March, 1955, not otherwise provided for, and being one-twelfth of the amount of the several items to be voted set forth in Schedule C to this Act.

Account to be rendered. R.S., c. 116.

6. Sums expended under the authority of this Act shall be accounted for in the Public Accounts in conformity with section 64 of the *Financial Administration Act*.

SCHEDULE A

Based on the Main Estimates, 1954-55. The amount hereby granted is $216,900, being one-quarter of the amount of the item in the said Estimates as contained in this Schedule.

SUMS granted to Her Majesty by this Act for the financial year ending 31st March, 1955, and the purposes for which they are granted.

No. of Vote	Service	Amount	Total
		$	$
	TRADE AND COMMERCE		
	EXHIBITIONS		
431	Canadian International Trade Fair, including authority to refund, from revenue, deposits received for contracts for space.	.....	*867,600

* Net total $216,900

SCHEDULE B

Based on the Main Estimates, 1954-55. The amount hereby granted is $417,594.33, being one-sixth of the amount of the several items in the said Estimates as contained in this Schedule.

SUMS granted to Her Majesty by this Act for the financial year ending 31st March, 1955, and the purposes for which they are granted.

No. of Vote	Service	Amount	Total
		$	$
	LABOUR		
	B—UNEMPLOYMENT INSURANCE COMMISSION		
197	To provide for the transfer of labour to and from places where employment is available and expenses incidental thereto, in accordance with regulations of the Governor in Council.....	75,000	
	LEGISLATION		
	THE SENATE		
199	General Administration.....	453,249	
	HOUSE OF COMMONS		
202	General Administration—Estimates of the Clerk.....	1,250,777	
203	Estimates of the Sergeant-at-Arms.....	726,540	
			*2,505,566

* Net total $417,594.33.

SCHEDULE C

Based on the Main Estimates, 1954-55. The amount hereby granted is $4,303,708.08, being one-twelfth of the amount of the several items in the said Estimates as contained in this Schedule.

SUMS granted to Her Majesty by this Act for the financial year ending 31st March, 1955, and the purposes for which they are granted.

No. of Vote	Service	Amount	Total
		$	$
	AGRICULTURE		
	EXPERIMENTAL FARMS SERVICE		
	Branch Experimental Farms, Sub-Stations and Illustration Stations—		
19	Operation and Maintenance	6,351,995	
	TERMINABLE SERVICES		
37	Freight Assistance on Western Feed Grains	17,000,000	
	CITIZENSHIP AND IMMIGRATION		
	A—DEPARTMENT		
	IMMIGRATION BRANCH		
61	Field and Inspectional Service, Abroad	1,835,259	
	DEFENCE PRODUCTION		
	A—DEPARTMENT		
79	To provide capital assistance for the construction, acquisition, extension or improvement of capital equipment or works by private contractors engaged in defence contracts, or by Crown Plants operated on a management-fee basis, or by Crown Companies under direction of the Minister of Defence Production, subject to approval of Treasury Board	25,000,000	
	TRADE AND COMMERCE		
	STANDARDS BRANCH		
433	Electricity and Gas Inspection Services	683,021	
434	Weights and Measures Inspection Services	774,222	
			*51,644,497

* Net total $4,303,708.08

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 392.

An Act for granting to Her Majesty certain sums of money for the public service of the financial year ending the 31st March, 1954.

AS PASSED BY THE HOUSE OF COMMONS
29th MARCH, 1954.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

88798

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 392.

An Act for granting to Her Majesty certain sums of money for the public service of the financial year ending the 31st March, 1954.

MOST GRACIOUS SOVEREIGN,

Preamble.

WHEREAS it appears by messages from His Excellency, the Right Honourable Vincent Massey, etc., etc., Governor General of Canada, and the estimates accompanying the said messages, that the sums hereinafter mentioned are required to defray certain expenses of the public service of Canada, not otherwise provided for, for the financial year ending the 31st day of March, 1954, and for other purposes connected with the public service: May it therefore please Your Majesty, that it may be enacted, and be it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, that:

Short title.

1. This Act may be cited as the *Appropriation Act, No. 2, 1954.*

$98,214,350 granted for 1953-54.

2. From and out of the Consolidated Revenue Fund there may be paid and applied a sum not exceeding in the whole ninety-eight million, two hundred and fourteen thousand, three hundred and fifty dollars towards defraying the several charges and expenses of the public service, from the 1st day of April, 1953, to the 31st day of March, 1954, not otherwise provided for, and being the amount of each of the items voted, set forth in the Schedule to this Act for the fiscal year ending the 31st day of March, 1954, as laid before the House of Commons at the present session of Parliament.

Account to be rendered. R.S., c. 116.

3. Sums expended under the authority of this Act shall be accounted for in the Public Accounts in conformity with section 64 of the *Financial Administration Act.*

SCHEDULE

Based on the Further Supplementary Estimates (1), 1953-54. The amount hereby granted is $98,214,350, being the amount of the items in the said Estimates as contained in this Schedule.

SUMS granted to Her Majesty by this Act for the financial year ending 31st March, 1954, and the purposes for which they are granted.

No. of Vote	Service	Amount	Total
		$	$
	AGRICULTURE		
	PRODUCTION SERVICE		
	Health of Animals—		
547	To provide for the payment of compensation to owners of animals affected with diseases coming under the operation of the Animal Contagious Diseases Act, which have died or have been slaughtered under circumstances unprovided for under the above Act and Regulations thereunder, in the amounts detailed in the Estimates	838	
548	To provide for grants to Fairs and Exhibitions in accordance with the regulations established by Order in Council of December 22, 1952, P.C. 4602; for payments on account of agreements in force on December 22, 1952, with Exhibition Associations covering the construction of buildings and other major undertakings—Further amount required and to authorize grants to the Exhibitions as detailed in the Estimates	108,000	
	MARKETING SERVICE		
549	Subsidies for Cold Storage Warehouses under the Cold Storage Act, and Grants, in the amounts detailed in the Estimates—Further amount required	63,083	
	TERMINABLE SERVICES		
550	Agricultural Lime Assistance—Further amount required	85,000	
	SPECIAL		
551	Prairie Farm Rehabilitation Act and Water Storage—Further amount required	139,600	
552	Major Irrigation and Reclamation Projects in the Prairie Provinces—Further amount required	230,207	
553	Estimated amount required to recoup the Agricultural Prices Support Account to cover the net operating loss of the Agricultural Prices Support Board during the fiscal year 1953-54, including authority to credit to the account the net revenue received into the Agricultural Products Board Account from the sale of New Zealand meat received in exchange for beef shipped to the United Kingdom	37,758,894	
			38,385,622

SCHEDULE—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	CITIZENSHIP AND IMMIGRATION		
	A—Department		
	Indian Affairs Branch		
	Education—		
554	Administration, Operation and Maintenance—Further amount required	120,000	
	B—National Gallery of Canada		
555	Payment to the National Gallery Purchase Account for the purpose of acquiring works of art, in conformity with section 8 of the National Gallery Act—Further amount required	360,000	480,000
	EXTERNAL AFFAIRS		
	A—Department and Missions Abroad		
556	To provide for official hospitality—Further amount required	4,000	
	B—General		
	Terminable Services		
557	Contribution to the United Nations Relief and Works Agency for Palestine Refugees in the Near East	500,000	
558	To provide for aid to Greece for reconstruction and rehabilitation following earthquakes in the Ionian Islands	500,000	
559	To provide for a gift of wheat as a contribution to Famine Relief for Pakistan	5,000,000	
560	To provide for a gift of food as a contribution to Flood Relief for Japan	50,000	6,054,000
	FINANCE		
	General Administration		
561	Departmental Administration—Further amount required	5,800	
562	Comptroller of the Treasury—Central Office and Branch Offices Administration—Further amount required	220,000	
	Administration of Various Acts and Costs of Special Functions		
563	Superannuation and Retirement Acts, Administration—Further amount required	132,404	
564	To authorize and provide for adjustment payments in respect of subsidies previously paid and administrative expenses incurred by: *(a)* Commodity Prices Stabilization Corporation Ltd., and *(b)* the Minister of Finance on behalf of Her Majesty, pursuant to the agreement entered into between the said Corporation and Her Majesty on the 25th day of June, 1953, under the authority of Order in Council P.C. 1953-868 dated the 1st day of June, 1953	310,000	

SCHEDULE—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	FINANCE—*Concluded*		
	PAYMENTS TO MUNICIPALITIES		
565	Grants to Municipalities in lieu of taxes on Federal Property—To provide for payments to municipalities in accordance with the Municipal Grants Act, and the Rural Municipal Grants Regulations established by Order in Council of August 6, 1952, P.C. 3729; and to provide for payments to municipalities under Order in Council of July 19, 1950, P.C. 3456, in respect of the cost of medical and hospital services and supplies furnished to federal employees and other persons specified therein—Further amount required including authority to regard the Admiralty Properties in the city of St. John's, Newfoundland, as Federal Property notwithstanding that formal transfer of administration has not been completed	343,783	
	CONTINGENCIES AND MISCELLANEOUS		
566	To authorize the write-off to the Consolidated Deficit Account of costs incurred in 1951 in engraving blank bonds in anticipation of a loan which did not materialize	11,200	
567	To authorize the write-off from Non-Active Assets to the Consolidated Deficit Account of the net trading loss in the Securities Investment Account incurred prior to April 1, 1952 ($40,072.79)	1	
	GENERAL ITEMS OF PAYROLL COSTS INCLUDING SUPERANNUATION PAYMENTS		
568	Government contribution to the Superannuation Account in respect of additional liability consequent upon the salary increases effective December 1, 1953	38,000,000	
			39,023,188
	FISHERIES		
	SPECIAL		
569	Amount required to recoup the Fisheries Prices Support Account to cover net operating loss of the Fisheries Prices Support Board during the fiscal year 1952-53	.....	36,526
	JUSTICE		
	A—DEPARTMENT		
570	Combines Investigation Act—Office for Investigation and Research—Further amount required	65,000	
	GENERAL		
571	Expenses of Committee appointed to advise on principles and procedures relating to Remission Service	1,000	
			66,000

SCHEDULE—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	LABOUR		
	A—Department		
	General Administration		
572	Labour Gazette, authorized by Labour Department Act—Further amount required	20,000	
	B—Unemployment Insurance Act, 1940		
573	Administration—Further amount required	571,625	
			591,625
	LEGISLATION		
	The Senate		
574	To provide, notwithstanding anything contained in the Senate and House of Commons Act, for the payment of indemnity relating to the First Session of the Twenty-second Parliament, 1953-54, to Members of the Senate for days lost through absence caused by public or official business, by illness, or on account of death. Payments to be made as the Treasury Board may direct	10,000	
575	To provide, notwithstanding anything contained in the Senate and House of Commons Act, for the payment to each Member of the Senate who attended the first part of the First Session of the Twenty-second Parliament which commenced on November 12, 1953, and ended on December 16, 1953, of an amount representing the actual transportation and living expenses of such Member while on the journey between Ottawa and his place of residence after the Christmas adjournment of Parliament on December 16, 1953, and on the return journey from his place of residence to Ottawa at the end of the recess which commenced on that date or at any other one time during that Session	5,500	
	House of Commons		
576	To provide, notwithstanding anything contained in the Senate and House of Commons Act, for the payment of indemnity relating to the Seventh Session of the Twenty-first Parliament and for the First Session of the Twenty-second Parliament, 1953-54, to the Members of the House of Commons for days lost through absence caused by public or official business, by illness, or on account of death. Payments to be made on the recommendation of the Board of Internal Economy and as Treasury Board may direct. Each such payment to be deemed, for the purposes of the Members of Parliament Retiring Allowances Act, to be part of the sessional indemnity of the Member for the session in respect of which he received it—Further amount required	10,000	
577	To provide, notwithstanding anything contained in the Senate and House of Commons Act, for the payment to each Member of the House of Commons, who attended the first part of the First Session of the Twenty-second Parliament which commenced on November 12, 1953, and ended on December 16, 1953, of an amount representing the actual transportation and living expenses of such Member while on the journey between Ottawa and his place of residence after the Christmas adjournment of Parliament on December 16, 1953, and on the return journey from his place of residence to Ottawa at the end of the recess which commenced on that date or at any other one time during that Session	20,000	

SCHEDULE—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	LEGISLATION—*Concluded*		
	HOUSE OF COMMONS—*Concluded*		
578	To authorize payment, during the present and subsequent fiscal years out of the unappropriated monies in the Consolidated Revenue Fund, to Members of the House of Commons for the Yukon Territory and the Northwest Territories, in respect of actual transportation expenses incurred by each such Member for one journey for dependent members of his family from his place of residence to the most convenient railway point, and return, for each Session of Parliament (commencing with the First Session, Twenty-Second Parliament) attended by him, the estimated amount required for 1953-54 being	1,000	
579	General Administration—Estimates of the Clerk—Further amount required	213,500	
580	Estimates of the Sergeant-at-Arms—Further amount required	6,000	266,000
	MINES AND TECHNICAL SURVEYS		
	A—DEPARTMENT		
	GEOLOGICAL SURVEY OF CANADA		
581	Geological Surveys—Construction or Acquisition of New Equipment—Further amount required	18,600	
	B—DOMINION COAL BOARD		
582	Payments in connection with the movements of coal under conditions prescribed by the Governor in Council—Further amount required	2,370,700	2,389,300
	NATIONAL DEFENCE		
	PENSIONS AND OTHER BENEFITS		
583	To authorize in respect of members of the Royal Canadian Air Force on leave without pay and serving as instructors with civilian training organizations operating under the British Commonwealth Air Training Plan who were killed, payment to their dependents of amounts equal to the amounts such dependents would have received under the Pension Act, as amended, had such service as instructors been military service in the armed forces of Canada, less the value of any benefits received by such dependents under insurance contracts which were effected on the lives of such members of the Royal Canadian Air Force by or at the expense of the civilian organizations—Further amount required	.....	2,640
	NATIONAL HEALTH AND WELFARE		
	WELFARE BRANCH		
584	Grant to British Empire and Commonwealth Games Association of Canada to assist in defraying expenses of the Canadian Team	.....	10,000

SCHEDULE—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	NATIONAL RESEARCH COUNCIL AND ATOMIC ENERGY CONTROL BOARD		
	NATIONAL RESEARCH COUNCIL		
585	Salaries and Other Expenses—Further amount required including authority for additional expenditures from revenues derived from publications, laboratory fees, plant engineering, shop work and the conduct of its operations generally...	1	
	ATOMIC ENERGY CONTROL BOARD		
586	Atomic Energy of Canada Limited (Research Program)—Current Operation and Maintenance—Further amount required.....	265,000	265,001
	NATIONAL REVENUE		
	CUSTOMS AND EXCISE DIVISIONS		
587	Inspection, Investigation and Audit Services—Further amount required.....	27,000	
588	Ports, Outports and Preventive Stations—Operation and Maintenance—Further amount required.....	303,000	330,000
	NORTHERN AFFAIRS AND NATIONAL RESOURCES *(formerly Resources and Development)*		
	NORTHERN ADMINISTRATION AND LANDS BRANCH		
	Northern Administration Division—		
	Northwest Territories, including Wood Buffalo Park and Eskimo Affairs—		
589	Construction or Acquisition of Buildings, Works, Land and New Equipment—Further amount required.....	2,500	
	Yukon Territory, including Forest Conservation—		
590	To provide for a special grant to the Government of the Yukon Territory to help defray the costs of the severe poliomyelitis outbreak in 1953.....	43,282	
	FORESTRY BRANCH		
591	Branch Administration—Further amount required.....	7,000	
	Forestry Operations Division—		
592	To provide for contributions to the Provinces for assistance in forest inventory and reforestation in accordance with agreements that have been or may be entered into by Canada and the Provinces—Further amount required.	100,000	152,782
	POST OFFICE		
593	Operations—Further amount required.....	.....	1,100,000
	PRIVY COUNCIL		
	FEDERAL DISTRICT COMMISSION		
594	To provide for maintenance and improvement of grounds adjoining Government Buildings at Ottawa—Further amount required.....	.....	44,260

SCHEDULE—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	PUBLIC PRINTING AND STATIONERY		
595	Distribution of Official Documents—Further amount required.	.....	5,385
	PUBLIC WORKS		
	ARCHITECTURAL BRANCH		
596	Maintenance and Operation of Public Buildings and Grounds, other than at Ottawa, including repairs and upkeep, rents, furnishings, heating, etc.—Further amount required.....	270,000	
	Acquisition, Construction and Improvements of Public Buildings		
	Construction, acquisition, major repairs and improvements of, and plans and sites for, public buildings listed in the Details of the Estimates, provided that Treasury Board may increase or decrease the amount within the vote to be expended on individual listed projects—Further amounts required—		
597	Quebec ($420, less the amount of $419 available from savings in other listed projects detailed in previous Estimates for 1953-54 for this Province).....	1	
598	Yukon and Northwest Territories.....	100,000	
	ENGINEERING BRANCH		
	Graving Docks		
599	Prince Rupert Dry Dock and Shipyard and appurtenant works—Additional amount in excess of the sum of $110,000 already authorized by Vote 343 of the Appropriation Act No. 3, 1953, for the payment of operating losses and essential repairs, all such payments to be made in respect of operations during the calendar year 1953—Further amount required.....	103,324	
	Acquisition, Construction and Improvements of Harbour and River Works		
	Construction, acquisition, major repairs and improvements of, and plans and sites for, harbour and river works listed in the Details of the Estimates, provided that Treasury Board may increase or decrease the amount within the vote to be expended upon individual listed projects—Further amount required—		
600	Quebec ($17,000, less the amount of $16,999 available from savings in other listed projects detailed in previous Estimates for 1953-54 for this Province).....	1	
	GENERAL		
601	To provide for the expenses incurred by Central Mortgage and Housing Corporation in constructing and supervising construction of married quarters, schools and related services on behalf of the Department of National Defence (formerly under Department of Resources and Development)—Further amount required.....	130,000	
			603,326
	SECRETARY OF STATE		
602	Departmental Administration—Further amount required.....	.....	15,700

SCHEDULE—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	TRADE AND COMMERCE		
	GENERAL ADMINISTRATION		
603	Commodities Services, including Contributions as detailed in the Estimates—Further amount required		21,127
	TRANSPORT		
	A—DEPARTMENT		
604	Departmental Administration—Further amount required	161,000	
	CANAL SERVICES		
605	Operations and Maintenance—Further amount required	177,450	
606	To provide for expenses in connection with the St. Lawrence Ship Canal Surveys and Investigations (including St. Lawrence Seaway Investigations)—Further amount required	200,000	
	MARINE SERVICES		
	Marine Service Steamers—		
607	Construction or Acquisition of Vessels and Equipment, as detailed in the Estimates—Further amount required	291,907	
	Pilotage Service—		
608	Administration, Operation and Maintenance—Further amount required	12,848	
	River St. Lawrence Ship Channel Service—		
609	Contract Dredging—Further amount required	1,899,989	
	RAILWAY AND STEAMSHIP SERVICES		
610	Prince Edward Island Car Ferry and Terminals Deficit, 1953—Additional amount in excess of the sum of $1,459,000 already appropriated, to provide for the payment during the fiscal year 1953-54 to the Canadian National Railway Company (hereinafter called the National Company) upon applications approved by the Minister of Transport made from time to time by the National Company to the Minister of Finance, and to be applied by the National Company in payment of the deficit (certified by the Auditors of the National Company) in the operation of the Prince Edward Island Car Ferry and Terminals arising in the calendar year 1953—Further amount required	143,855	
611	North Sydney, Nova Scotia—Port-aux-Basques, Newfoundland, Car Ferry and Terminals Deficit, 1953—Additional amount in excess of the sum of $1,870,000 already appropriated to provide for the payment during the fiscal year 1953-54 to the Canadian National Railway Company (hereinafter called the National Company) upon applications approved by the Minister of Transport made by the National Company to the Minister of Finance and to be applied by the National Company in the payment of the deficit (certified by the Auditors of the National Company) in the operation of the North Sydney, Nova Scotia—Port-aux-Basques, Newfoundland, Ferry and Terminals arising in the calendar year 1953—Further amount required	366,393	

SCHEDULE—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	TRANSPORT—*Continued*		
	A—Department—*Concluded*		
	Railway and Steamship Services—*Concluded*		
612	Canadian National (West Indies)Steamships, Limited, Deficit, 1953—To provide for the payment to the Canadian National (West Indies) Steamships, Limited (hereinafter called the Company) of the amount of the deficit for the year ending December 31, 1953 in the operations of the Company and the vessels under the control of the Company, as certified by the Auditors of the Company to the Minister of Finance and approved by the Minister of Transport	649,662	
613	Maritime Freight Rates Act—Additional amount in excess of the sum of $10,453,000 already appropriated for the payment to the Railway Companies operating in the select territory designated by the Act, during the fiscal year 1953–54, of the difference occurring on account of the application of the Act, between the tariff tolls and normal tolls under approved tariffs (estimated and certified to the Minister of Transport by the Canadian National Railway Company and approved by Auditors of the said Company respecting the Eastern Lines of the Canadian National Railways, and in the case of the Other Railways by the Board of Transport Commissioners for Canada) on all traffic moved during the calendar year 1953 (chap. 174, R.S.)—Further amount required	199,002	
	General		
614	To provide for reimbursement of the Department of Transport Stores Account for the value of stores which have become obsolete, unserviceable, lost or destroyed	12,275	
	Air Services		
	Telecommunications Division		
615	Radio Act and Regulations— Construction or Acquisition of Buildings, Works, Land and New Equipment—Further amount required	50,000	
	Civil Aviation Division		
616	Control of Civil Aviation, including the Administration of the Aeronautics Act and Regulations issued thereunder—Further amount required	46,000	
617	Grants to Organizations for the development of Civil Aviation, in the amounts detailed in the Estimates—Further amount required	30,000	
	B—General		
	Air Transport Board		
618	Subventions for Air Carriers, as detailed in the Estimates—Further amount required	80,000	
	Board of Transport Commissioners for Canada		
619	Administration, Operation and Maintenance—Further amount required	49,200	

SCHEDULE—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	TRANSPORT—*Concluded*		
	B—General—*Concluded*		
	Canadian Maritime Commission		
620	Steamship Subventions for Coastal Services, as detailed in the Estimates—Further amount required	144,971	
			4,514,552
	VETERANS AFFAIRS		
	Treatment Services—		
621	Operation of Hospitals and Administration — Further amount required	749,615	
	War Veterans Allowances and Other Benefits		
622	War Veterans Allowances—Further amount required	550,000	
623	Hospital and Other Allowances—Further amount required	100,000	
	Miscellaneous Payments		
624	Employers Liability Compensation—Further amount required	55,000	
625	To authorize and provide for payment to Pearl Margaret Putnam, widow of the late Ross Hartwell Putnam, of the benefits to which she would have been entitled under the Veterans Insurance Act had his application for insurance thereunder been formally approved, by the Superintendent of Veterans Insurance, before his death	10,000	
626	To authorize the write-off to the Consolidated Deficit Account of the amount of $570,539.67, which was due in respect of pensions paid by the Department of Veterans Affairs to members of the R.C.A.F. who served in the R.A.F. in World War II, payment of which by the United Kingdom was waived in accordance with the provisions of P.C. 1953-522 of April 2, 1953	1	
	Canadian Pension Commission		
627	Administration Expenses—Further amount required	15,000	
628	To provide for payment, in respect of the fiscal year ending March 31, 1954, of a monthly pension of $100 to Mrs. Annie Elizabeth Cronk, and to authorize the Canadian Pension Commission to pay thereafter to Annie Elizabeth Cronk an annual pension during her lifetime, in the same manner and subject to similar terms and conditions as if she were the widow of a soldier holding the rank of private who died while rendering military service in World War I	1,200	
	Terminable Services		
629	Post Discharge Rehabilitation Benefits, including the training of Merchant Seamen and Salt Water Fishermen Pensioners—Further amount required	560,000	
			2,040,816
			96,397,850

SCHEDULE—*Concluded*

No. of Vote	Service	Amount	Total
		$	$
	LOANS, INVESTMENTS AND ADVANCES		
	EXTERNAL AFFAIRS		
630	To provide, subject to regulations of the Treasury Board, for working capital advances in the current and subsequent fiscal years to posts and employees on posting abroad, and to authorize the creation of a special account in the Consolidated Revenue Fund to which shall be credited expenditure made by and advances recovered from the said posts and employees, the excess of the amounts charged over the amounts credited to the account at any time not to exceed $1,000,000. Vote 655 of the Appropriation Act No. 2, 1952 is hereby repealed	1,000,000	
	FISHERIES		
631	To authorize and provide for an advance to the Government of Nova Scotia in accordance with the terms of an agreement between the Government of Canada and the Government of Nova Scotia to be entered into with the approval of the Government in Council (in place of the agreement authorized to be entered into by Vote 765 of Appropriation Act No. 3, 1953) in an amount not exceeding seventy-five per cent of the loans made by the Government of Nova Scotia to fishermen for the purpose of replacing abnormal losses of equipment suffered by reason of severe weather conditions in the 1951-52 fishing season; the amount to be advanced not to exceed $106,500 of which $80,000 has already been provided under Vote 765 of Appropriation Act No. 3, 1953	26,500	
	NATIONAL REVENUE		
	Customs and Excise Divisions		
632	To authorize and provide for the operation of a revolving fund in accordance with section 58 of the Financial Administration Act for the purpose of acquiring and managing material to be used in the manufacture of uniforms, the amount to be charged to the revolving fund at any time not to exceed	90,000	
	ROYAL CANADIAN MOUNTED POLICE		
633	To authorize and provide for the operation of a revolving fund in accordance with section 58 of the Financial Administration Act for the purpose of acquiring and managing material to be used in the manufacture of uniforms, the amount to be charged to the revolving fund at any time not to exceed $450,000 of which $250,000 was provided under Vote 547, Appropriation Act No. 3, 1953—Further amount required	200,000	
	VETERANS AFFAIRS		
	Soldier Settlement and Veterans' Land Act		
634	To provide for purchase of land and permanent improvements; cost of permanent improvements to be effected; removal of encumbrances; stock and equipment; refunds to Veterans (sections 11 and 21); and for protection of security under the Veterans' Land Act—Further amount required	500,000	
			1,816,500
	Total		98,214,350

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 393.

An Act to amend the Atomic Energy Control Act.

First reading, March 31, 1954.

THE MINISTER OF TRADE AND COMMERCE.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

81788

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 393.

An Act to amend the Atomic Energy Control Act.

R.S., c. 11.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1. Paragraphs *(c)* to *(h)* of section 2 of the *Atomic Energy Control Act*, chapter 11 of the Revised Statutes of Canada, 1952, are repealed and the following substituted therefor:

"Company."

"*(c)* "company" means a company incorporated pursuant to paragraph *(a)* or *(c)* of subsection (2) of section 10 and any company the direction and control of which is assumed by the Minister pursuant to paragraph *(b)* of subsection (2) of section 10;

"Member."

(d) "member" means a member of the Board;

"Minister."

(e) "Minister" means the Chairman of the Committee of the Privy Council on Scientific and Industrial Research as defined in the *Research Council Act*, or other member of the Queen's Privy Council for Canada designated by the Governor in Council as the Minister for the purposes of this Act;

"President."

(f) "President" means the President of the Board; and

"Prescribed substances."

(g) "prescribed substances" means uranium, thorium, plutonium, neptunium, deuterium, their respective derivatives and compounds and any other substances that the Board may by regulation designate as being capable of releasing atomic energy, or as being requisite for the production, use or application of atomic energy."

Explanatory Notes.

The present bill is intended to amend the *Atomic Energy Control Act* to provide:

(a) for the carrying on of research and production activities in the atomic energy field by a Minister or by companies reporting to a Minister; and

(b) for the elimination of obsolete references to the *Civil Service Superannuation Act.*

Under the present Act, the Atomic Energy Control Board is empowered, directly or through other agencies reporting to it, to conduct research and production operations in connection with atomic energy. The Chalk River project has been operated for the Board, first by National Research Council and latterly by Atomic Energy of Canada Limited, a company incorporated pursuant to the Act. Eldorado Mining and Refining Limited, which deals with the raw materials aspects of the programme, reports to the Minister of Defence Production. It has become apparent that there would be practical advantages in having both the research and the raw materials operations integrated under one Minister, to whom the Board also would report. It is contemplated that the integration of operations will be accomplished through the medium of a holding company.

1. Paragraphs *(c)* to *(h)* of section 2 of the present Act read as follows:

"*(c)* "Chairman" means the Chairman of the Committee of the Privy Council on Scientific and Industrial Research as defined in the *Research Council Act;*

(d) "Committee" means the Committee of the Privy Council on Scientific and Industrial Research as defined in the *Research Council Act;*

(e) "company" means a company incorporated pursuant to paragraph *(a)* of subsection (1) of section 10 and any company the direction and control of which is assumed by the *Board* pursuant to paragraph *(b)* of subsection (1) of section 10;

(f) "member" means a member of the Board;

(g) "President" means the President of the Board; and

(h) "prescribed substances" means uranium, thorium, plutonium, neptunium, deuterium, their respective derivatives and compounds and any other substances that the Board may by regulation designate as being capable of releasing atomic energy, or as being requisite for the production, use or application of atomic energy."

The changes in this interpretation section are to accord with the later provisions under which the Atomic Energy Control Board and companies incorporated or acquired pursuant to the Act will report to the Minister.

2. Subsection (2) of section 3 of the said Act is repealed.

3. Sections 6, 7 and 8 of the said Act are repealed and the following substituted therefor:

Meetings.

"**6.** The Board shall meet at least three times a year in the City of Ottawa on such days as it may determine and may also meet at such other times and at such places as it may determine.

Duties of the Board.

"**7.** The Board shall comply with any general or special direction given by the Minister with reference to the carrying out of its purposes.

Powers of the Board.

"**8.** The Board may,

(a) make rules for regulating its proceedings and the performance of its functions;

(b) notwithstanding the *Civil Service Act* or any other statute or law appoint and employ such professional, scientific, technical and other officers and employees as the Board deems necessary for the purposes of this Act;

(c) with the approval of the Minister, fix the tenure of appointment, the duties and, subject to the approval of the Treasury Board, the remuneration, of officers and employees appointed or employed by the Board;

(d) with the approval of the Minister, disseminate or provide for the dissemination of information relating to atomic energy to such extent and in such manner as the Board may deem to be in the public interest; and

(e) without limiting the generality of any other provision of this Act, establish, through the National Research Council or otherwise, scholarships and grants in aid for research and investigations with respect to atomic energy, or for the education or training of persons to qualify them to engage in such research and investigations."

4. (1) Section 10 of the said Act is repealed and the following substituted therefor:

Powers of the Minister.

"**10.** (1) The Minister may,

(a) undertake or cause to be undertaken researches and investigations with respect to atomic energy;

2. Subsection (2) of section 3 of the present Act reads as follows:

"(2) *The Board may on behalf of Her Majesty contract in the name of Her Majesty and property acquired by the Board is the property of Her Majesty and shall be vested in the name of Her Majesty except shares in the capital stock of a company which shall be vested in the name of the Board in trust for Her Majesty.*"

Upon the transfer of research and operating responsibilities to the Minister that special provision in relation to the making of contracts and holding of property by the Board is unnecessary.

3. Sections 6, 7 and 8 of the present Act read as follows:

"**6.** The Board shall meet at least *four* times a year in the City of Ottawa on such days as it may from time to time determine and may also meet at such other times and at such places as it may from time to time determine.

7. The Board shall comply with any general or special direction given by the *Committee* with reference to the carrying out of its purposes and shall advise the *Committee* on all matters relating to atomic energy that, in the opinion of the Board, may affect the public interest.

8. The Board may,

(a) undertake or cause to be undertaken researches and investigations with respect to atomic energy;

(b) with the approval of the Governor in Council, utilize, cause to be utilized and prepare for the utilization of atomic energy;

(c) with the approval of the Governor in Council, acquire or cause to be acquired by purchase, lease, requisition or expropriation, prescribed substances and any mines, deposits or claims of prescribed substances and patent rights relating to atomic energy and any works or property for production or preparation for production of, or for research or investigation with respect to, atomic energy;

(d) make rules for regulating its proceedings and the performance of its functions;

(e) notwithstanding the *Civil Service Act* or any other statute or law appoint and employ such professional, scientific, technical and other officers and employees as the Board deems necessary for the purposes of this Act;

(f) with the approval of the *Committee*, fix the tenure of appointment, the duties and, subject to the approval of the *Governor in Council*, the remuneration, of officers and employees appointed or employed by the Board;

(g) with the approval of the Committee, disseminate or provide for the dissemination of information relating to atomic energy to such extent and in such manner as the Board may deem to be in the public interest;

(h) with the approval of the Governor in Council, license or otherwise make available or sell or otherwise dispose of discoveries, inventions and improvements in processes, apparatus or machines, patent rights and letters patent of Canada or foreign countries acquired under this Act and collect royalties and fees thereon and payments therefor; and

(i) without limiting the generality of any other provision of this Act, establish, through the *Honorary Advisory Council for Industrial and Scientific Research as defined in the Research Council Act*, or otherwise, scholarships and grants in aid for research and investigations with respect to atomic energy, or for the education or training of persons to qualify them to engage in such research and investigations."

The new sections have been recast to conform to the change in the Board's functions and to its reporting to the Minister rather than to the Committee mentioned in the present Act.

4. Section 10 of the present Act reads as follows:

"**10.** (1) The *Board* may, with the approval of the Governor in Council,

(a) procure the incorporation of any one or more companies under the provisions of Part I of the *Companies Act*, for the objects and purposes of exercising and performing on behalf of the *Board* such of the powers conferred upon the *Board* by paragraphs *(a)*, *(b)*, *(c)* and *(h)* of section 8 as the *Board* may from time to time direct and all the issued shares of the capital stock of each such company shall be owned or held in trust by the *Board* for Her Majesty in right of Canada except shares necessary to qualify other persons as directors, or

(b) with the approval of the Governor in Council, utilize, cause to be utilized and prepare for the utilization of atomic energy;

(c) with the approval of the Governor in Council, acquire or cause to be acquired by purchase, lease, requisition or expropriation, prescribed substances and any mines, deposits or claims of prescribed substances and patent rights relating to atomic energy and any works or property for production or preparation for production of, or for research or investigation with respect to, atomic energy; and

(d) with the approval of the Governor in Council, license or otherwise make available or sell or otherwise dispose of discoveries, inventions and improvements in processes, apparatus or machines, and patent rights acquired under this Act and collect royalties and fees thereon and payments therefor.

Companies.

(2) The Minister may, with the approval of the Governor in Council,

(a) procure the incorporation of any one or more companies under the provisions of Part I of the *Companies Act* for the objects and purposes of exercising and performing on behalf of the Minister such of the powers conferred on the Minister by subsection (1) as the Minister may from time to time direct,

(b) assume, by transfer of shares or otherwise, the direction and control of any one or more companies incorporated under the provisions of Part I of *The Companies Act, 1934*, or of Part I of the *Companies Act*, all the issued share capital of which is owned by or held in trust for Her Majesty in right of Canada except shares necessary to qualify other persons as directors and may delegate to any such company any of the powers conferred on the Minister by subsection (1), and

(c) procure the incorporation of any one or more companies under the provisions of Part I of the *Companies Act* for the purpose of acquiring, holding and exercising, by share holding or otherwise, control of any one or more companies incorporated pursuant to paragraph *(a)* or the control of which is assumed by the Minister pursuant to paragraph *(b)*.

Shares to be held in trust for Her Majesty.

(3) The shares, except shares necessary to qualify other persons as directors, of the capital stock of a company incorporated pursuant to paragraph *(a)* or *(c)* of subsection (2) or the control of which is assumed by the Minister pursuant to paragraph *(b)* of subsection (2) shall be owned or held by the Minister, or by another company, in trust for Her Majesty in right of Canada.

(b) assume, by transfer to the *Board* in trust for Her Majesty in right of Canada of all the issued share capital thereof except shares necessary to qualify other persons as directors, the direction and control of any one or more existing companies incorporated under the provisions of Part I of the *Companies Act*, all the issued share capital of which is owned by or held in trust for Her Majesty in right of Canada except shares necessary to qualify other persons as directors and may delegate to any such company any of the powers conferred on the *Board* by paragraphs *(a)*, *(b)*, *(c)* and *(h)* of section 8.

(2) Every company shall keep and maintain such books and records, in addition to those required by the *Companies Act*, as the Board may prescribe and shall make such reports and returns to the *Board* as the *Board* may require.

(3) The accounts of a company shall be audited by the Auditor General."

The new section 10 vests in the Minister the powers conferred upon the Board by paragraphs *(a)*, *(b)*, *(c)* and *(h)* of the present section 8 and provides for the incorporation or assumption of control by the Minister of companies, for the acquisition of shares or assets of one company by another, and for the transfer to the Minister of the functions in relation to Eldorado Mining and Refining Limited and its subsidiaries vested in the Minister of Defence Production under the *Defence Production Act* and in relation to Atomic Energy of Canada Limited vested in the Board under *The Appropriation Act, No. 2, 1952.*

Agent of Her Majesty.

(4) A company is for all its purposes an agent of Her Majesty and its powers may be exercised only as an agent of Her Majesty.

Contracts.

(5) A company may on behalf of Her Majesty contract in its corporate name without specific reference to Her Majesty.

Proceedings by and against a company.

(6) Actions, suits or other legal proceedings in respect of any right or obligation acquired or incurred by a company on behalf of Her Majesty, whether in its name or in the name of Her Majesty, may be brought or taken by or against the company in the name of the company in any court that would have jurisdiction if the company were not an agent of Her Majesty.

Operation.

(7) Nothing in this section affects the application to a company of regulations made under section 9."

Transfer of functions.

(2) All powers, duties and functions

(a) vested in or required to be exercised by the Minister of Defence Production in relation to Eldorado Mining and Refining Limited or its subsidiaries, by or under subsection (3) of section 9 of the *Defence Production Act*, or

(b) vested in or required to be performed by the Atomic Energy Control Board in relation to Atomic Energy of Canada Limited, by or under *The Appropriation Act, No. 2, 1952*, or by or under the Agreement made pursuant to that Act,

are deemed to have been transferred to the Minister, as defined in the *Atomic Energy Control Act*, as of the first day of April, 1954, and anything done on or after that day by the Minister of Defence Production in relation to Eldorado Mining and Refining Limited or its subsidiaries or by the Atomic Energy Control Board in relation to Atomic Energy of Canada Limited shall be deemed to have been done by the Minister as so defined.

Transfer of shares.

(3) As soon as conveniently may be after the day on which this Act is assented to, all the issued shares of the capital stock of Eldorado Mining and Refining Limited and of Atomic Energy of Canada Limited, except shares necessary to qualify other persons as directors, shall be transferred to the Minister as defined in the *Atomic Energy Control Act*, in trust for Her Majesty in right of Canada or to a company, as defined in the *Atomic Energy Control Act*, as the said Minister may direct; and the Agreement referred to in subsection (2) and the objects and purposes set out in the Letters Patent incorporating Eldorado Mining and Refining Limited and Atomic Energy of Canada Limited shall be amended in accordance with this section.

Repeal.

5. Subsections (1) and (2) of section 11 of the said Act are repealed.

5. Subsections (1) and (2) of section 11 of the present Act read as follows:

"**11.** (1) The *Civil Service Superannuation Act* is not applicable to officers and employees employed by the Board but the Board may, with the approval of the Governor in Council, establish and support a pension fund or make other pension or superannuation arrangements for the benefit of officers and employees employed by the Board and their dependants.

(2) Notwithstanding subsection (1) and any other statute or law, a person who, immediately prior to his employment by the Board, was a contributor under the *Civil Service Superannuation Act* continues while employed by the Board to be a contributor under the said *Superannuation Act*; and for the purposes of the said *Superannuation Act*, his service with the Board shall be counted as service in the civil service, and he, his widow, children or other dependants, if any, or his legal representatives may be granted the respective allowances or gratuities provided by the said *Superannuation Act*, and in the event of his being retired from employment with the Board for any reason other than that of misconduct, he is eligible for re-appointment in the civil service or to receive the same benefits under the said *Superannuation Act* as he might have been granted if he were retired under like circumstances from a position in the civil service."

These became obsolete when the *Public Service Superannuation Act* came into force since the Board is named in Part I of Schedule A of that Act.

6. Section 21 of the said Act is repealed and the following substituted therefor:

Annual report.

"**21.** (1) The Board shall as soon as possible after the 31st day of March in each year and in any event within three months thereof submit to the Minister an annual report in such form as the Minister may prescribe of its affairs and operations during the twelve-month period ending on the 31st day of March and the Minister shall lay the said report before Parliament forthwith, if Parliament is then in session, or, if Parliament is not then in session, within the first fifteen days of the next ensuing session.

To be laid before Parliament.

Other reports.

(2) The Board shall in addition to making an annual report under subsection (1) make to the Minister such other report of its affairs and operations as the Minister may require."

Coming into force.

7. Section 5 of this Act shall be deemed to have come into force on the 1st day of January, 1954, and the remaining sections of this Act shall be deemed to have come into force on the 1st day of April, 1954.

6. Section 21 of the present Act reads as follows:

"**21.** (1) The Board shall as soon as possible after the 31st day of March in each year and in any event within three months thereof submit to the *Committee* an annual report in such form as the *Committee* may prescribe of its affairs and operations during the twelve-month period ending on the 31st day of March and the *Chairman* shall lay the said report before Parliament forthwith, if Parliament is then in session, or, if Parliament is not then in session, within the first fifteen days of the next ensuing session.

(2) The Board shall in addition to making an annual report under subsection (1) make to the *Committee* such other report of its affairs and operations as the *Committee* may require."

394

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE SENATE OF CANADA

BILL ~~J13~~ 394.

An Act respecting Eastern Telephone and Telegraph Company.

AS PASSED BY THE SENATE, 31st MARCH, 1954.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

87690

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE SENATE OF CANADA

BILL J[13].

An Act respecting Eastern Telephone and Telegraph Company.

Preamble. 1917, c. 76; 1930-31, c. 79.

WHEREAS Eastern Telephone and Telegraph Company, hereinafter called "the Company", was duly incorporated by chapter 76 of the statutes of 1917 with an authorized capital stock of ten million dollars divided into shares of one hundred dollars each; whereas by chapter 79 in the statutes of 1930-1931 the said Act of incorporation was amended by conferring on the said Company the power to reduce its authorized capital stock by by-law subject to the terms and conditions therein contained; whereas pursuant to the said authority the authorized capital stock of the Company was reduced to seventy-five thousand dollars divided into shares of one hundred dollars each by by-law No. 2 of the by-laws of your petitioner duly enacted on the 1st day of September, 1931, and sanctioned by the unanimous vote of all the shareholders of your petitioner cast at a special general meeting of the shareholders of your petitioner duly called for considering the same, and held on the 1st day of September, 1931, and confirmed by the Secretary of State of Canada on the 16th day of December, 1931; whereas the Company pursuant to its statutory powers is a party to a contract executed on the 27th day of November, 1953, with Canadian Overseas Telecommunication Corporation, American Telephone and Telegraph Company, and the Postmaster-General of the United Kingdom of Great Britain and Northern Ireland for the construction and maintenance of a transatlantic telephone cable system for service between Canada and the United Kingdom and between the United States and the United Kingdom, the execution of which contract by Canadian Overseas Telecommunication Corporation was approved on November 26, 1953, by order of the Governor in Council, and which contract will require the Company to make substantial investments and expendi-

tures for the construction, ownership and maintenance of portions of the cable system within Canada; and whereas the Company has presented a petition praying that the said incorporating Act and the said amending Act be further amended to authorize the Company to increase its capital stock and to be further empowered as hereinafter set forth and it is expedient to grant the prayer of the petition: Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Capital stock.

1. Notwithstanding anything in chapter 76 of the statutes of 1917 and chapter 79 of the statutes of 1930-31, the capital stock of Eastern Telephone and Telegraph Company shall be five million dollars divided into shares of one hundred dollars each, which may be issued in whole or in part in such manner as the directors determine: Provided that the Company shall not make any public issue or sale of its capital stock or any part thereof without first obtaining the approval of the Board of Transport Commissioners for Canada of the amount, terms and conditions of such public issue or sale.

Proviso.

2. Section 5 of chapter 76 of the statutes of 1917 is hereby repealed and the following substituted therefor:

Number of directors.

"**5.** (1) The number of the directors shall be not less than five nor more than nine, one or more of whom may be paid directors.

Quorum.

(2) A quorum at any meeting of the directors shall consist of such number of directors as may be required by the by-laws of the Company, said number in no event to be less than one-third of the directors."

EXPLANATORY NOTES.

1. For the reasons outlined in the preamble to the Bill, the Company will require the additional capital authorized under this section.

2. Section 5 of the present Act reads as follows:

> "**5.** The number of directors shall be not less than five nor more than nine, one or more of whom may be paid directors, and a majority of whom shall be a quorum."

It is felt that to require a majority of the directors to be present before a meeting can be properly constituted will cause inconvenience and difficulty in holding regular meetings of the directors and for this reason it is considered to be in the interests of the Company to reduce to one-third the number of directors required to constitute a quorum.

418

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE SENATE OF CANADA

BILL ~~L~~ 418.

An Act to incorporate Baloise Fire Insurance Company of Canada.

AS PASSED BY THE SENATE, 1st APRIL, 1954.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

87647

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE SENATE OF CANADA

BILL L[13].

An Act to incorporate Baloise Fire Insurance Company of Canada.

Preamble.

WHEREAS the persons hereinafter named have by their petition prayed that it be enacted as hereinafter set forth and it is expedient to grant the prayer of the petition: Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Incorporation.

1. Arthur Hamilton Johnstone, insurance executive, George Muir, industrialist, and William Edward Smith, chartered accountant, all of the city of Montreal, in the province of Quebec, together with such persons as become shareholders in the Company, are incorporated under the name of "Baloise Fire Insurance Company of Canada", and in French, "La Bâloise, Compagnie d'Assurance contre l'Incendie au Canada", hereinafter called "the Company".

Corporate name.

Provisional directors.

2. The persons named in section 1 shall be the provisional directors of the Company.

Capital stock.

3. The capital stock of the Company shall be one million dollars, divided into shares of one hundred dollars each.

Subscription before general meeting.

4. The amount to be subscribed before the general meeting is called for the election of directors shall be five hundred thousand dollars.

Head office.

5. The head office of the Company shall be in the city of Montreal, in the province of Quebec.

Classes of insurance authorized.

6. The Company may undertake, transact and make contracts of insurance for all or any of the following classes of insurance:

(*a*) fire insurance;
(*b*) accident insurance;
(*c*) aircraft insurance;
(*d*) automobile insurance;
(*e*) boiler insurance;
(*f*) credit insurance;
(*g*) earthquake insurance;
(*h*) explosion insurance;
(*i*) falling aircraft insurance;
(*j*) forgery insurance;
(*k*) guarantee insurance;
(*l*) hail insurance;
(*m*) impact by vehicles insurance;
(*n*) inland transportation insurance;
(*o*) live stock insurance;
(*p*) machinery insurance;
(*q*) marine insurance;
(*r*) personal property insurance;
(*s*) plate glass insurance;
(*t*) real property insurance;
(*u*) sickness insurance;
(*v*) sprinkler leakage insurance;
(*w*) theft insurance;
(*x*) water damage insurance;
(*y*) weather insurance;
(*z*) windstorm insurance.

Subscription and payment of capital before commencing business.

7. (1) The Company shall not commence any business of insurance until at least five hundred thousand dollars of its capital stock has been bona fide subscribed and at least that amount paid thereon. It may then transact the business of fire insurance, accident insurance, automobile insurance, guarantee insurance, inland transportation insurance, personal property insurance, theft insurance, and, in addition thereto, civil commotion insurance, earthquake insurance, limited or inherent explosion insurance, falling aircraft insurance, impact by vehicles insurance, limited hail insurance, sprinkler leakage insurance, water damage insurance, weather insurance and windstorm insurance, limited to the insurance of the same property as is insured under a policy of fire insurance of the Company.

Additional amounts for certain classes of business.

(2) The Company shall not commence any of the other classes of business authorized by section 6 of this Act until the paid capital, or the paid capital together with the

surplus, has been increased by an amount or amounts depending upon the nature of the additional class or classes of business as follows, that is to say:—for aircraft insurance, the said increase shall not be less than forty thousand dollars; for boiler insurance, excluding machinery, not less than forty thousand dollars; for credit insurance not less than forty thousand dollars; for earthquake insurance, not less than ten thousand dollars; for explosion insurance, not less than forty thousand dollars; for falling aircraft insurance, not less than ten thousand dollars; for forgery insurance, not less than forty thousand dollars; for hail insurance, not less than fifty thousand dollars; for impact by vehicles insurance, not less than ten thousand dollars; for live stock insurance, not less than forty thousand dollars; for machinery insurance, not less than forty thousand dollars; for marine insurance, not less than one hundred thousand dollars; for plate glass insurance, not less than twenty thousand dollars; for real property insurance, not less than twenty thousand dollars; for sickness insurance, not less than twenty thousand dollars; for sprinkler leakage insurance, not less than ten thousand dollars; for water damage insurance, not less than twenty thousand dollars; for weather insurance, not less than twenty thousand dollars; for windstorm insurance, not less than fifty thousand dollars.

Periodic increase of paid capital and surplus.

(3) The Company shall, during the five years next after the date of its being registered for the transaction of fire insurance, increase its paid capital and surplus so that at the end of the first year it will be at least fifteen thousand dollars more than is required under the foregoing subsections of this section, and at the end of the second year at least thirty thousand dollars more than so required, and at the end of the third year at least forty-five thousand dollars more than so required, and at the end of the fourth year at least sixty thousand dollars more than so required, and at the end of the fifth year at least seventy-five thousand dollars more than so required.

When Company may transact any or all classes of insurance business.

(4) Notwithstanding anything to the contrary contained in this section the Company may transact all or any of the classes of insurance business authorized by section 6 of this Act when the paid capital amounts to at least five hundred thousand dollars and the paid capital together with the surplus amounts to at least one million dollars.

"Surplus" defined.

(5) In this section the word "surplus" means the excess of assets over liabilities, including the amount paid on account of capital stock and the reserve of unearned premiums calculated *pro rata* for the unexpired term of all policies of the Company in force.

Acquisition of rights and property, and assumption of obligations, of "La Baloise".

8. (1) The Company may acquire by agreement to insure or otherwise the whole or any part of the rights and property within Canada, and may assume the obligations and liabilities within Canada of "Baloise Fire Insurance Company Limited", having its head office at No. 46 Elisabethenstrasse, Basle, Switzerland, hereinafter called "La Baloise", and in the event of such acquisition and assumption the Company shall perform and discharge all such duties, obligations and liabilities of La Baloise in respect to the rights and property acquired as are not performed and discharged by La Baloise.

(2) No agreement between the Company and La Baloise providing for such acquisition and assumption shall become effective until it has been submitted to and approved by the Treasury Board of Canada.

Date of coming into force.

9. This Act shall come into force on a date to be specified by the Superintendent of Insurance in a notice in the *Canada Gazette.*

R.S. 1952, c. 31, to apply.

10. The *Canadian and British Insurance Companies Act* shall apply to the Company.

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 419.

An Act respecting Savings Banks in the Province of Quebec.

First reading, April 6, 1954.

THE MINISTER OF FINANCE.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

88979

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 419.

An Act respecting Savings Banks in the Province of Quebec.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

SHORT TITLE.

Short title.

1. This Act may be cited as the *Quebec Savings Banks Act.*

INTERPRETATION.

Definitions.

2. In this Act,

"Bank."

(a) "bank" means a bank to which this Act applies;

"Chartered bank."

(b) "chartered bank" means a bank to which the *Bank Act* applies;

"District of Montreal."

(c) "district of Montreal" means the area in the Province of Quebec included in the judicial districts of Montreal, Hull, Pontiac, Temiscamingue, Terrebonne, Joliette, Labelle, Richelieu, St. Francis, Bedford, St. Hyacinthe, Iberville and Beauharnois, as constituted at the coming into force of this Act;

"District of Quebec."

(d) "district of Quebec" means the area in the Province of Quebec included in the judicial districts of Quebec, Three Rivers, Saguenay, Chicoutimi, Roberval, Nicolet, Gaspe, Bonaventure, Rimouski, Kamouraska, Montmagny, Beauce, Arthabaska, Abitibi and Rouyn-Noranda, as constituted at the coming into force of this Act;

"Goods, wares and merchandise."

(e) "goods, wares and merchandise" means "goods, wares and merchandise" as defined in the *Bank Act;*

"Inspector."

(f) "Inspector" means the Inspector General of Banks appointed under the *Bank Act;*

"Minister."

(g) "Minister" means the Minister of Finance;

"Recorded address."

(h) "recorded address" means

(i) in relation to a person as a shareholder, his last known post office address according to the share register of the bank, and

Explanatory Notes.

This Bill is a revision of the *Quebec Savings Banks Act*, R.S.C. 1952, ch. 232, and its main purpose is, so far as possible, to make it uniform with Bill 338, *An Act respecting Banks and Banking*. In the references below, *Quebec* refers to the existing Act, *Bank* refers to Bill 338, and *Charter* refers to the charter of the banks.

2. *Quebec, s. 2.*

(ii) in relation to a person in any other respect, his last known post office address according to the records of the branch concerned; and

"Securities." *(i)* "securities" includes bonds, debentures and obligations, secured or unsecured, whether issued within or outside Canada, and rights in respect of such bonds, debentures and obligations, but does not include shares of capital stock of corporations or rights in respect of such shares.

Public notice. How given.

3. (1) Where by this Act any public notice is required to be given, the notice shall, unless otherwise specified, be given by publishing the notice in one or more newspapers published at the place where the head office of the bank is situate; and the notice shall be published in both the English and French languages.

Sufficiency of publication.

(2) Where by this Act a notice is required to be published in a newspaper for four weeks or any longer period, publication each week in a weekly newspaper, or once a week during the period in a newspaper published more frequently, is a sufficient publication for the purposes of this Act.

Notice of call.

(3) Where by this Act notice of any call is required to be given to the shareholders the notice is, unless otherwise specified, sufficiently given by mailing the notice, registered and post paid, to the recorded address of the respective shareholders at least thirty days prior to the day on which the call is payable.

APPLICATION.

Savings Banks to which Act applies.

4. This Act applies to

(a) The Montreal City and District Savings Bank, and

(b) La Banque d'Economie de Québec, The Quebec Savings Bank.

CHARTERS.

Charters continued.

5. The charter of each bank is continued.

Duration of authority to carry on business.

6. Subject to this Act,

(a) if Parliament sits on at least twenty days during the month of June, 1964, the bank may carry on the business of banking until the 1st day of July, 1964, and no longer, and

(b) if Parliament does not sit on at least twenty days during the month of June, 1964, the bank may carry on the business of banking until the sixtieth sitting day of Parliament next thereafter, and no longer.

3. *Quebec, s. 5.*
Bank, s. 3.

4. *Quebec, s. 4.*
Charter, 1.

5. *Quebec, s. 4.*

6. *Bank, s. 6.*

Application of charter in event of inconsistency, etc.

7. The provisions of the charter of the bank are inapplicable

(a) to the extent that there is any inconsistency between the provisions of the charter and the provisions of this Act, and

(b) in respect of any matter for which provision is made by this Act.

Head Office and branches of Montreal City and District Savings Bank.

8. (1) The head office of The Montreal City and District Savings Bank shall be in the City of Montreal and the bank may open branches within the district of Montreal.

Alternate name.

(2) The Montreal City and District Savings Bank may carry on business pursuant to this Act under that name and under the name "La Banque d'Epargne de la Cité et du District de Montréal".

Head office and branches of Quebec Savings Bank.

9. (1) The head office of La Banque d'Economie de Québec, The Quebec Savings Bank, shall be in the City of Quebec and the bank may open branches within the district of Quebec.

Alternate names.

(2) La Banque d'Economie de Québec, The Quebec Savings Bank, may carry on business pursuant to this Act under that name and under the names

(a) La Banque d'Economie de Québec, and

(b) The Quebec Savings Bank.

INTERNAL REGULATIONS.

Shareholders.

By-laws.

10. (1) Subject to this Act, the shareholders of the bank may make by-laws with respect to the following matters, namely:

(a) the day upon which the annual general meeting of the shareholders shall be held, which shall be a day not more than fifteen months after the holding of the last annual general meeting;

(b) the record to be kept of proxies, and the time, not exceeding twenty days, within which proxies must be produced and recorded prior to a meeting in order to entitle the holder to vote thereon;

(c) the number of the directors, which shall be not less than five, and the quorum thereof, which shall be not less than three;

(d) the qualifications of directors;

(e) the method of filling vacancies in the board of directors;

7. New.

8. New.
Charter, 3.

9. New.
Charter, 3.

10. *Quebec, ss. 5, 9, 12, 55.*
Bank, 19 (1) (3) (4).
Charter, 5, 6, 7, 14.

(f) the time and proceedings for the election of directors in case of a failure of any election on the day appointed for it;

(g) the remuneration of the president, vice-president and other directors;

(h) the amount of discounts or loans that may be made to directors, either jointly or severally, or to any one person, or to any shareholder; and

(i) the establishment of guarantee and pension funds for the officers and employees of the bank and their families, and the making of contributions thereto out of the funds of the bank.

When by-laws may be made.

(2) By-laws authorized by this Act may be made by the shareholders at any annual general meeting or at any special general meeting duly called for the purpose.

Existing by-laws continued.

(3) Until it is otherwise prescribed by by-law under this Act, the by-laws of the bank with respect to any matter set out in subsection (1) remain in force.

Directors.

Management.

11. The bank shall be under the management of a board of directors elected or appointed in accordance with this Act.

Qualification.

12. A person is not eligible to be a director unless he holds stock of the bank as the absolute and sole owner thereof in his individual right and not as trustee or in the right of another, on which not less than five thousand dollars have been paid up.

Election of directors.

13. (1) The directors shall be elected by the shareholders at the annual general meeting.

At head office.

(2) The election shall take place at the place where the head office of the bank is situate.

Notice.

(3) Public notice of the annual general meeting shall be given by the directors by publishing the notice, for at least four weeks prior to the time of holding the meeting, in a newspaper published at the place where the head office of the bank is situate, and by mailing a copy of the notice to each shareholder at his recorded address at least twenty days prior to the time of holding the meeting.

Who shall be directors.

(4) The persons, to the number authorized to be elected, who have the greatest number of votes at any election, shall be the directors, but if at any election two or more persons have an equal number of votes, and there are not sufficient vacancies remaining in the board of directors to enable all

11. *Quebec, s. 9.*
Bank, s. 20.

12. *Quebec, s. 9.*
Bank, s. 21 (1).

13. *Quebec, ss. 5, 9.*
Bank, s. 22.
Charter, 8.

Equality of votes.

the persons having an equal number of votes to be elected, the directors who have a greater number of votes, or the majority of them, shall, in order to complete the full number of directors, determine which of the persons so having an equal number of votes shall be a director or directors.

Removal of director.

14. (1) The shareholders may, at any special general meeting of the shareholders called for the purpose, remove any director.

Disqualification of director.

(2) A director ceases to be a director if

(a) he ceases to fulfil the requirements of section 12 with respect to holdings of stock, or

(b) he becomes insolvent, or makes an assignment for the benefit of his creditors, or absents himself, without the consent of the board for twelve consecutive months from the meetings of the directors, or is convicted of an indictable offence.

Election of president and vice-president.

15. (1) The directors shall elect by ballot from their number, a president and one or more vice-presidents.

To remain directors.

(2) A person elected to an office under this section ceases to hold that office if he ceases to be a director.

Filling of vacancies.

16. (1) Where a vacancy occurs in the board of directors, it shall be filled in the manner prescribed in the by-laws.

Power of remainder to act.

(2) A vacancy in the board of directors does not impair the right of the remaining directors to act.

Vacancy in presidency or vice-presidency.

17. When a vacancy occurs in the office of the president or vice-president, the directors shall, from their number, elect a president or a vice-president.

Postponed elections.

18. Where an election of directors is not made on the day appointed for that purpose, the election may take place on any other day, according to the by-laws, and, subject to this Act, the directors in office on the day appointed for the election of directors remain in office until new directors are elected or appointed.

Meetings of directors.

19. (1) The president, or in his absence, a vice-president, shall preside at all meetings of the directors.

Temporary chairman.

(2) Where at any meeting of the directors the president and vice-president are absent, one of the directors present, chosen to act *pro tempore*, shall preside.

Casting vote.

(3) The person so presiding has a vote as a director, and if there is an equal division on any question, also has a casting vote.

14. *Quebec, s. 11.*
Bank, s. 23 (1) (2).

15. *Bank, s. 24 (1) (3).*
Charter, 5.

16. *Quebec, s. 12.*
Bank, s. 25 (1) (3).

17. *Bank, s. 26.*

18. *Quebec, s. 12.*
Bank, s. 27.
Charter, 10.

19. *Bank, s. 28.*
Charter, 5.

General powers of directors.

20. (1) The directors shall administer the affairs of the bank and may make by-laws with respect to any matter except a by-law increasing the aggregate of the amounts, fixed by a shareholders' by-law, to be paid to the president, vice-president and other directors as remuneration.

Confirmation of directors' by-laws.

(2) Subject to subsection (3), where a by-law made under subsection (1) provides for a matter that the shareholders may provide for by by-law, the by-law, to the extent that it so provides, ceases to have effect at the conclusion of the annual general meeting of the shareholders next ensuing after it is made unless it is confirmed by the shareholders.

Idem.

(3) Where a special general meeting, called for the purpose of confirming a by-law made under subsection (1) or called for that and any other purpose, is held before the next following annual general meeting, the by-law ceases to be in force at the date of the special general meeting unless it is confirmed at that special general meeting, and subsection (2) does not apply to a by-law that is so confirmed.

Existing by-laws continued.

(4) All by-laws of the bank lawfully made and in force with regard to any matter respecting which the directors may make by-laws under this section, remain in force until they are repealed or altered by other by-laws made under this Act.

Appointment of officers and employees.

21. (1) The directors may appoint as many officers and employees as they consider necessary for carrying on the business of the bank, and may authorize any officer of the bank to make such of these appointments as they may deem expedient.

Salaries.

(2) Officers and employees appointed under subsection (1) may be paid such salaries and allowances as the directors or appointing officer determine.

Meetings of Shareholders.

Special general meetings.

22. A special general meeting of the shareholders of the bank may be called at any time by

(a) the directors of the bank or any four of them, or

(b) any number not less than twenty-five of the shareholders, acting by themselves or by their proxies, who are together owners of at least one-tenth of the paid-up capital stock of the bank;

the directors or shareholders shall give six weeks' previous public notice of the meeting, specifying therein the object of the meeting, and the meeting shall be held at the place where the head office of the bank is situate.

20. *Bank, s. 30.*

21. *Bank, ss. 31, 32.*
Charter, 11.

22. *Bank, s. 33.*
Charter, 8.

One vote for each share.

23. (1) Every shareholder has, on all occasions on which the votes of the shareholders are taken, one vote for each share held by him for at least ninety days immediately before the time of the meeting.

Ballot.

(2) In all cases where the votes of the shareholders are taken, the voting shall be by ballot.

Majority to determine.

(3) All questions proposed for the consideration of the shareholders shall be determined by a majority of the votes of the shareholders present or represented by proxy.

Casting vote.

(4) The chairman elected to preside at any meeting of the shareholders shall vote as a shareholder only, unless there is a tie, in which case, except as to the election of a director, he has a casting vote.

Joint holders of shares.

(5) Where two or more persons are joint holders of shares, any one of the joint holders may be authorized, by power of attorney from the other joint holder or holders, or a majority of them, to represent the shares and to vote accordingly.

Proxies.

(6) Shareholders may vote by proxy, but no person other than a shareholder eligible to vote shall be permitted to vote or act as proxy.

Idem.

(7) Neither the general manager nor any officer or employee subordinate to the general manager shall hold a proxy for the purpose of voting.

Calls must be paid before voting.

(8) No shareholder shall vote, either in person or by proxy, on any question proposed for the consideration of the shareholders of the bank at any meeting of the shareholders, or in any case in which the votes of the shareholders of the bank are taken, unless he has paid all calls made by the directors that are then due and payable.

CAPITAL STOCK.

Capital stock.

24. Subject to section 25,

(a) the authorized capital stock of The Montreal City and District Savings Bank is two million dollars divided into shares of ten dollars each, and

(b) the authorized capital stock of La Banque d'Economie de Quebec, The Quebec Savings Bank, is one million dollars divided into shares of ten dollars each.

Increase of capital.

25. (1) The authorized capital stock of the bank may be increased by by-law of the shareholders.

Approval of Treasury Board.

(2) No by-law under this section comes into operation or has force or effect until a certificate approving thereof has been issued by the Treasury Board.

23. *Quebec, ss. 6, 7, 8, 19.*
Bank, s. 34.
Charter, 9.

24. *Quebec, s. 13.*
Bank, s. 7.

25. *Bank, s. 35.*

Conditions for approval.

(3) No certificate shall be issued by the Treasury Board under subsection (2) unless application therefor is made within three months from the time of the passing of the by-law, nor unless it appears to the satisfaction of the Treasury Board that a copy of the by-law, together with notice of intention to apply for the certificate, has been published for at least four weeks in the *Canada Gazette*, and in one or more newspapers published in the place where the head office of the bank is situate.

Treasury Board may refuse.

(4) Nothing in this section shall be construed to prevent the Treasury Board from refusing to issue the certificate.

Offer of shares of capital stock.

26. Any of the original unsubscribed capital stock or of the increased capital stock shall be offered to the persons who are shareholders when the offer is made, pro rata, at such price not less than par, at such time and on such terms as the directors determine, except that

(a) no fraction of a share shall be so offered,

(b) the price of the stock shall be paid in money,

(c) payment shall not be required in greater amounts or at shorter intervals than ten per cent of the price every thirty days,

(d) the directors shall not fix a price that would make the premium, if any, payable on the stock so offered, greater in relation to the par value of the stock than the rest account then is in relation to the paid-up capital stock, and

(e) no share shall be offered to a shareholder whose recorded address is in a country outside Canada, where, to the knowledge of the directors, the offer ought not to be made unless the appropriate authority in that country is furnished with information other than that contained in the statement submitted to the shareholders at the last annual general meeting and in any return under section 83 made by the bank after that meeting and more than sixty days before the date of the offer.

Notice of offer.

27. The offer shall be mailed to the shareholder at his recorded address and the directors shall, in the offer, fix a date, not earlier than the ninetieth day after the day on which the offer is mailed, by which the offer is to be accepted.

Disposal of shares not subscribed or offered.

28. (1) Shares offered under section 26 that are not subscribed for and shares that are not offered by reason of paragraphs *(a)* and *(e)* of section 26 may be disposed of in such manner and on such terms as the directors determine, except that no share shall be sold at less than par.

26. *Bank, s. 36.*

27. *Bank, s. 37.*

28. *Bank, s. 38.*

(2) The net proceeds of the disposal of shares under subsection (1) in excess of the price per share fixed by the directors under section 26 shall be rateably distributed,

(a) in the case of shares offered but not subscribed for, amongst the shareholders to whom they were offered,

(b) in the case of shares not offered by reason of paragraph *(a)* of section 26, amongst the shareholders to whom fractions of shares could not be offered by reason of that paragraph, and

(c) in the case of shares not offered by reason of paragraph *(e)* of section 26, amongst the shareholders to whom shares were not offered by reason of that paragraph.

Stock books,

29. For the purpose of disposing of shares offered for subscription under section 28 the directors shall cause stock books to be opened at the head office of the bank and elsewhere in their discretion, and each subscriber shall, at the time of subscription, give his post office address and description, and these particulars shall appear in the stock books in connection with the name of the subscriber and the number of shares subscribed for.

Allotment of shares not income.

30. Notwithstanding any other Act, the amount or value of any money, benefit or advantage received by a shareholder as the result of an offer, allotment or distribution pursuant to sections 26 and 28 shall not be included in computing the income of the shareholder.

SHARES AND CALLS.

Shares personalty,

31. The shares of the capital stock of the bank are personal property.

Calls on shares,

32. (1) The directors may make such calls of money from the several shareholders for the time being, upon the amounts remaining unpaid in respect of the shares subscribed for by them respectively, as they find necessary.

Number,

(2) Any number of calls may be made by one resolution.

Time of payment.

(3) Calls shall be payable at intervals of not less than thirty days.

Notice.

(4) Notice of calls shall be given to the shareholders.

Amount.

(5) Subject to this Act, no call shall exceed ten per cent of the amount subscribed in respect of each share.

Calls when capital lost,

33. (1) Where any part of the paid-up capital is lost, the directors shall, if all the subscribed stock is not paid up, forthwith make calls upon the shareholders in an amount

29. *Bank, s. 39.*

30. *Bank, s. 40.*

31. *Bank, s. 42.*

32. *Quebec, s. 14.*
Bank, s. 43.

33. *Quebec, ss. 14, 15.*
Bank, s. 44.

equal to the amount of the loss or the amount of the subscription price of the stock remaining unpaid, whichever is the lesser.

Report to Minister.

(2) The directors shall forthwith report to the Minister the amount of any loss to which this section refers and the calls, if any, made in respect thereof.

Recovery of calls.

34. In case of the non-payment of a call or of an instalment under a subscription for shares, the directors may, in the corporate name of the bank, sue for and recover the amount of the call or instalment, or may declare the shares in respect of which default is made to be forfeited to the bank in accordance with section 35.

Forfeiture of shares for non-payment of calls.

35. (1) Where a shareholder fails to pay an instalment or call upon his shares of the capital stock of the bank when it is due, and thereafter fails to make the payment on or before a day fixed in a notice directed to him in accordance with the by-laws or a resolution of the directors, the directors may, by resolution, in their discretion, declare forfeited the shares in respect of which the payment is in default.

Sale of forfeited shares.

(2) Shares declared forfeited under subsection (1) become, by such declaration, the property of the bank, and the directors shall, before the expiry of six months from the declaration, sell them to such persons, in such manner and on such terms as they may determine.

Liability of former shareholder.

(3) Notwithstanding the forfeiture of shares under this section, the shareholder who immediately prior to the forfeiture was the holder of the shares, continues to be liable to the bank for the amount of the subscription price of the shares that was unpaid at the time of forfeiture, less such amounts as are subsequently received by the bank in respect of the shares.

Recovery by action.

36. In any action brought to recover any money due on any instalment or call, it is not necessary to set forth the special matter in the declaration or statement of claim, but it is sufficient to allege that the defendant is the holder

Allegations.

of one share or more, as the case may be, in the capital stock of the bank, and that he is indebted to the bank for instalments or calls upon such share or shares, in the sum to which the instalments or calls amount, as the case may be, stating the amount and number of the instalments or calls, and it is not necessary, in any such action, to prove the appointment of the directors.

34. *Quebec, s. 14, (2).*
Bank, s. 45.

35. *Quebec, s. 15 (4).*
Bank, s. 46.

36. *Quebec, s. 14 (2).*
Bank, s. 47.

TRANSFER AND TRANSMISSION OF SHARES.

Transfer of shares.

37. (1) The shares of capital stock of the bank are transferable in the manner prescribed by the by-laws.

Fractions.

(2) No fraction of a share is transferable.

Stock transfer book.

38. (1) Particulars of every transfer of shares of the capital stock of the bank shall be recorded in a stock transfer book to be kept at the head office of the bank.

Idem.

(2) The stock transfer book shall be open to the shareholders of the bank during business hours.

Transmission of shares.

39. (1) Where the interest in any share of the capital stock is transmitted by or in consequence of

(a) the death, lunacy, bankruptcy, or insolvency of any shareholder,

(b) the marriage of a female shareholder, or

(c) any lawful means, other than a transfer according to this Act,

How authenticated.

the transmission shall be authenticated by a declaration in writing as provided in this section or in such other manner as the directors of the bank require.

Declaration.

(2) Every declaration shall distinctly state the manner in which and the person to whom the share has been transmitted, and shall give his post office address and description, and such person shall make and sign the declaration.

Acknowledgment.

(3) The person making and signing the declaration shall acknowledge the same before a judge of a court of record, or before the mayor, provost or chief magistrate of a city, town, borough or other place, or before a notary public, or a commissioner for taking affidavits, where the declaration is made and signed.

To be left with bank.

(4) Every declaration signed and acknowledged as required by this section shall be left with the general manager or other officer or agent of the bank, who shall thereupon enter the name of the person entitled under the transmission in the register of shareholders.

Exercise of rights as shareholder.

(5) Until the transmission has been authenticated under subsection (4), no person claiming by virtue thereof is entitled to participate in the profits of the bank, or to vote in respect of any such share of the capital stock.

Further authentication.

40. (1) Every declaration and instrument required by section 39 to perfect the transmission of a share in the bank shall, if made elsewhere than in a country of the British Commonwealth or any colony, dependency or protectorate of any such country,

(a) be further authenticated by the clerk of a court of record under the seal of the court, or by a consul,

37. *Quebec, ss. 18, 19.*
Bank, s. 48 (2).

38. *Bank, s. 49.*
Charter (Montreal) 16.

39. *Quebec, s. 20.*
Bank, s. 52.

40. *Quebec, ss. 21, 22.*
Bank, s. 53.

vice-consul or other accredited representative of any of Her Majesty's Governments in the country where the declaration or instrument was made, or

(b) be made directly before such consul, vice-consul or other accredited representative.

Further evidence.

(2) The directors, general manager or other officer or agent of the bank may require corroborative evidence of any fact alleged in any declaration under section 39.

Transmission by will or intestacy.

41. Where the transmission of a share has taken place by virtue of any testamentary instrument or by intestacy, the probate of the will, or the letters of administration, or act of curatorship or tutorship, or an official extract therefrom, shall, together with the declaration, be produced and left with the general manager or other officer or agent of the bank, and the general manager or other officer or agent of the bank shall thereupon enter in the register of shareholders the name of the person entitled under the transmission.

Transmission by decease.

42. Notwithstanding anything in this Act, if the transmission of any share of the capital stock has taken place by virtue of the decease of any shareholder, the production to the general manager or other officer or agent of the bank and the deposit with him of

(a) any authenticated copy of the probate of the will of the deceased shareholder, or of letters of administration of his estate, or of letters of verification of heirship, or of the act of curatorship or tutorship, granted by any court in Canada having power to grant the same, or by any court or authority in a country of the British Commonwealth or any colony, dependency or protectorate of any such country, or of any testament-testamentar or testament-dative expede in Scotland,

(b) an authentic copy of the will of the deceased shareholder, if such will is in notarial form according to the law of the Province of Quebec, or

(c) if the deceased shareholder died elsewhere than in a place mentioned in paragraph *(a)*, any authenticated copy of the probate of his will or letters of administration of his property, or other document of like import, granted by any court or authority having the requisite power in such matters,

is sufficient justification and authority for paying any dividend, or for transferring or authorizing the transfer of any share, in pursuance of and in conformity to the probate, letters of administration, or other document.

41. *Quebec, s. 24.*
Bank, s. 54.

42. *Quebec, s. 24.*
Bank, s. 55.

SHARES SUBJECT TO TRUSTS.

Bank not bound to see to trusts.

43. (1) The bank is not bound to see to the execution of any trust, whether express, implied or constructive, to which any share of its capital stock is subject.

Receipt.

(2) Except only in the case of a claim in the manner referred to in paragraph *(b)* of subsection (1) of section 75, by some other person, the receipt of the person in whose name any share stands in the books of the bank, or, if it stands in the names of more persons than one, the receipt of one of such persons, is a sufficient discharge to the bank for any dividend or any other sum of money payable in respect of the share, and the bank is not bound to see to the application of the money paid upon such receipt, whether given by one of such persons or all of them.

Executor or trustee not personally liable.

44. (1) No person holding shares of the capital stock of the bank as executor, administrator, guardian, trustee, tutor or curator

(a) of or for any estate, trust or person named in the books of the bank as being represented by him, or

(b) if the will or other instrument under or by virtue of which the shares are so held is named in the books of the bank in connection with such holding,

is personally subject to any liability as a shareholder for unpaid subscriptions for shares; but the estate and funds in his hands are liable in like manner and to the same extent as the testator, intestate, ward or person interested in such estate and funds would be, if living and competent to hold the shares in his own name.

Cestui que trust liable.

(2) Where the trust is for a living person or corporation, such person or corporation is also liable as a shareholder to the extent of his or its respective interest in the shares.

Executor or trustee liable where trust not named.

(3) Where the estate, trust or person so represented, or will or other instrument, is not named in the books of the bank, the executor, administrator, guardian, trustee, tutor or curator is personally liable in respect of the shares as if he held them in his own name as owner thereof.

ANNUAL AND OTHER STATEMENTS.

Statements required to be submitted at annual general meeting.

45. (1) At every annual general meeting of the shareholders, the outgoing directors shall submit a statement (hereinafter called the "annual statement"), which shall present fairly the financial position of the bank for the financial year immediately preceding the meeting, and shall contain

(a) a statement of assets and liabilities of the bank as at the end of the financial year, showing the information

43. *Quebec, ss. 19, 57 (1).*
Bank, s. 56.

44. *Bank, s. 57.*

45. *Quebec, s. 10.*
Bank, s. 58 (1) (2).

specified under these headings in Schedule A and such additional information and particulars as in the opinion of the directors are necessary to present fairly the financial position of the bank, and

(b) a statement of the undivided profits of the bank as at the end of the financial year, which shall also show the balance available for distribution of profits earned in the financial year and shall indicate whether transfers have been made in the financial year in respect of contingency reserves and whether provision has been made out of those reserves for diminution in the value of investments and loans.

How statements signed.

(2) The annual statement shall be signed

(a) on behalf of the board of directors, by the president or a vice-president or two other directors, and

(b) by the general manager or a person duly authorized to sign in the place of the general manager.

Additional statements.

46. The directors shall, in addition to the annual statement, submit to the shareholders such other statements of the affairs of the bank in such manner and at such times as the shareholders by by-law require.

SHAREHOLDERS' AUDIT.

Auditors.

47. (1) The affairs of the bank shall be audited by two auditors appointed in accordance with this section, each of whom at the time of his appointment is an accountant who

Qualification.

(a) is a member in good standing of an institute or association of accountants incorporated by or under the authority of the legislature of the Province of Quebec,

(b) is ordinarily resident in Canada, and

(c) has practised his profession in Canada continuously during the six consecutive years immediately preceding his appointment.

Appointment.

(2) The shareholders shall, at each annual general meeting, appoint two persons having the qualifications specified in subsection (1), but not being members of the same firm, to be the auditors of the bank until the next ensuing annual general meeting, but no person shall be so appointed if he or a member of his firm is a director, officer or employee of the bank.

Minister may revoke appointments.

(3) The Minister may at any time revoke the appointment of an auditor by notice in writing signed by the Minister and sent by registered mail addressed to the auditor at his usual place of business and shall at the same time furnish a copy thereof to the bank.

Disqualification.

(4) An auditor ceases to hold office

(a) on the day on which a notice is mailed to him under subsection (3), or

(b) if he or a member of his firm becomes a director, officer or employee of the bank.

46. *Bank, s. 59.*

47. *Quebec, ss. 46 to 50.*
Bank, s. 61.
Charter, 11.

Vacancy.

(5) When a vacancy occurs in the office of auditor of a bank, the bank shall forthwith give notice thereof to the Minister, who shall appoint a person having the qualifications specified in subsection (1) to be an auditor of the bank until the next ensuing annual general meeting.

Remuneration.

(6) The shareholders shall, at the time they appoint the auditors, fix their remuneration, and when a vacancy occurs in the office of auditor and is filled under this section, the remuneration so fixed shall be divided, in such manner as the directors determine, amongst the person originally appointed or his legal representative, the continuing auditor and the person appointed to fill the vacancy.

Access to books, etc.

(7) The auditors of the bank have a right of access to the books, accounts, cash, securities, documents and vouchers of the bank and any security held by the bank, and are entitled to require such information and explanations as they deem necessary for the performance of their duties as auditors.

Auditors to check cash and securities.

(8) In addition to any other audit and report required by this section the auditors shall, at least once during their term of office, check the cash and verify the securities of the bank at the head office of the bank and, if they deem it advisable, at any branch of the bank.

Minister may require report on procedure.

(9) The Minister may require that the auditors of the bank shall report to him upon the adequacy of the procedure adopted by the bank for the safety of its creditors and shareholders, and as to the sufficiency of their own procedure in auditing the affairs of the bank.

Minister may enlarge scope of audit.

(10) The Minister may, in his discretion, enlarge or extend the scope of the audit or direct any other or particular examination to be made or procedure established in the particular case as, in his opinion, the public interest may require, and the bank shall, in respect thereof, pay to the auditor such remuneration, in addition to that fixed under subsection (6), as the Minister allows.

Report to shareholders on assets and liabilities.

(11) The auditors shall make a report to the shareholders on the statement of the assets and liabilities of the bank to be submitted by the directors to the shareholders under section 45.

Statements by auditors.

(12) The auditors' report shall state whether, in the opinion of the auditors, the statement referred to in the report presents fairly the financial position of the bank and

(a) whether they have obtained all the information and explanations they have required,

(b) whether, in their opinion, the transactions of the bank that have come under their notice have been within the powers of the bank,

(c) whether their checking of cash and verification of securities in accordance with subsection (8) agreed with the entries in the books of the bank with respect thereto, and

(d) whether the statement is as shown by the books of the bank.

Reading of report.

(13) The auditors' report shall be attached to the statement of assets and liabilities submitted by the directors to the shareholders under section 45 and the report shall be read before the shareholders at the annual general meeting.

Copies for shareholders and Minister.

(14) At or after the annual general meeting any shareholder is entitled, on application, to be furnished by the directors with a copy of the statement and report submitted to the meeting, and a copy of thereof shall be forwarded to the Minister.

INSPECTION.

Examination by Inspector General of Banks.

48. (1) The Inspector General of Banks, from time to time, but not less frequently than once in each calendar year, shall make or cause to be made an examination and inquiry into the affairs or business of the bank and report thereon to the Minister, and for such purposes the Inspector has and may exercise and perform all the rights, powers and duties given to him under the *Bank Act*.

Correctness of cash reserve returns.

(2) In addition to any report under subsection (1) the Inspector shall annually certify to the Minister and to the Governor of the Bank of Canada whether in his opinion the returns that have been submitted by the banks under section 84 are correct.

Powers of commissioner under *Inquiries Act*.

(3) The Inspector has all the powers conferred upon a commissioner appointed under the *Inquiries Act* for the purpose of obtaining evidence under oath, and may delegate such powers as occasion may require.

Salaries and expenses paid out of Consolidated Revenue Fund and recouped by assessment on banks.

49. If an appropriation therefor has been made by Parliament, all salaries, remuneration and other expenses incidental to carrying out section 48 shall be paid out of the Consolidated Revenue Fund, and the Consolidated Revenue Fund shall be recouped after the end of each calendar year for such outlay by an assessment upon the banks based upon the average total assets of the banks, respectively, during the year, as shown by the monthly returns made by the banks to the Minister under section 83, and such assessment shall be paid by the banks.

No grant or gratuity to be made by bank officials to Inspector or his officers.

50. The Inspector or any other person appointed or employed under section 62 of the *Bank Act* shall not accept or receive, directly or indirectly, any grant or gratuity from a bank or from any director, officer or employee of a bank, and no bank and no director, officer or employee of a bank shall make or give any such grant or gratuity.

48. *Quebec, s. 51 (1).*
Bank, s. 63.

49. *Quebec, s. 51 (2).*
Bank, s. 64.

50. *Bank, s. 66.*

Secrecy.

51. The Inspector or any other person appointed or employed under section 62 of the *Bank Act* or any person to whom any powers are delegated under subsection (3) of section 48 shall not disclose to any other person, except the Minister, the Deputy Minister of Finance and the Governor of the Bank of Canada, or a representative of the latter if authorized by him in writing, any information regarding the business or affairs of a bank.

CONTINGENCY RESERVES.

Report to Minister of National Revenue of excess reserves for bad debts, etc.

52. (1) Where in the opinion of the Minister an amount set aside or reserved by any bank out of income, either by way of write-down of the value of assets or appropriation to any contingency reserve or contingent account for the purpose of meeting losses on loans, bad or doubtful debts, depreciation in the value of assets other than bank premises or other contingencies, is in excess of the reasonable requirements of the bank having regard to all the circumstances, the Minister shall notify the Minister of National Revenue of the amount so set aside and of the amount of such excess.

Discretion of directors not affected.

(2) Nothing in subsection (1) shall be construed to give the Minister any jurisdiction over the discretion of the directors of the bank with regard to amounts set aside, reserved or transferred to any reserve or other account from income upon which taxes have been assessed under any Act of the Parliament of Canada imposing a tax upon or in respect of income.

DIVIDENDS.

Declaration of dividends.

53. (1) Subject to this Act and the by-laws, the directors of the bank may declare a dividend of so much of the profits of the bank as they consider advisable, and shall fix the day for payment thereof.

Notice.

(2) The directors shall give public notice of the payment of a dividend published for at least four weeks prior to the day fixed for payment thereof.

Where payable.

(3) A dividend is due and payable on and after the day fixed for payment thereof at the head office of the bank and at such other places as the directors prescribe.

Share transfer books closed.

(4) The directors may close the transfer books for a period, not exceeding fifteen days, before the payment of a dividend.

Liability in respect of dividends.

(5) Subject to subsection (2) of section 56, the liability of the bank, under any law, custom or agreement, to pay dividends that have become payable on its capital stock shall continue notwithstanding any statute of prescription or limitation.

51. *Bank, s. 67.*

52. *Quebec, s. 51 (3).*
Bank, s. 68.

53. *Quebec, s. 17.*
Bank, s. 69.
Charter, 12.

Dividend not to impair capital.

54. (1) No dividend or bonus shall be declared

(a) while the paid-up capital of the bank is impaired, or

(b) if as a result thereof the paid-up capital of the bank would be impaired.

Directors liable for such dividend.

(2) The directors who knowingly and wilfully concur in the declaration or making payable of any dividend or bonus contrary to subsection (1) are jointly and severally liable for the amount of such dividend or bonus, as a debt due by them to the bank.

Dividend limited unless there is a certain rest account.

(3) No division of profits exceeding the rate of eight per cent per annum on the paid-up capital stock of the bank shall be made by the bank unless after making the division the bank has a rest account equal to at least thirty per cent of its paid-up capital stock after making all necessary provisions for ascertained and estimated diminution in the value of assets.

Personal liability of directors.

(4) The directors who knowingly and wilfully concur in any division of profits contrary to subsection (3) are jointly and severally liable for the amount so divided, as a debt due by them to the bank.

CASH AND ADDITIONAL RESERVES.

Reserve.

55. (1) The bank shall at all times maintain a reserve equal to at least five per cent of its deposit liabilities in the form of notes of the Bank of Canada or of deposits with the Bank of Canada or a chartered bank.

Addition to reserve.

(2) The bank shall at all times maintain a reserve, in addition to that required by subsection (1), equal to at least fifteen per cent of its deposit liabilities in the form of

(a) notes of the Bank of Canada or of deposits with the Bank of Canada or a chartered bank, or

(b) securities of or guaranteed by the Government of Canada or of a province.

Government guarantee.

(3) If the property and assets of the Bank of Canada are insufficient to pay its debts and liabilities and the Bank of Canada suspends payment of any of its liabilities, the deposit made under this section by every bank is hereby guaranteed, and the Governor in Council, on the recommendation of the Minister, shall authorize payment out of the Consolidated Revenue Fund of such moneys as are necessary to implement the guarantee.

DESTRUCTION OF OLD RECORDS.

Destruction of records.

56. (1) Except as provided in subsection (4) of section 74, the bank may destroy books, records, documents, vouchers, paid instruments and papers in its possession

54. *Bank, s. 70.*
Charter, 12.

55. *Quebec, s. 30.*
Bank, s. 71 (3).

56. *Quebec, s. 3 (5).*
Bank, s. 74.

where they are dated or were in existence or contain entries or writings made, more than twenty years prior to the destruction.

Evidence.

(2) Except as provided in subsection (3), in any action or proceeding the liability of the bank shall be determined by reference only to evidence of matters that have arisen or things that have occurred, including books and records or the portions thereof, and documents, vouchers, paid instruments and papers, that are dated or came into existence, or that contain entries or writings made, during the period of twenty years immediately preceding the commencement of the action or preceeding, and notices given during that period.

Idem.

(3) In any action or proceeding to establish the ownership of shares of capital stock of the bank, such ownership shall be determined by reference only to evidence of matters that have arisen or things that have occurred, including books and records, or the portions thereof, and documents, vouchers, paid instruments and papers, that are dated or came into existence, or that contain entries of writings made, during the period of twenty years immediately preceding the commencement of the action or proceeding, excepting the share register of the bank.

Statute of Limitations.

(4) Nothing in subsection (1), (2) or (3) affects the operation of any statute of limitation or prescription or the right of the bank to destroy any books, records, documents, vouchers, paid instruments or papers not specified in subsection (4) of section 74 or relieves the bank from any liability to the Bank of Canada in respect of any debt or instrument to which subsection (1) of section 74 applies.

BUSINESS AND POWERS.

General.

Business and powers of bank.

57. (1) The bank may

(a) deposit money with the Bank of Canada and with any chartered bank;

(b) deposit money with banks outside Canada, if so authorized by the board of directors; and

(c) borrow money from the Bank of Canada and from any chartered bank and give security for the repayment thereof.

Prohibitions.

(2) Except as authorized by or under this Act and the *National Housing Act, 1954*, the bank shall not, directly or indirectly,

(a) issue notes of the bank payable to bearer on demand and intended for circulation;

57. (1) *Quebec, s. 45.*

(2) *Quebec, s. 56.*
Bank, s. 75.

(*b*) deal in goods, wares and merchandise or engage in any trade or business;
(*c*) lend or invest money or make advances;
(*d*) acquire or deal in shares of the capital stock of a bank to which this Act applies;
(*e*) acquire or deal in securities, shares, mortgages, hypothecs or other security; and
(*f*) except with the consent of the Treasury Board, contribute to any guarantee or pension fund if any part of the fund has, at any time after the coming into force of this Act, been invested in shares of the capital stock of a bank to which this Act applies.

Investments.

Investments.

58. The bank may invest in
(*a*) securities of or guaranteed by the Government of Canada or of a province;
(*b*) securities of or guaranteed by the Government of the United Kingdom or of any colony, dependency or protectorate of the United Kingdom;
(*c*) securities of or guaranteed by the government of any other country of the British Commonwealth or of any colony, dependency or protectorate of any such country;
(*d*) securities of or guaranteed by the Government of the United States of America or of any state thereof;
(*e*) securities of or guaranteed by a municipal corporation in Canada;
(*f*) securities of a school corporation in Canada that derives its revenues from rates or taxes levied by it or on its behalf;
(*g*) securities of an ecclesiastical or religious corporation incorporated in Canada;
(*h*) securities of a fabrique de paroisse or syndic issued under the Parish and Fabrique Act of the Province of Quebec;
(*i*) securities of a corporation incorporated for the purpose of operating a hospital or sanitarium in the Province of Quebec; and
(*j*) securities issued to finance the purchase of transportation equipment for a railway company incorporated in Canada, or for a railway company owned or controlled by a railway company so incorporated, if the securities are fully secured by
(i) an assignment of the equipment to, or the ownership thereof by, a trustee, and

58. *Quebec, s. 31.*

(ii) a lease or conditional sale of the equipment by the trustee to the railway company;

if the securities are not in default in respect of either principal or interest.

Idem.

59. The bank may invest in

(a) the securities and first preferred shares of a corporation incorporated in Canada

(i) whose common shares are listed on a recognized stock exchange,

(ii) that has, in each of its last five financial years ended less than one year before the date of the investment, paid in cash, on all its outstanding capital stock, a dividend out of income earned in the year of payment, and

(iii) that has an unimpaired paid-up capital and earned surplus in excess of five hundred thousand dollars;

(b) the shares of a chartered bank that has, in each of its last five financial years ended less than one year before the date of the investment, paid in cash, on its outstanding capital stock, a dividend out of income earned in the year of payment; and

(c) any other securities approved by the Treasury Board;

if the aggregate market value of the investments of the bank under this section, together with that of the proposed investment, does not exceed fifteen per cent of its deposit liabilities.

Idem.

60. The bank may, subject to this Act, invest in

(a) mortgages and hypothecs upon the security of which the bank may lend money and make advances under section 64; and

(b) mortgages and hypothecs upon the security of which the bank may lend money and make advances under the *National Housing Act, 1954*.

Loans and Advances.

Loans and advances.

61. The bank may lend money and make advances to any person if the bank takes as security for the repayment of the loan

(a) any of the securities mentioned in section 58, the market value of which, at the time the loan is made, is not less than the amount of the loan;

(b) the shares of a chartered bank or the securities or shares of a corporation other than one mentioned in section 58, the market value of which, at the time

59. *Quebec, s. 31 (c) (g), 32, 33.*

60. *New.*

61. *Quebec, s. 34.*

the loan is made, is not less than one hundred and twenty per cent of the amount of the loan; or

(c) a life insurance policy, the cash surrender value of which, at the time the loan is made, is not less than the amount of the loan,

and the bank takes the security with authority to sell it or realize thereon.

Idem.

62. The bank may lend money and make advances without security to the Government of Canada or a province.

Loans and advances without security.

63. The bank may lend money and make advances without security

(a) to a municipal corporation in Canada;

(b) to a school corporation in Canada that derives its revenues from rates or taxes levied by it or on its behalf;

(c) to an ecclesiastical or religious corporation incorporated in Canada;

(d) to a fabrique de paroisse or syndic that is subject to the Parish and Fabrique Act of the Province of Quebec;

(e) to a corporation incorporated for the purpose of operating a hospital or sanitarium in the Province of Quebec;

(f) to a corporation incorporated in Canada, in an amount that, together with the amount owing by the corporation to the bank in respect of any other loan under this section, does not, at the time the loan is made, exceed the unimpaired paid-up capital and earned surplus of the corporation, if

(i) the loan is authorized by resolution of the board of directors of the bank,

(ii) the corporation has an unimpaired paid-up capital and earned surplus in excess of five hundred thousand dollars, and

(iii) the corporation has, in each of its last five financial years ended less than one year before the date of the loan, paid in cash, on all its outstanding capital stock, a dividend out of income earned in the year of payment; or

(g) to any individual in an amount that, together with the amount owing by the individual to the bank in respect of any other loan under this section, does not, at the time of the loan, exceed two thousand dollars;

if the aggregate outstanding amount of the loans made by the bank under this section, together with the proposed loan, does not exceed five per cent of its deposit liabilities.

62. *Quebec, s. 35.*

63. *Quebec, s. 35.*

Loans and advances on security of first mortgages.

64. (1) The bank may lend money and make advances on the security of a first mortgage or hypothec on improved real or immovable property in Canada if

(a) the loan is authorized by a resolution of the board of directors of the bank, and

(b) the loan does not exceed sixty per cent of the value of the real or immovable property on which the mortgage or hypothec is taken,

and the aggregate amount outstanding of loans made by the bank under this section and the aggregate amount invested by it in mortgages under paragraph *(a)* of section 60, together with the proposed loan, does not exceed twenty per cent of its deposit liabilities.

"Improved real or immovable property" defined.

(2) In this section "improved real or immovable property" means land or immovable property upon which there is situate a building that constitutes a permanent improvement to the property or on which there is such a building in the process of construction.

Mortgage as part payment of sale price of property mortgage.

(3) This section does not limit the authority of the bank to accept a mortgage or hypothec of any amount as part payment of the sale price of real or immovable property sold by the bank.

Security.

Realization of securities.

65. (1) Securities and shares acquired and held by the bank as security may, in the case of default in the payment of the debt for the securing of which they were so acquired and held, be dealt with, sold and conveyed in like manner as and subject to the restrictions under which a private individual might, in like circumstances, deal with, sell and convey the same.

Waiver of rights.

(2) The right to deal with and dispose of securities or shares, as provided in subsection (1), may be waived or varied by any agreement between the bank and the owner of the securities or shares.

Acquisition of securities.

66. (1) Notwithstanding this Act, the bank may acquire any of the securities or shares referred to in section 65 that are held by it as security.

Disposal of unauthorized securities.

(2) When the bank acquires securities or shares in which the bank may not invest under this Act,

(a) in the realization of a loan, or

(b) in an exchange or conversion of securities or shares as a result of reorganization or amalgamation of a corporation,

the bank shall, within twelve months, sell or dispose of them.

64. *Quebec, s. 36.*

65. *Quebec, ss. 38, 40, 41 (1).*
Bank, s. 77.

66. *Quebec, s. 41 (2).*

Idem.

(3) Any securities or shares in which the bank may not invest under this Act held at the coming into force of this Act shall be sold or disposed of before the 1st day of July, 1955.

Extension of time.

(4) The Treasury Board may direct that the time for the sale or disposal of any securities or shares under this section shall be extended for a further period or periods not to exceed a total of two years.

Subsequent security.

67. Where a debt or liability has been incurred to the bank in the course of its business, the bank may subsequently take, hold and dispose of security of any kind for such debt or liability upon any real or personal, immovable or movable property.

Purchases of realty.

68. The bank may purchase any real or immovable property offered for sale

(a) under execution, or in insolvency, or under the order or decree of a court, or at a sale for taxes, as belonging to any debtor to the bank,

(b) by a mortgagee or other encumbrancer, having priority over a mortgage or other encumbrance held by the bank, or

Notice of sale by auction.

(c) by the bank, under a power of sale given to it for that purpose, notice of such sale by auction to the highest bidder having been first given by advertisement for four weeks in a newspaper published in the country or electoral district in which such property is situate,

in cases on which, under similar circumstances, an individual could so purchase, without any restriction as to the value of the property that it may so purchase, and may acquire title thereto as any individual, purchasing at a sheriff's sale or sale for taxes or under a power of sale, in like circumstances could do, and may take, have, hold and dispose of the same.

Bank may acquire absolute title to mortgaged premises.

69. (1) The bank may acquire and hold an absolute title in or to real or immovable property mortgaged or hypothecated to it as security for a debt due or owing to it, either by the obtaining of a release of the equity of redemption in the mortgaged property, or by procuring a foreclosure, or by other means whereby, as between individuals, an equity of redemption can, by law, be barred, or a transfer of title to real or immovable property can, by law, be effected, and may purchase and acquire any prior mortgage or charge on such property.

No Act or law to prevent.

(2) Nothing in any charter, Act or law shall be construed as ever having been intended to prevent or as preventing the bank from acquiring and holding an absolute title to and in any mortaged or hypothecated real or immovable

67. *Quebec, s. 36 (4).*
Bank, s. 78 (1).

68. *Quebec, s. 42.*
Bank, s. 79.

69. *Quebec, ss. 43, 44.*
Bank, s. 80.

property referred to in subsection (1), whatever the value thereof, or from exercising or acting upon any power of sale contained in any mortgage given to or held by the bank, authorizing or enabling it to sell or convey any property so mortgaged.

Real Property.

Acquisition of real property.

70. (1) The bank may acquire and hold real and immovable property for its actual use and occupation and the management of its business, and may sell or dispose of the same, and acquire other property in its stead for the same purpose.

Limit on right to hold real property.

(2) The bank may hold real or immovable property for a period of seven years

(a) in the case of property acquired or held for its own use, from the day on which it ceases to be required for its own use, as determined by the directors, and

(b) in the case of other property, from the day on which it acquired the property,

and forthwith after the expiry of that period the bank shall sell or otherwise dispose of the property absolutely so that the bank no longer has, directly or indirectly, any interest or control in respect thereof except by way of security.

Forfeiture.

(3) Where the bank fails to dispose of property in accordance with subsection (2), the Attorney General of Canada may, upon such notice as a Judge of the Exchequer Court of Canada may order, apply to a Judge of that Court for an order declaring the property to be forfeited to Her Majesty in right of Canada, and the Judge may, if he is satisfied that the bank has not disposed of the property in accordance with subsection (2), declare the property forfeited to Her Majesty, except that

(a) the property shall not be vested in Her Majesty before the expiry of six calendar months from the day on which notice of the application was given to the bank in accordance with the order of the Judge, and

(b) the bank may, at any time before the property vests in Her Majesty, sell or otherwise dispose of it as required by subsection (2) as if no application, order or declaration had been made.

Interest and Charges.

Interest exceeding 6% shall not be charged.

71. (1) Except as provided in subsection (2), no bank shall in respect of any loan or advance, stipulate for, charge, take, reserve or exact any rate of interest or any rate of discount exceeding six per cent per annum and no higher rate of interest or rate of discount is recoverable by the bank.

70. *Quebec, ss. 25, 43, 72.*
Bank, s. 81.
Charter (Montreal), 17.
Charter (Quebec), 16.

71. *Quebec, s. 37.*
Bank, s. 91.

Minimum charges.

(2) Where the interest or discount on any loan or advance amounts to less than one dollar the bank may, notwithstanding subsection (1), stipulate for, charge, take, reserve or exact a total charge in respect of interest or discount not exceeding one dollar, except that where the loan or advance is not in excess of twenty-five dollars and the interest or discount thereon is less than fifty cents, the maximum charge in respect thereof shall not exceed fifty cents.

Charges on discounts.

72. The bank may, in discounting a bill of exchange, promissory note or other negotiable instrument, in order to defray the expense of collection thereof, charge in addition to the discount thereon,

(a) where the instrument is payable at a branch of the bank and is discounted at another branch, an amount not exceeding one-eighth of one per cent of the amount of the instrument or fifteen cents, whichever is greater, or

(b) where the instrument is payable at a place in Canada, other than a branch of the bank or of a chartered bank, an amount not exceeding one-fourth of one per cent of the amount of the instrument or twenty-five cents, whichever is greater.

Official cheques and cheques payable to government to be paid at par.

73. (1) No bank shall make a charge for cashing a cheque or other instrument drawn on the Receiver General or on his account in the Bank of Canada or in any chartered bank, or for cashing any other instrument issued as authority for the payment of money out of the Consolidated Revenue Fund, or in respect of any cheque or other instrument drawn in favour of the Receiver General, the Government of Canada or any department thereof or any public officer in his capacity as such, and tendered for deposit to the credit of the Receiver General.

Charges for keeping accounts.

(2) No bank shall directly or indirectly charge or receive any sum for the keeping of an account unless the charge is made by express agreement between the bank and the customer.

Deposits.

Transfer to Bank of Canada of unclaimed deposits, etc.

74. (1) Where

(a) a debt payable in Canada in Canadian currency is owing by the bank by reason of a deposit in respect of which no transaction has taken place and no statement of account has been requested or acknowledged by the creditor during a period of ten years reckoned

72. *Bank, s. 92.*

73. *Quebec, s. 37.*
Bank, s. 93.

74. *Quebec, s. 3.*
Bank, s. 94.

(i) in the case of a deposit made for a fixed period, from the day on which the fixed period terminated, and

(ii) in the case of any other deposit, from the day on which the last transaction took place or a statement of account was last requested or acknowledged by the creditor, whichever is later, or

(b) a cheque, draft or bill of exchange (including an instrument drawn by one branch of the bank upon another branch of the bank) payable in Canada in Canadian currency has been issued, certified or accepted by the bank and no payment has been made in respect thereof for a period of ten years from the date of issue, certification or acceptance,

the bank shall pay to the Bank of Canada an amount equal to the amount owing by the bank in respect of the debt or to the amount that would be owing if the instrument had been presented for payment, including interest, if any, in accordance with the terms of the debt or instrument, and payment accordingly discharges the bank from all liability in respect of the debt or instrument.

Minister may direct bank to withhold payment in case of doubt.

(2) Where in the opinion of the Minister, there is doubt as to who is entitled to payment of a debt or instrument specified in subsection (1) he may, in writing, direct the bank to withhold the payment required by subsection (1) and the bank shall not make the payment until directed to do so in writing by the Minister.

Payment to claimant.

(3) Subject to subsection (4) of section 18 of the *Bank of Canada Act*, where payment has been made to the Bank of Canada under subsection (1) with respect to a debt or instrument, the Bank of Canada, if payment is demanded or the instrument is presented at the Bank of Canada by the person who, but for subsection (1), would be entitled to receive payment of the debt or instrument, is liable to pay at its agency in the province in which the debt or instrument was payable, an amount equal to the amount so paid to it, with interest thereon for a period not exceeding twenty years, from the day on which the payment was received by the Bank of Canada until the date of payment to the claimant, at such rate and computed in such manner as the Treasury Board determines if interest was payable in accordance with the terms of the debt, and such liability may be enforced by action against the Bank of Canada in a court of competent jurisdiction in the province in which the debt or instrument was payable.

Retention of records.

(4) Where the bank has paid an amount to the Bank of Canada under subsection (1) in respect of a debt or instrument, it shall keep all signature cards and signing authorities

relating to the debt or instrument until the Bank of Canada notifies the bank that they are no longer required and thereafter may destroy them.

Statutes of limitation not to apply.

(5) Except as provided in subsection (1) of this section, and in subsection (2) of section 56, no debt owing by the bank by reason of a deposit is extinguished and no action to enforce payment thereof is barred by any statute of prescription or limitation.

Deposits may be received from persons unable to contract.

75. (1) The bank may without the authority, aid, assistance or intervention of any other person or official being required,

(a) receive deposits from any person whomsoever, whatever his age, status or condition in life, and whether such person is qualified by law to enter into ordinary contracts or not, and

Payments.

(b) from time to time pay any or all of the principal thereof and any or all of the interest thereon to or to the order of such person, unless before payment the money so deposited in the bank is claimed by some other person in any action or proceeding to which the bank is a party and in respect of which service of a writ or other process originating such action or proceeding has been made on the bank, or in any other action or proceeding pursuant to which an injunction or order made by the court requiring the bank not to make payment of such money or to make payment thereof to some person other than the depositor has been served on the bank, and in the case of any such claim so made the money so deposited may be paid to the depositor with the consent of the claimant or to the claimant with the consent of the depositor.

Interest.

(2) The bank may allow any rate of interest on a debt payable by the bank by reason of a deposit.

Bank not bound to see to trust in deposits.

76. (1) The bank is not bound to see to the execution of any trust, whether express, implied or constructive, to which any deposit made under the authority of this Act is subject.

Payment where bank has notice of trust.

(2) When any deposit made under the authority of this Act is subject to a trust of which the bank has notice, the receipt or cheque of the person in whose name any such deposit stands, or, if it stands in the names of two or more than two persons, the receipt or cheque of all such persons or of such of them as under the document creating the trust may be entitled to receive such deposit is, notwithstanding any trust to which such deposit is then subject, a sufficient discharge to all concerned for the payment of any money

75. *Quebec, ss. 26, 28.*
Bank, s. 95.

76. *Quebec, ss. 57, 29 (2), 58.*
Bank, s. 96.

payable in respect of such deposit and the bank is not bound to see the application of any money paid upon such receipt or cheque.

Payments in other cases.

(3) Except only in the case of a claim made in the manner referred to in paragraph *(b)* of subsection (1) of section 75, by some other person before repayment, the receipt or cheque of the person in whose name any deposit stands, or, if it stands in the names of two persons, the receipt or cheque of one, or, if it stands in the names of more than two persons, the receipt or cheque of the majority of such persons is a sufficient discharge to all concerned for the payment of any money payable in respect of such deposit.

Garnishee, writ, affect only branch where served.

(4) An attaching or garnishee order or summons or a writ of extent affects and binds only property in the possession of the bank belonging to, or moneys to the credit of, the debtor at the branch where such order, summons or writ or notice thereof is served.

Deposit upon express condition.

(5) Notwithstanding any trust, the bank shall pay a deposit and the interest thereon, in accordance with the direction of the depositor, and the bank is not bound to see to the application of the money paid on any receipt given by any or all of the persons in whose name the deposit stands.

Transmission of deposits.

77. (1) Where the interest in any deposit is transmitted by or in consequence of

(a) the death, lunacy, bankruptcy, or insolvency of any depositor,

(b) the marriage of a female depositor, or

(c) any lawful means, other than by a transfer upon the books of the bank,

the transmission shall be authenticated by a declaration in writing as provided in this section or in such other manner as the directors of the bank require.

How authenticated.

(2) Every declaration shall distinctly state the manner in which and the person to whom the deposit has been transmitted, and shall give his post office address and description, and such person shall make and sign the declaration.

Acknowledgment.

(3) The person making and signing the declaration shall acknowledge the same before a judge of a court of record, or before the mayor, provost or chief magistrate of a city, town, borough or other place, or before a notary public, or a commissioner for taking affidavits, where the declaration is made and signed.

To be left with bank.

(4) Every declaration signed and acknowledged as required by this section shall be left with the general manager or other officer or agent of the bank, who shall thereupon enter in the books of the bank the name of the person entitled to the deposit under the transmission.

77. *Quebec, s. 20.*

Where depositor dies, claim not exceeding $2,000, how proved.

78. (1) Where a person dies, having a deposit with the bank not exceeding two thousand dollars, the production to the bank of

(a) any authenticated copy of the probate of the will of the deceased depositor, or of letters of administration of his estate, or of letters of verification of heirship, or of the act of curatorship or tutorship, granted by any court in Canada having power to grant the same, or by any court or authority in a country of the British Commonwealth or any colony, dependency or protectorate of any such country, or of any testament-testamentar or testament-dative expede in Scotland,

(b) an authentic copy of the will of the deceased depositor, if such will is in notarial form, according to the law of the Province of Quebec, or

(c) if the deceased depositor died elsewhere than in a place mentioned in paragraph *(a)*, any authenticated copy of the probate of his will, or of letters of administration of his property, or other document of like import, granted by any court or authority having the requisite power in such matters,

is sufficient justification and authority for paying such deposit, in pursuance of and in conformity to such probate, letters of administration, or other document.

Deposit of copy of document.

(2) When the authenticated copy or other document of like import is produced to the bank under subsection (1) there shall be deposited with the bank a true copy thereof.

Payment in Bank of Canada notes.

79. The bank, when making any payment shall, on the request of the person to whom the payment is to be made, make the payment or a part thereof, not exceeding one hundred dollars, as that person requests, in Bank of Canada notes for one, two or five dollars each.

CHARITABLE FUNDS.

Distribution to charitable institutions.

80. The directors shall continue to distribute to charitable institutions yearly, as heretofore, the interest earned on the amounts invested for that purpose.

Poor Fund of Montreal.

81. The principal of the Poor Fund of The Montreal City and District Savings Bank, which has been ascertained and settled at one hundred and eighty thousand dollars, shall continue invested and shall be held by the said bank in municipal corporation securities with power to change the investment or of any part thereof, with the approval of the Treasury Board, but not otherwise.

78. *Bank, s. 97.*

79. *Bank, s. 98.*

80. *Quebec, s. 52.*

81. *Quebec, s. 53.*

Charity Fund of Quebec.

82. The principal of the Charity Fund of La Banque d'Économie de Québec, The Quebec Savings Bank, which has been ascertained and settled at eighty-three thousand dollars, shall continue invested and shall be held by the said bank in municipal corporation securities with power to change the investment or of any part thereof, with the approval of the Treasury Board, but not otherwise.

RETURNS.

Monthly return in form of Schedule A.

83. (1) The bank shall, within the first fifteen days of each month, make a return to the Minister and to the Bank of Canada in the form set out in Schedule A, which shall present fairly the financial position of the bank on the last day of the last preceding month.

Amendment of Schedule A.

(2) The Governor in Council may amend Schedule A.

Monthly reserve return.

84. The bank shall, within the first fifteen days of each month, make a return to the Minister and to the Bank of Canada, in a form prescribed by the Minister, of its cash and additional reserves for the last preceding month showing the information appropriate to determine the reserves as defined in section 55.

Annual return of unclaimed deposits.

85. (1) The bank shall, within thirty days after the end of each calendar year, make a return to the Minister as of the end of that calendar year with respect to all debts payable by the bank in Canadian currency by reason of deposits in respect of which no transaction has taken place and no statement of account has been requested or acknowledged by the creditor during a period of nine years or more, reckoned

(a) in the case of a deposit made for a fixed period, from the day on which the fixed period terminated, and

(b) in the case of any other deposit, from the day on which the last transaction took place or a statement of account was last requested or acknowledged by the creditor, whichever is later,

until the date of the return.

Content of return.

(2) A return made under subsection (1) shall show

(a) the name of each creditor to whom, according to the books of the bank, the debts are payable,

(b) the recorded address of each such creditor,

(c) the amount payable to each such creditor, and

(d) the branch of the bank at which the last transaction took place with respect to the debt, and the date thereof.

82. *Quebec, s. 54.*

83. *Quebec, s. 59.*
Bank, s. 103 (1) (4).
Charter, 15.

84. *Bank, s. 104.*

85. *Quebec, s. 61 (1).*
Bank, s. 109.

Annual return of unpaid instuments.

86. (1) The bank shall, within thirty days after the end of each calendar year, make a return to the Minister as of the end of that calendar year of every cheque, draft or bill of exchange (including an instrument drawn by one branch of the bank upon another branch of the bank) payable in Canada in Canadian currency that has been issued, certified or accepted by the bank and in respect of which no payment has been made for a period of nine years or more reckoned from the date of issue, certification or acceptance until the date of the return.

Content of return.

(2) A return made under subsection (1) shall show

(a) the name of each person to whom or at whose request each instrument was issued, certified or accepted,

(b) the recorded address of each such person,

(c) the name of the payee of each instrument,

(d) the amount and date of each instrument,

(e) the name of the place where each instrument was payable, and

(f) the branch of the bank at which each instrument was issued, certified or accepted.

Annual return of unpaid dividends.

87. (1) The bank shall, within thirty days after the end of each calendar year, make a return to the Minister as of the end of that calendar year of all dividends that have become payable and have remained unpaid and unacknowledged by the shareholder or his legal representative for a period of more than five years reckoned from the day on which the dividend became due and payable until the date of the return.

Content of return.

(2) A return made under subsection (1) shall show

(a) the name of each shareholder to whom a dividend to which subsection (1) applies is payable,

(b) the recorded address of each such shareholder, and

(c) the total amount of dividends to which subsection (1) applies that is payable to each shareholder.

Idem.

(3) Where the total amount of dividends payable to a shareholder is less than twenty-five dollars and has been included in returns made under this section for two consecutive years, the bank may thereafter omit the particulars required by subsection (2) from further returns made under this section unless the amount increases to twenty-five dollars or more.

86. *Quebec, s. 61 (4).*
Bank, s. 110.

87. *Quebec, s. 61 (1).*
Bank, s. 111.

Notice of unpaid amount to person entitled.

88. (1) The bank shall mail to each person, insofar as known to the bank,

(a) to whom a debt referred to in section 85 is payable,

(b) to whom or at whose request an instrument referred to in section 86 was issued, certified or accepted, and

(c) to whom a dividend referred to in section 87 is payable,

at his recorded address, a notice in writing stating that the debt, instrument or dividend, as the case may be, remains unpaid.

When notice to be given.

(2) The notice required by subsection (1) shall be given during the month of January next after the end of the first two-year period, and also during the month of January next after the end of the first five-year period, in respect of which

(a) no transaction has taken place and no statement of account has been requested or acknowledged by the creditor,

(b) the instrument has remained unpaid, or

(c) the dividend has remained unpaid,

as the case may be.

Annual return of interest charges.

89. (1) The bank shall, within thirty days after the end of each calendar year, make a return to the Minister in the form of a declaration in writing disclosing whether, according to the books of the bank and the signed returns received from the managers of branches, the bank has, during that calendar year, stipulated for, charged, taken, reserved or exacted in respect of any loan or advance any rate of interest or discount exceeding the rate authorized by section 71.

Signature.

(2) A declaration required by this section shall be signed by the persons who are required to sign the declaration mentioned in section 92.

88. *Quebec, s. 61 (6) (7).*
Bank, s. 112.

89. *Bank, s. 113.*

Annual return of names of shareholders.

90. (1) The bank shall, within thirty days after the end of each calendar year, make a return to the Minister of its shareholders according to its books as at the end of the financial year of the bank ending in that calendar year, showing

(a) the name of each shareholder who holds five hundred or more shares of the capital stock of the bank,

(b) the city, town or other place of the recorded address of each such shareholder,

(c) the number of shares held by him and the amount, if any, remaining to be paid thereon, and

(d) the total number of all other shareholders of the bank, the total number of shares held by them and the total amount, if any, remaining to be paid thereon.

(2) A return made by a bank under this section shall be signed by the president, a vice-president or a director authorized to sign in the place of the president, and by the general manager or a person authorized to sign in the place of the general manager.

Additional information.

91. (1) In addition to the returns required by sections 83 to 90, the bank shall furnish to the Minister,

(a) the documents required to be sent to him under section 33, and subsection (14) of section 47, and

(b) such other information in such form as the Minister may require.

Minister may determine information.

(2) The Minister may, in any case of doubt, determine

(a) the information that is to be included in any classification, and

(b) in which classification particular information shall be included,

in any form prescribed by or under this Act.

Extension of time.

(3) The Minister may, in his discretion, extend the time for making a return required by this Act for a period not exceeding thirty days.

Declaration to be annexed.

92. A return made by a bank under sections 83 to 87 shall have annexed thereto as part of the return, a declaration in the form set out in Schedule B, signed

(a) as to Part I thereof, by the chief accountant or a person authorized to sign in the place of the chief accountant, and

(b) as to Part II thereof, by the president, a vice-president or a director authorized to sign in the place of the president, and by the general manager or a person authorized to sign in the place of the general manager.

Returns to be laid before Parliament.

93. (1) Each return made under section 85, 86, 87 or 90 shall be laid before Parliament within fifteen days after the expiry of the time prescribed by or pursuant to this Act

90. *Quebec, s. 60.*
Bank, ss. 116, 118 (2).
Charter, 15.

91. *Bank, s. 117.*

92. *Quebec, ss. 59, 62.*
Bank, s. 118.

93. *Quebec, s. 62.*
Bank, s. 119.

for making the return or, if Parliament is not then in session, within fifteen days after the commencement of the next ensuing session.

Publication.

(2) The Minister shall, in each year, cause the returns made under section 85, 86 or 87 in that year to be published in the *Canada Gazette* within thirty days after the expiry of the time prescribed by or pursuant to this Act for making the return.

INSOLVENCY.

Suspension for 90 days to constitute insolvency.

94. Any suspension by the bank of payment of any of its liabilities as they accrue, in Bank of Canada notes, if it continues for ninety days consecutively, or at intervals within twelve consecutive months, constitutes the bank insolvent.

Charter to remain in force for calls and winding-up.

95. The charter or Act of incorporation of the bank in the case mentioned in section 94, remains in force only for the purpose of enabling the directors, or other lawful authority, to make and enforce the calls mentioned in section 96, and to wind up the business of the bank.

If no proceedings within 3 months thereafter, directors to make calls.

96. (1) Where any suspension of payment in full, in Bank of Canada notes, of any of the liabilities of the bank, continues for three months after the expiration of the time that, under section 94 would constitute the bank insolvent, and no proceedings are taken under any Act for the winding-up of the bank, the directors shall make calls on each shareholder thereof to the amount they deem necessary to pay all the debts and liabilities of the bank not exceeding the amount uncalled on his shares, without waiting for the collection of any debts due to the bank or the sale of any of its assets or property.

Provisions applicable to calls.

(2) The following provisions apply in respect of calls made under subsection (1), namely:

(a) the calls shall be payable at intervals of thirty days;

(b) notice of the calls shall be given to the shareholders;

(c) any number of calls may be made by one resolution;

(d) no call shall exceed twenty per cent of the amount subscribed in respect of each share;

(e) payment of calls may be enforced in like manner as payment of any other calls under this Act;

(f) the first of such calls may be made within ten days after the expiration of the said three months;

(g) in the event of proceedings being taken under any Act for the winding-up of the bank in consequence of the insolvency of the bank, the calls shall be made in the manner prescribed for the making of such calls in such Act; and

94. *Bank, s. 120.*

95. *Quebec, s. 65.*
Bank, s. 121.

96. *Bank, s. 122.*

(h) failure on the part of a shareholder to pay any such call when due constitutes a forfeiture by the shareholder of all claim in or to any part of the assets of the bank; but the call and any further call thereafter is recoverable from him as if no forfeiture had taken place.

Liability of shareholders who have transferred their stock.

97. The following persons, namely,

(a) persons who, having been shareholders of the bank, have transferred their shares, or any of them, within sixty days before the commencement of the suspension of payment by the bank, and

Or whose shares have been forfeited.

(b) persons whose shares of the capital stock of the bank have been forfeited within sixty days before the commencement of the suspension of payment by the bank,

are liable to all calls on the shares held or subscribed for by them, as if they held such shares at the time of such suspension of payment, saving their recourse against those by whom such shares were then actually held.

Order of charges.

98. In the case of the insolvency of the bank

(a) the payment of any amount due to the Government of Canada, in trust or otherwise, shall be the first charge upon the assets of the bank,

(b) the payment of any amount due to the government of a province, in trust or otherwise, shall be the second charge upon such assets, and

(c) the amount of any penalties for which the bank is liable shall be a charge upon the assets of the bank after all other liabilities are paid.

CURATOR.

Minister to appoint curator.

99. (1) The Minister shall, if a bank suspends payment in Bank of Canada notes of any of its liabilities as they accrue, forthwith appoint in writing a curator to supervise the affairs of the bank.

Idem.

(2) The Minister may, if the Inspector reports that in his opinion a bank is insolvent, forthwith appoint in writing a curator to supervise the affairs of the bank.

Removal.

100. The Minister may at any time remove the curator and may appoint in writing another person to act in his stead.

Powers and duties of curator.

101. (1) The curator shall assume supervision of the affairs of the bank, and has generally all powers and shall take all steps and do all things necessary or expedient to

97. *Quebec, s. 16.*
Bank, s. 123.

98. *Bank, s. 124.*

99. *Bank, s. 125.*

100. *Bank, s. 126.*

101. *Quebec, s. 65.*
Bank, s. 127.

protect the rights and interests of the creditors and shareholders of the bank, and to conserve and ensure the proper disposition, according to law, of the assets of the bank; and, for the purposes of this section, he is entitled to free and full access to all books, accounts, cash, securities, documents and vouchers of the bank and any security held by the bank.

Supervision.

(2) The curator shall supervise the affairs of the bank until he is removed from office, or until a liquidator is duly appointed to wind up the business of the bank.

Officers and employees to assist curator.

102. The directors, officers and employees of the bank shall give and afford to the curator all such information and assistance as he requires in the discharge of his duties.

No act of directors valid unless approved by curator.

103. No by-law, regulation, resolution or act, relating to the affairs or management of the bank, passed, made or done by the directors during the time the curator is in charge of the bank, is of any force or effect until approved in writing by the curator.

Remuneration of curator.

104. The remuneration of the curator for his services, and his expenses and disbursements in connection with the discharge of his duties, shall be fixed and determined by a judge of a superior court in the Province of Quebec, and shall be paid out of the assets of the bank, and, in case of the winding-up of the bank, shall rank on the estate equally with the remuneration of the liquidator.

LIQUIDATOR.

Returns by liquidator.

105. A liquidator appointed to wind up the affairs of a bank shall furnish to the Minister such information, in such form, relating to the affairs of the bank, as the Minister may require of him.

PAYMENTS UPON WINDING-UP.

Unclaimed money on winding-up to be paid to Minister.

106. (1) Notwithstanding the *Winding-Up Act*, where the business of the bank is being wound up, the liquidator shall pay to the Minister on demand and in any event before the final winding-up thereof, any amount that is payable by the liquidator to a creditor or shareholder of the bank to whom payment thereof has not, for any reason, been made.

Payment to Bank of Canada.

(2) The Minister shall pay to the Bank of Canada any amounts paid to him under subsection (1).

102. *Bank, s. 128.*

103. *Bank, s. 129.*

104. *Bank, s. 130.*

105. *Bank, s. 131.*

106. *Quebec, ss. 63, 64.*
Bank, s. 132.

Liquidator and bank discharged.

(3) Payment by a liquidator to the Minister under this section discharges the liquidator and the bank in respect of which the payment is made from all liability for the amount so paid and payment by the Minister to the Bank of Canada under this section discharges the Minister from all liability for the amount so paid.

Liability of Bank of Canada.

(4) Subject to subsection (4) of section 18 of the *Bank of Canada Act*, where payment has been made to the Bank of Canada of an amount under this section, the Bank of Canada, if payment is demanded by the person who, but for this section, would be entitled to receive payment of that amount from the liquidator, is liable to pay at its head office an amount equal to the amount so paid to it, with interest thereon for the period, not exceeding twenty years, from the day on which the payment was received by the Bank of Canada until the date of payment to the claimant, at such rate and computed in such manner as the Treasury Board determines, and such liability may be enforced by action against the Bank of Canada in any court of competent jurisdiction in Canada.

OFFENCES AND PENALTIES.

Sale and Transfer of Shares.

Sale and transfer contrary to requirements.

107. Every person, whether principal, broker or agent, who sells or transfers or attempts to sell or transfer any share of the capital stock of a bank

(a) knowing that the person making the sale or transfer, or that the person in whose name or on whose behalf the sale or transfer is made, is not at the time of the sale or attempted sale the owner, or

(b) without the assent to the sale of the owner thereof,

is guilty of an offence against this Act.

Annual Statement.

Statements not signed as required.

108. Every bank that issues or publishes

(a) a copy of the annual statement that has not been signed as required by section 45, or

(b) a copy of the annual statement required by section 45 that does not have a copy of the auditor's report attached to the statement of assets and liabilities,

and every director, officer or employee of the bank who is knowingly a party to the issue or publication is liable to a penalty of two hundred and fifty dollars.

107. *Bank, s. 137.*

108. *Bank, s. 141.*

Inspection.

Refusal to give evidence.

109. (1) A person who refuses to give evidence under oath or to produce any book or document material thereto when required to do so by the Inspector or his representative when acting under subsection (3) of section 48 is guilty of an offence against this Act.

Acceptance of grant or gratuity.

(2) The Inspector or any other person appointed or employed under section 62 of the *Bank Act* who accepts a grant or gratuity in contravention of section 50 is guilty of an offence against this Act.

Making of grant or gratuity.

(3) Every bank that, and every director, officer or employee of a bank who, makes or pays a grant or gratuity in contravention of section 50 is guilty of an offence against this Act.

Disclosure of information.

(4) The Inspector or any other person appointed or employed under section 62 of the *Bank Act* or any person to whom powers are delegated under subsection (3) of section 48 who discloses any information in contravention of section 51 is guilty of an offence against this Act.

Cash and Additional Reserves.

Default in maintaining required reserves.

110. Where the bank knowingly makes default in complying with the requirements of section 55, it is liable to a penalty at the rate of ten per cent per annum of the amount of deficiency for each day on which there is a deficiency in the amount of the reserve maintained by the bank or on which there is a deficiency in the amount of the moneys, deposits or securities held by the bank as required by that section.

Issue and Circulation of Notes.

Issue and re-issue of notes.

111. Every bank that issues or re-issues a note contrary to paragraph *(a)* of subsection (2) of section 57, and every director, officer or employee of the bank who knowingly is a party thereto, is guilty of an offence against this Act.

Prohibited Business.

Bank doing prohibited business.

112. (1) Every bank that violates any of the provisions of paragraph *(b)*, *(c)*, *(d)* or *(e)* of subsection (2) of section 57 is liable to a penalty of five hundred dollars in respect of each violation.

Idem.

(2) Every bank that violates the provisions of paragraph *(f)* of subsection (2) of section 57 is liable to a penalty of five thousand dollars in respect of each violation.

Additional penalty.

(3) Every bank that makes a loan, advance or investment not authorized by this Act is liable, in addition to any other penalty prescribed by this Act, to a penalty of fifty dollars for each day during which the loan, advance or investment continues to be unauthorized by this Act.

109. *Bank, s. 143.*

110. *Quebec, s. 74.*
Bank, s. 144.

111. *Bank, s. 138.*

112. *Quebec, ss. 75 to 78 (1).*
Bank, s. 150 (1) (2).

Violation of interest provisions.

113. Every bank that violates the provisions of section 71 is guilty of an offence and liable on summary conviction or on conviction upon indictment to a fine not exceeding five hundred dollars, and every person who, being an officer or employee of the bank, violates the provisions of section 71 is guilty of an offence and liable on summary conviction to a fine not exceeding one hundred dollars.

Returns.

Failure to make returns.

114. (1) Every bank that fails

(a) to make a return required to be made by it under this Act, or

(b) to furnish to the Minister any information required to be furnished by it under subsection (1) of section 91,

in the form and manner, within the time and containing the information prescribed by or pursuant to this Act, is liable to a penalty of fifty dollars for each day after the expiry of the time so prescribed for making the return or furnishing the information during which the failure continues.

Date of posting returns.

(2) If any return required to be made or any information required to be furnished under or pursuant to this Act is transmitted by post, the date appearing by the stamp or mark of the post office in Canada upon the envelope or wrapper enclosing the return or information received by the Minister or by the Bank of Canada, as the date of deposit in the post office shall be taken *prima facie* for the purpose of subsection (1) to be the day upon which the return was made or the information was furnished.

False statements.

115. (1) Every director, officer or employee of a bank and every auditor of a bank who knowingly prepares, signs, approves or concurs in any account, statement, return, report or document respecting the affairs of the bank containing any false or deceptive statement, or any return that does not present fairly information as required by this Act, is guilty of an indictable offence and liable to imprisonment for a term not exceeding five years.

Idem.

(2) Every director, officer or employee of a bank and every auditor of a bank who negligently prepares, signs, approves or concurs in any account, statement, return, report or document respecting the affairs of the bank containing any false or deceptive statement, or any return that does not present fairly information as required by this Act, is guilty of an indictable offence and liable to imprisonment for a term not exceeding three years.

113. *Quebec, s. 78 (2).*
Bank, s. 151.

114. *Quebec, s. 70.*
Bank, s. 152.

115. *Quebec, s. 69.*
Bank, s. 153.

Suspension of Payment.

Calls.

116. Every director of a bank who refuses to make or enforce or to concur in the making or enforcing of any call on the shareholders of the bank as required by section 96 is guilty of an indictable offence and liable to imprisonment for a term not exceeding two years.

Payment of liabilities.

117. Every director, officer or employee of a bank who, during any period of suspension of payment in Bank of Canada notes of any of the liabilities of the bank as they accrue, with knowledge of such suspension and without the consent of a duly appointed curator or liquidator, pays or causes to be paid to any person any debt or liability of the bank, is guilty of an offence against this Act.

Undue Preference to the Bank's Creditors.

Officers giving undue preference to any creditor.

118. Every director, officer or employee of a bank who wilfully gives or concurs in giving to any creditor of the bank any fraudulent, undue or unfair preference over other creditors, by giving security to such creditor, or by changing the nature of his claim, or otherwise, is guilty of an indictable offence, and liable to imprisonment for a term not exceeding two years.

Bank officers obtaining gifts or showing favour.

119. (1) Every person is guilty of an offence and liable, upon conviction on indictment, to two years' imprisonment or to a fine not exceeding twenty-five hundred dollars, or to both fine and imprisonment, and, upon summary conviction, to imprisonment for six months, or to a fine not exceeding five hundred dollars, or to both fine and imprisonment, who

(a) being a director, officer or employee of a bank, corruptly accepts or obtains, or agrees to accept or attempts to obtain, from any person for himself or for any other person, any gift or consideration as an inducement or reward for doing or forbearing to do, or for having done or forborne to do, any act relating to the bank's business or affairs, or for showing or forbearing to show favour or disfavour to any person with relation to the bank's business or affairs, or

Offering gifts or showing favour to bank officers.

(b) corruptly gives or agrees to give or offers any gift or consideration to a director, officer or employee of a bank as an inducement or reward or consideration for doing or forbearing to do, or for having done or forborne to do, any act relating to the bank's business or affairs, or for showing or forbearing to show favour or disfavour to any person with relation to the bank's business or affairs.

116. *Quebec, s. 73.*
Bank, s. 154.

117. *Quebec, s. 71.*
Bank, s. 155.

118. *Bank, s. 156.*

119. *Quebec, s. 68.*
Bank, s. 135.

"Consideration" defined.

(2) In this section "consideration" includes valuable consideration of any kind.

Punishment for Offences against this Act.

Punishment for offences.

120. Every person who commits an offence against this Act, is, unless otherwise provided by this Act, liable

(a) on summary conviction, to a fine not exceeding five hundred dollars or to imprisonment for a term not exceeding six months, or to both fine and imprisonment; or

(b) on conviction upon indictment, to a fine not exceeding one thousand dollars or to imprisonment for a term not exceeding five years, or to both fine and imprisonment.

Procedure.

Pecuniary penalties.

121. (1) Unless otherwise provided by this Act, pecuniary penalties imposed upon a bank or person by this Act are recoverable and enforceable, with costs, at the suit of Her Majesty instituted by the Attorney General of Canada, and such penalties belong to Her Majesty in right of Canada, except that the Governor in Council, on the report of the Treasury Board, may direct that any portion of any penalty be remitted, or paid to any person, or applied in any manner deemed best adapted to attain the objects of this Act, and to secure the due administration thereof.

Waiver.

(2) The Minister may waive all or any part of the pecuniary penalties imposed by this Act in any case where in his opinion the circumstances so warrant.

REPEAL.

Repeal.

122. The *Quebec Savings Banks Act*, chapter 232 of the Revised Statutes of Canada, 1952, is repealed.

Idem.

123. The *Savings Deposits Returns Act*, chapter 246 of the Revised Statutes of Canada, 1952, the *Newfoundland Savings Bank Act*, chapter 252 of the Revised Statutes of Newfoundland, 1952, and the statute of Newfoundland entitled *"An Act relating to the Newfoundland Savings Bank"*, the Act No. 53 of 1939, are each repealed on a day or days to be fixed by proclamation of the Governor in Council.

COMING INTO FORCE.

Coming into force.

124. This Act shall come into force on a day to be fixed by proclamation of the Governor in Council.

120. *Bank, s. 158.*

121. *Quebec, s. 79.*
Bank, s. 159.

SCHEDULE A

Return of Assets and Liabilities

of the———————————————Bank

as at the————day of————————19——

(omitting cents)

Assets

1.	Notes of and deposits with Bank of Canada and deposits with chartered banks	$
2.	Other cash and deposits	
3.	Government of Canada direct and guaranteed securities, not exceeding market value	
4.	Canadian provincial government direct and guaranteed securities, not exceeding market value	
5.	Canadian municipal and school corporation securities, not exceeding market value	
6.	Other Canadian securities and shares, not exceeding market value	
7.	Securities and shares, other than Canadian, not exceeding market value	
8.	Mortgages and hypothecs insured under the National Housing Act, 1954	
9.	Other mortgages and hypothecs, less provision for estimated loss	
10.	Loans otherwise secured, less provision for estimated loss	
11.	Loans without security, less provision for estimated loss	
12.	Poor Fund or Charity Fund investments	
13.	Bank premises at cost, less amounts written off	
14.	Other assets	
		$

Liabilities

1.	Deposits by and balances due to Government of Canada	$
2.	Deposits by and balances due to Canadian provincial governments	
3.	Deposit liabilities to the public	
4.	Advances from Bank of Canada, secured	
5.	Advances from chartered banks, secured	

6. Poor Fund or Charity Fund Trust.....
7. Other liabilities.....
8. Capital paid up.....
9. Rest account.....
10. Undivided profits at latest fiscal year end.....

$

SUPPLEMENTARY INFORMATION

Aggregate amount of loans to directors and firms of which they are members, and loans for which they are guarantors..... $

SCHEDULE B

PART I

I declare that the above return is correct according to the books of the bank.

Dated at——————this——————day of

——————, 19——.

Chief Accountant.

PART II

We declare that the foregoing return, to the best of our knowledge and belief, is correct and presents fairly the information required by section.....of the *Quebec Savings Banks Act* according to the latest information available to us.

Dated at——————this——————day of

——————, 19——.

President.

General Manager.

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 420.

An Act to amend the Representation Act.

First reading, April 8th, 1954.

MR. STUDER.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

89616

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 420.

An Act to amend the Representation Act.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

Swift Current-Maple Creek.

1. Paragraph 15 of that Part of the Schedule to the *Representation Act*, chapter 334 of the Revised Statutes of Canada, 1952, dealing with the description of the electoral districts in the Province of Saskatchewan, which describes the Electoral District of Swift Current, is amended by substituting for the words: "SWIFT CURRENT", the words: "SWIFT CURRENT-MAPLE CREEK" at the beginning of the said description.

Explanatory Note.

Chapter 8 of the statutes of 1952-53, assented to on the 11th of February, 1953, amended *The Representation Act, 1952* and also chapter 238 of the Revised Statutes of Canada, 1952 by substituting for the words: "SWIFT CURRENT", the words: "SWIFT CURRENT-MAPLE CREEK".

Since that time Volume V of the Revised Statutes of Canada, 1952, being the Supplement, has been issued, containing the new *Representation Act* as passed in 1952, without the amendment made by chapter 8. The purpose of the present Bill is to correct this omission.

421

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE SENATE OF CANADA

BILL ~~I~~[13]. 421

An Act to amend the National Harbours Board Act.

AS PASSED BY THE SENATE, 8th APRIL, 1954.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

88820

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE SENATE OF CANADA.

BILL I[13].

An Act to amend the National Harbours Board Act.

R.S., c. 187.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1. (1) Section 2 of the *National Harbours Board Act*, chapter 187 of the Revised Statutes of Canada, 1952, is amended by adding thereto, immediately after paragraph *(e)* thereof, the following paragraph:

"Owner."

"*(ea)* "owner" includes, in the case of a vessel, the agent, charterer or master of the vessel, and, in the case of goods, the agent, sender, consignee or bailee of the goods, as well as the carrier of such goods to, upon, over or from any property under the administration or jurisdiction of the Board;"

(2) Paragraph *(g)* of section 2 of the said Act is repealed and the following substituted therefor:

"Vessel."

"*(g)* "vessel" includes any ship, boat, barge, raft, dredge, floating elevator, scow, seaplane on the water or other floating craft."

2. Subsection (11) of section 3 of the said Act is repealed and the following substituted therefor:

Temporary incapacity or delegation to other duties.

"(11) Where any member, by reason of any temporary incapacity or temporary delegation to other duties by the Governor in Council, is unable at any time to perform the duties of his office, the Governor in Council may appoint a temporary substitute member upon such terms and conditions as the Governor in Council prescribes."

3. The said Act is further amended by adding thereto, immediately after section 4 thereof, the following section:

Police constables.

"**4A.** (1) The powers conferred on the Board under subsection (1) of section 4 include the power to appoint police

Explanatory Notes.

Many of the amendments here proposed effect no substantive change but are designed merely to clarify the existing legal position or to eliminate provisions which have been rendered superfluous by other Acts. Where, however, some substantive alteration has been made or where the alteration (though not substantive) involves any considerable departure from the original terminology, appropriate references appear hereunder.

Clause 1 (1)—s. 2 *(ea)*:—New. The prime purpose is to enable the Board charges made under other provisions of the Act (see clause 6(2)) to be imposed directly upon carriers and bailees of goods as contrasted with the actual owners thereof; in many instances the carriers or the bailees are the only persons with whom the Board has any direct dealings. An ancillary purpose is to eliminate the necessity for use, elsewhere in the Act, of cumbersome phrases such as "agents, owners, masters or consignees, etc." of goods or vessels.

Clause 1(2)—s. 2*(g)*:—The underlined phrase is inserted merely for purposes of clarification.

Clause 2—s. 3 (11):—The change indicated here is to cover the situation where a Board member is temporarily delegated by the Governor in Council to other duties. This did occur during the last war and was at that time covered by Order in Council under the *War Measures Act*.

Clause 3—s. 4A:—New. The purpose of the new section is to eliminate the current necessity for swearing in Harbour Police as special constables of some municipal or provincial police force or of the R.C.M.P. The status created would be analogous to that established by the *Railway Act* as regards Railway Constables.

constables for the enforcement of this Act and the by-laws and for the enforcement of the laws of Canada or any province in so far as the enforcement of such laws relates to the protection of property under the administration of the Board or to the protection of persons present upon, or property situated upon, premises under the administration of the Board, and for that purpose every such police constable is deemed to be a peace officer within the meaning of the *Criminal Code* and to possess jurisdiction as such upon property under the administration of the Board and in any place not more than fifty miles distant from property under the administration of the Board.

Powers of police constable.

(2) A police constable appointed under subsection (1) may take any person charged with any act or omission punishable by fine or imprisonment under this Act or any law referred to in subsection (1) before any court possessing jurisdiction in such cases over any area within which any property under the administration of the Board is located, whether or not the person was taken or the act or omission occurred or is alleged to have occurred within such area, and the court shall deal with such person as though he had been taken and as though the act or omission had occurred within the area of the court's jurisdiction, but no court shall so deal with such person if the act or omission is alleged to have occurred outside the province or at a place more than fifty miles distant from the place where the court is sitting."

4. Subsection (1) of section 5 of the said Act is repealed.

5. (1) Paragraph *(c)* of subsection (1) of section 12 of the said Act is repealed and the following substituted therefor:

"*(c)* where the estimated cost of the work does not exceed fifteen thousand dollars."

(2) Subsection (2) of section 12 of the said Act is repealed and the following substituted therefor:

Awarding of contracts.

"(2) Whenever tenders are required by subsection (1) to be called, the Board shall, after having given to the tenderers reasonable notice of the time and place of the opening of the tenders, open them in public, and may within a reasonable time thereafter award the contract.

Approval of Governor in Council.

(3) Notwithstanding subsections (1) and (2), no contract for the execution of any work shall be awarded by the Board, without the approval of the Governor in Council, for an amount in excess of fifteen thousand dollars, unless

(a) tenders are called by the Board by public advertisement for the execution of the work, and not less than two such tenders are received by the Board;

Clause 4—s. 5(1):—The present subsection reads:—

"**5.** (1) Notwithstanding anything in the *Civil Service Act*, the *Civil Service Superannuation Act* or any other Act of the Parliament of Canada, a civil servant who, at the time of his appointment or employment under or pursuant to the provisions of this Act, is a contributor under the provisions of the *Civil Service Superannuation Act*, continues to be a contributor under the said Act; his service under this Act shall be counted as service in the civil service for the purposes of the *Civil Service Superannuation Act* and he, his widow and children or other dependants, if any, are eligible to receive the respective allowances or gratuities provided by the said Act; and in the event of his being retired from his office or position under this Act for any reason other than that of misconduct, he is eligible for re-appointment in the civil service or to receive the same benefits under the *Civil Service Superannuation Act* as if his office or position had been abolished."

This provision has become superfluous by reason of the *Public Service Superannuation Act.*

Clause 5(1)—s. 12(1)*(c)*:—The relevant provisions of the present Act are:—

"Whenever any works are to be executed under the direction of the Board, the Board shall call tenders by public advertisement for the execution of such works, except in cases

.....

.....

(c) where the estimated cost of the work *is less than ten* thousand dollars."

The amendment thus raises the limit of "non-tender" contracts from the former $10,000.00 (fixed in 1936) to $15,000.00. The change has been made because of the marked rise in construction costs, which have rendered the former figure almost obsolete for practical purposes. This amendment follows the general policy approved by Parliament in the 1951 amendment to the *Public Works Act*, Statutes of 1951 (2nd Sess.), c. 33, s. 1.

Clause 5(2)—s. 12 (2):—The present subsection reads:—

"(2) Whenever, in the case of any works, tenders are required by this Act to be called, the Board shall after having given the tenderers reasonable notice of the time and place of the opening of the tenders open them in public and thereafter submit them to the Minister who shall submit them to the Governor in Council and the contract for the work shall be awarded under the authority of the Governor in Council."

The provisions with regard to approval of the Governor in Council now appear in the new subsection (3) as proposed by paragraph 3 of this clause 5. The balance of the changes are merely revisions in terminology for the sake of clarification.

Clause 5(3)—s. 12(3):—New. The purpose of this provision is to bring Board practice in respect of the award of contracts into conformity with that already established as regards Government departments by the contract regulations made under authority of the *Financial Administration Act.* In particular:—

(a) under the present Act, contracts could, in cases of pressing emergency, be let for any amount without approval of the Governor in Council. The amendment would require such approval if the amount exceeds $15,000.00;

(b) the person to whom the contract is to be awarded is the person who submitted the lower or lowest such tender; and

(c) the amount of the contract as indicated by the tender of the person to whom the contract is to be awarded does not exceed fifty thousand dollars."

6. (1) Paragraph *(b)* of subsection (1) of section 13 of the said Act is repealed and the following substituted therefor:

Use of harbours and facilities.

"*(b)* the use of the harbours, harbour property or other property under the administration of the Board by vessels and aircraft and the owners thereof, the leasing or allotment of any harbour property or other property under the administration of the Board, and the purchase or sale by the Board, subject to such limitations and conditions as the by-laws may prescribe, of any property other than real property;"

(2) Paragraph *(e)* of subsection (1) of the said section 13 is repealed and the following substituted therefor:

Harbour tolls.

"*(e)* the imposition and collection of tolls on vessels or aircraft entering, using or leaving any of the harbours; on passengers; on cargoes; on goods or cargoes of any kind brought into or taken from any of the harbours or any property under the administration of the Board, or landed, shipped, transshipped or stored at any of the harbours or on any property under the administration of the Board or moved across property under the administration of the Board; for the use of any property under the administration of the Board or for any service performed by the Board; and the stipulation of the terms and conditions (including any affecting the civil liability of the Board in the event of negligence on the part of any officer or employee of the Board) upon which such use may be made or service performed;

Dangerous substances.

(ea) the transportation, handling or storing upon any property under the administration of the Board or any private property within any harbour under the jurisdiction of the Board of explosives or other substances that, in the opinion of the Board, constitute or are likely to constitute a danger or hazard to life or property;"

(b) on the other hand, under the present Act, the Board could not award a contract for more than $15,000.00 without approval of the Governor in Council (except in emergency cases) even although the Board had made a public call for tenders, had received two or more tenders, and was proposing to accept the lowest. The amendment would raise the figure from the above-mentioned $15,000.00 to $50,000.00 in such special circumstances.

As already stated, both the above amendments would conform to the practice already established in respect of Government departments.

Clause 6(1)—s. 13 (1) *(b)*:—The Governor in Council is already empowered, under the Act, to make by-laws for the management of property under Board administration, for the leasing or allotment of such property, for numerous other specified purposes and, in general, for the doing of anything relevant to the Board's functions under the Act. As a matter of clarification the amendment includes an express reference to the capacity of the Governor in Council to make by-laws governing the sale and purchase by the Board of property other than land. The sale and purchase of land are already specifically covered by other provisions of the Act.

Clause 6(2)—s. 13(1)*(e)*:—The present paragraph empowers the Governor in Council to make by-laws for:

> "*(e)* the imposition and collection of rates and tolls on vessels or aircraft entering, using or leaving any of the harbours; on passengers; on cargoes; on goods or cargo of any kind landed, shipped, transshipped or stored in any of the harbours or moved over harbour tracks, and for the use of any wharf, building, plant, property or facility under the jurisdiction of the Board and for any service performed by the Board;"

Such by-laws made under the Act as relate to Board charges are, in substance, simply a statement of the contractual conditions between the Board and any party desiring the particular Board services or the use of the property. It is therefore proposed that the Act should place beyond doubt that, in cases of that type, the Board may contract itself out of liability for negligence. In a number of instances—such as the granting of permission to bring explosives into a harbour or the acceptance of highly perishable goods in storage—the revenue does not justify the risk incurred by the Board unless the Board (like any private operator in the same circumstances) possesses the capacity of restricting the liability which could conceivably arise through the negligence of some minor Board employee. It is, indeed, considered that the desired capacity to restrict liability already exists but the amendment would place the matter beyond dispute.

Clause 6(2)—s. 13(1)*(ea)*:—New. The Board was intended to exercise a general supervision over all harbours under its jurisdiction, including even private property

(3) The said section 13 is further amended by adding thereto, immediately after subsection (2) thereof, the following subsections:

By-law may be made binding on Her Majesty.

"(3) Any by-law may be made binding upon Her Majesty in right of Canada or any province.

Copy of by-law as evidence.

(4) A copy of any by-law certified by the Secretary of the Board under the seal of the Board shall be admitted as conclusive evidence of the provisions of such by-law in any court in Canada."

7. Subsections (1) and (2) of section 15 of the said Act are repealed and the following substituted therefor:

Board may commute tolls.

"**15.** (1) The Board may, with the approval of the Minister, commute, reduce or waive any tolls fixed by by-law on such terms and conditions as the Board deems expedient.

Tolls may be recovered as a debt.

(2) The tolls imposed by by-law upon any goods may, unless the by-law otherwise provides, be recovered by the Board as a debt due by the owner of such goods, and no goods shall be removed from any harbour or any other property under the administration of the Board until all tolls imposed upon such goods have been paid or security for payment accepted by the Board."

8. Section 16 of the said Act is repealed and the following substituted therefor:

Seizure of vessels.

"**16.** (1) The Board may, as provided in section 18, seize any vessel within the territorial waters of Canada in any case where, in the opinion of the Board,

(a) any amount is owing to the Board in respect of such vessel for tolls;

(b) property under the administration of the Board has been damaged through the fault or negligence of the owner of the vessel or a member of the crew thereof acting in the course of his employment or under the orders of a superior officer;

(c) obstruction has been made or offered in respect of the performance of any duty or function of the Board or its officers or employees through the fault or negligence of the owner of the vessel or of a member of the crew thereof acting in the course of his employment or under the orders of a superior officer, as a result of which obstruction damage or other loss has been sustained by the Board;

(d) the owner of the vessel has committed an offence under this Act or the by-laws, punishable upon summary conviction by a penalty payable under section 21 to the Board;

within those harbours if such supervision were necessary for the protection of lives or property. There is, however, some question as to whether the Act in its present form is sufficiently broad to permit the exercise of the latter form of supervision in all cases. It is therefore proposed to embody an express provision that the Governor in Council may make by-laws governing the handling, storing, etc., (even on private property) of explosives or dangerous goods within any harbour under Board jurisdiction.

Clause 6(3)—s. 13(3):—New. The Board operates to a large extent as a quasi-commercial corporation and must submit separate annual reports to Parliament on its financial operations. There is, consequently, proposed an amendment which will enable by-laws (and thus the charges thereunder) to be made binding upon other agencies or departments of the Crown, whether in right of Canada or of any province.

Clause 6(3)—s. 13(4):—New. There would be an express provision for acceptance by the courts of a copy of any by-law (certified by the Secretary of the Board) as full evidence of such by-law. This is merely a matter of convenience and is a common provision in statutes of this type.

Clause 7—s. 15(1):—The present subsection reads:—

"**15.** (1) The Board may levy such rates and tolls as are fixed by by-law and may, with the approval of the Minister, commute any rates or tolls so fixed on such terms and conditions and for such sums of money as the Board deems expedient."

It was intended by the original statute that, in certain circumstances, the Board could, subject to the approval of its Minister, reduce or waive Board charges or convert such charges into a lump sum. Since there is some question as to whether the present power to "commute" charges should be strictly interpreted as covering all the above contingencies, it is proposed that the relevant provisions should be broadened to cover explicitly commutations, reductions and waivers.

Clause 7—s. 15(2):—The present subsection reads:—

"(2) The rates and tolls on goods landed or transshipped in or shipped from any harbour under the jurisdiction of the Board shall be paid by the consignee, shipper, owner or agent of such goods, and goods shall not be removed from the harbour until such rates or tolls are fully paid or security for payment accepted by the Board."

The only substantive alteration here is to extend the operation of the section (formerly restricted to harbours) to any other property under Board administration as, for example, the grain elevators at Prescott and Port Colborne, Ontario. Other changes are merely revisions in terminology.

Clause 8—s. (16):—The present section 16 reads:—

"**16.** (1) The Board may, in the manner hereinafter set forth, seize and detain any vessel within the limits of the territorial waters of Canada in the following cases:

(a) whenever any sum is due in respect of the vessel for rates or tolls or for commuted rates or tolls and is unpaid;

(b) whenever the master, owner or person in charge of the vessel has violated or has failed to observe any provision of this Act, or any by-law in force under this Act, and has rendered himself liable to any penalty;

(e) judgment against the vessel or the owner thereof has been obtained in any case described in paragraph *(a)*, *(b)* or *(c)*; or

(f) conviction of the owner of the vessel has been obtained, in any case described in paragraph *(d)*, and a penalty imposed payable under section 21 to the Board.

Detention of vessels seized.

(2) In any case described in paragraph *(a)*, *(b)*, *(c)* or *(d)* of subsection (1) the Board may detain any vessel seized pursuant to subsection (1) until the amount owing to the Board has been received by it or, if liability is denied, until security satisfactory to the Board has been deposited with it.

Detention and sale of vessel in certain cases.

(3) In any case described in paragraph *(e)* or *(f)* of subsection (1), the Board may detain the vessel until the amount owing to the Board has been paid and, in any such case, if the amount so owing is not paid within thirty days after the date of the judgment or the conviction the Board may apply to any court of competent jurisdiction for an order authorizing the sale of the vessel, and upon the making of the order the Board may sell the vessel upon such terms and conditions and for such price as to the Board seems proper, and to the extent that the amount realized from the sale exceeds the amount owing to the Board together with all expenses incurred by the Board in connection with the sale, the Board shall remit the amount so realized to the former owner of the vessel.

Board to have a lien.

(4) In any case mentioned in subsection (1), whether or not the vessel has actually been seized or detained, the Board has at all times a lien upon the vessel and upon the proceeds of any sale or other disposition thereof for the amount owing to the Board, which lien has priority over all other rights, interests, claims and demands whatsoever, excepting only claims for wages of seamen under the *Canada Shipping Act*.

Rights exercisable by Board.

(5) The rights of the Board under subsections (2), (3) and (4) are exercisable by the Board whether or not title to or possession of the vessel is, at the time of the exercise of any such right, in the same person as the person who held such title or possession at the time when, in the opinion of the Board, the amount owing to the Board first became due.

Amounts owing to the Board.

(6) For the purposes of subsections (2), (4) and (5), the amount owing to the Board in respect of any case described in paragraph *(a)*, *(b)*, *(c)* or *(d)* of subsection (1) is the amount fixed by the Board as owing to it together with all expenses incurred by the Board in searching for, following, seizing and detaining the vessel, and for the purposes of subsections (3), (4) and (5) the amount owing to the Board in respect of any case described in paragraph *(e)* or *(f)* of subsection (1) is the amount of the judgment and

(c) whenever any injury has been done by the vessel or by the fault or neglect of the crew, while acting as the crew or under order of their superior officers, to any works or property under the administration, management and control of the Board; or

(d) whenever any obstruction whatever has been offered or made to the operations of the Board by any vessel or by the fault or neglect of the crew, while acting as the crew or under order of their superior officers.

(2) In a case coming within paragraphs *(c)* or *(d)* of subsection (1), the vessel may be seized and detained until the injury so done has been repaired and until all damages thereby directly or indirectly caused to the Board (including the expense of following, searching for, discovery and seizing of such vessel) have been paid to or security for such payment accepted by the Board; and for the amount of all such injury, damages, expenses and costs, the Board has a preferential lien upon the vessel and upon the proceeds thereof until payment has been made or adequate security has been given for such damages, whether direct or indirect, and for the amount of all such injury, damages, expenses and costs as may be awarded in any suit resulting therefrom, and the owner, charterer, master or agent of such vessel is also liable to the Board for all such injury, damages, expenses and costs.

(3) The Board has a lien upon any vessel and upon the proceeds thereof in preference to all other claims and demands whatsoever (saving and excepting the claims for wages of seamen, under the provisions of the *Canada Shipping Act)* for the payment of any rates, tolls or penalties due and payable with respect to such vessel or in respect of the acts of the master, owner or person in charge thereof.

(4) Such vessel may be seized and sold under any writ or warrant of execution or of distress issued by any court of competent jurisdiction upon the judgment or conviction at the suit of the Board against the vessel, the master, owner or person in charge thereof.

(5) Such vessel may be so seized and detained, or so seized and sold, while in the possession or charge of any person whatever, whether in charge or possession of or the property of the person who was owner when such rates, tolls or penalties accrued, or in charge or possession of or the property of any other person."

It will be observed that no substantive change has been made although the phraseology has been completely revised in order to place beyond doubt what is considered to be the existing legal position.

costs, or the amount of the penalty incurred and costs, as the case may be, together with all expenses incurred by the Board in searching for, following, seizing and detaining the vessel.

Other remedies available to Board.

(7) Whether or not all or any of the rights of the Board under this section are exercised by the Board, the Board may, in any case described in subsection (1), proceed against the owner of the vessel in any court of competent jurisdiction for the amount owing to the Board (or for the balance thereof in the event of any sale contemplated by subsection (3)) and may also exercise against the owner of the vessel any other right or remedy available to the Board at law."

9. Section 17 of the said Act is repealed and the following substituted therefor:

Board to have a general lien.

"**17.** (1) The Board has a general lien in preference to all other rights, interests, claims and demands whatsoever upon all goods in its possession for the payment of any debt owing to the Board by the person in whom title to such goods is vested, whether or not the debt was incurred in respect of those goods.

Seizure and detention of goods.

(2) The Board may, as provided in section 18, seize and detain any goods in any case where, in the opinion of the Board,

(a) the goods are subject to the general lien referred to in subsection (1);

(b) any amount is due to the Board for tolls in respect of such goods and has not been paid, whether or not title to the goods is, at the time of the seizure, vested in the person by whom the tolls were incurred;

(c) any penalty has been incurred by reason of any violation of this Act or the by-laws by the owner of the goods, whether or not such violation occurred in respect of those goods and whether or not title thereto is, at the time of the seizure, vested in the person by whom the penalty was incurred; or

(d) the goods are perishable goods or goods in respect of which the amount of tolls accruing thereon is, in the opinion of the Board, likely to become greater than the amount that could be realized by the sale of such goods;

and any goods so seized and detained shall, throughout the period of detention up to a maximum of thirty days, incur Board tolls in the same manner and to the same extent as if voluntarily left or stored with the Board by the owner of the goods during such period."

10. Section 20 of the said Act is repealed and the following substituted therefor:

Sale of goods seized.

"**20.** (1) The Board may sell at public auction or by private tender the whole or any part of the goods seized or detained under the provisions of section 17,

Clause 9—s. 17(1):—The present section 17 reads:—

"**17.** (1) The Board may in the manner hereinafter set forth seize and detain any goods in case,

(a) any sum is due for rates or tolls in respect of such goods and is unpaid,

(b) such goods are, in the opinion of the Board, perishable goods, or are goods in respect of which the amount of rates or tolls accruing thereon is, in the opinion of the Board, likely to become greater than the amount which could be realized by the sale of such goods, or

(c) any provision of this Act or any by-law in force under this Act has been violated or has not been observed in respect of such goods and a penalty has thereby been incurred."

At present the Board has a lien on goods in its possession for Board charges incurred *in respect of those particular goods*. This has been found unsatisfactory in practice when applied, for instance, to the large scale warehousing operations conducted by the Board. It is thus proposed that the Board should have a general lien which would be enforceable against any goods of a debtor to the Board, whether or not the debt was incurred in respect of those specific goods.

Clause 9—s. 17(2):—New. The purpose of this subsection is, first, to provide for seizure and detention of goods subject to the general lien referred to in subsection (1) of this proposed section 17, and, secondly, to restrict (to a maximum of thirty days) the period during which Board tolls shall continue to accrue on goods seized. In the absence of the second addition above-mentioned, the period of accrual of charges could be interpreted as unrestricted.

Clause 10—s. 20(1):—The present subsection reads:—

"**20.** (1) The Board may sell at public auction or by private tender the whole or any part of the goods seized and detained under the provisions of section 17,

(a) at any time after the date of the seizure thereof in respect of goods of the nature or kind referred to in paragraph *(b)* of section 17, or

(b) at any time after the expiration of one month from the date of such seizure in respect of any other goods,

and out of the proceeds arising from such sale retain the sums due in respect of such goods and the charges and expenses of such seizure, detention and sale."

The proposed new subsection has been revised to conform with amendments indicated by clause 9.

(a) at any time after the date of such seizure, in respect of goods of the kind described by paragraph *(d)* of subsection (2) of section 17; or

(b) at any time after the expiration of thirty days from the date of such seizure, in respect of any other goods;

and out of the proceeds of any such sale the Board may retain any debt, tolls, penalty or other amount referred to in section 17, together with all expenses incurred by the Board in connection with the seizure, detention and sale, and shall pay the surplus, if any, to the former owner of the goods.

Other remedies.

(2) Whether or not all or any of the rights of the Board under section 18 and under subsection (1) of this section are exercised by the Board, the Board may, in any case described in section 17, proceed against the owner of the goods in any court of competent jurisdiction for the recovery of any debt, tolls, penalty or other amount referred to in section 17 (or for the balance thereof in the event of any sale contemplated by subsection (1) of this section) and may also exercise against the owner of the goods any other right or remedy available to the Board at law."

11. Section 22 of the said Act is repealed and the following substituted therefor:

Offences and penalties.

"**22.** Every person who contravenes any of the provisions of this Act or the by-laws is guilty of an offence and, except as otherwise provided in the by-laws, is liable on summary conviction to a penalty not exceeding five hundred dollars or to imprisonment for a term not exceeding sixty days or to both such penalty and imprisonment."

12. Section 26 of the said Act is repealed.

13. Section 34 of the said Act is repealed and the following substituted therefor:

Audit.

"**34.** The accounts and financial transactions of the Board shall be audited by the Auditor General."

Ss. (3) of s. 10 of c. 42 of statutes of 1936.

14. Subsection (3) of section 10 of *The National Harbours Board Act, 1936*, chapter 42 of the statutes of 1936, is repealed.

Clause 10—s. 20(2):—The present subsection reads:—

"(2) The Board shall pay or deliver the surplus, if any, or such of the goods as remain unsold, to the person entitled thereto and recover the deficiency, if any, by action in any court of competent jurisdiction."

The disposal of any surplus is now covered by the proposed new section 20(1). As regards any deficiency the Board's right to sue for charges (notwithstanding Board seizure of the goods) is expressly preserved. Otherwise there might arise an implication that seizure by the Board precluded the Board from exercising other rights or remedies for the recovery of the debt.

Clause 11—s. 22:—The present section reads:—

"**22.** All penalties incurred under this Act, or under any by-law made in pursuance thereof, may be recovered in a summary manner under the provisions of the *Criminal Code* relating to summary convictions."

Under the present Act a violation of a by-law constitutes an offence whereas a violation of the Act proper does not. It is proposed to eliminate that anomaly by stipulating that any violation of the Act shall constitute an offence and by specifying penalties where not otherwise provided.

Clause 12—s. 26:—The present section 26 reads:—

"**26.** The Board shall submit to the Minister an annual budget showing, for each harbour under its jurisdiction and for each work or property transferred to it for administration, management and control, the estimated revenue, by sources, and the estimated expenditures for operation, management and control, for interest on outstanding bonds, debentures and other indebtedness, for capital expenditures and for the retirement of maturing indebtedness, and showing also the amounts to be added to the reserve fund and expenditures to be made therefrom; such budget shall be submitted by the Minister to the Governor in Council."

The effect of this repeal would be to make the Board automatically subject to those "budget provisions" of the *Financial Administration Act* relating to Crown Corporations, and thus establish greater uniformity in "inter-departmental" Governmental financial procedure.

Clause 13—s. 34:—The present section 34 reads:—

"**34.** All revenues of and expenditures by the Board are subject to the audit of the Auditor General in the same manner as public revenues and expenditures."

Under the *Financial Administration Act* the audit provisions are somewhat more explicit in the case of Crown Corporations than in that of departments. The effect of the proposed amendment would be to make clearly applicable to the Board those audit provisions of the *Financial Administration Act* which pertain to Crown Corporations.

Clause 14:—section 10(3) of *The National Harbours Board Act, 1936*—which does not appear in the Revised Statutes, 1952, but was not repealed thereby—reads as follows:—

"(3) Any property now held by any of the Corporations in the name of such Corporation may continue so to be held until the same shall be transferred by such Corporation or the Board to His Majesty, and for the purposes of this subsection, notwithstanding section thirty-nine hereof, the Corporation concerned shall be deemed to continue to exist."

The Corporations referred to are the various Harbour Corporations which were superseded by the National Harbours Board. Since other provisions of the Act already provide that all property under Board administration is vested in the Crown, this subsection (3) is superfluous for all practical purposes.

422

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE SENATE OF CANADA

BILL ~~K~~[13] 422.

An Act to amend the Opium and Narcotic Drug Act.

AS PASSED BY THE SENATE, 8th APRIL, 1954.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

88816

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE SENATE OF CANADA

BILL K[13].

An Act to amend the Opium and Narcotic Drug Act.

R.S., c. 201.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Definitions.

1. Section 2 of the *Opium and Narcotic Drug Act*, chapter 201 of the Revised Statutes of Canada, 1952, is amended by deleting the word "and" at the end of paragraph *(m)* thereof, and by adding thereto, immediately after the said paragraph *(m)*, the following paragraph:

"Traffic" or "Trafficking".

"*(mm)* "traffic" or "trafficking" means the importation, exportation, manufacture, sale, giving, administering, transportation, delivery or distribution by any person of a drug or any substance represented or held out by such person to be a drug, or the making of any offer in respect thereof, but does not include

(i) the importation or exportation of any drug by or on behalf of any person who has a licence therefor under section 3, or

(ii) the manufacture, sale, giving, administering transportation, delivery or distribution of a drug, or the making of any offer in respect thereof, by or on behalf of any person who has a licence therefor under section 3, or by or on behalf of a physician, dentist, veterinary surgeon or retail druggist for a medicinal purpose; and"

Licences.

2. Paragraph *(a)* of subsection (1) of section 3 of the said Act is repealed and the following substituted therefor:

"*(a)* issue licences for the import, export, sale, manufacture, production or distribution at a stated place of any drug, and the cultivation, gathering or production at a stated place of opium poppy *(Papaver Somniferum)* or *Cannabis Sativa*;"

Explanatory Notes.

The purposes of this Bill are:—

(1) to make provision for—

(a) the offence of trafficking in narcotic drugs, and

(b) the offence of being in possession of narcotic drugs for the purpose of trafficking, with increased penalties therefor, and a statutory presumption of guilt upon proof of possession, rebuttable by the accused, and,

(2) to authorize oral prescriptions for certain medicinal preparations containing narcotic medication.

The amendments to effect these purposes have necessitated a number of consequential changes which will, in the Explanatory Notes, be so described. Further changes have been made to remove certain existing anomalies.

1. *Section 2 (mm).* New. This defines trafficking to include the importation, exportation, transportation, manufacturing, selling, etc., of any drug or a substance represented or held out to be a drug but excludes therefrom such transactions legally conducted by licensed persons, physicians, dentists, veterinary surgeons or retail druggists.

2. *Section 3 (1) (a).* This amendment provides authority to issue a licence for the cultivation of the opium poppy or cannabis sativa. Section 4 prohibits such cultivation except under licence, but the Act as presently existing in making provision for the issue of licences for other purposes does not make provision for the issue of such a licence. The present section 3 (1) *(a)* reads as follows:

> "**3.** (1) With the approval of the Governor in Council, the Minister may
> *(a)* issue licences for the import, export, sale, manufacture, production *and* distribution at a stated place of any drug;"

Offences and penalties.

3. Section 4 of the said Act is repealed and the following substituted therefor:

Possession.

"**4.** (1) Every person, except

(a) a person who has a licence therefor under section 3,

(b) a physician, dentist, veterinary surgeon or retail druggist who is in possession of any drug for a medicinal purpose,

(c) a person who obtains the drug for a medicinal purpose from, or pursuant to a prescription of, a physician, dentist or veterinary surgeon,

(d) a person authorized by the Minister or the regulations to be in possession of the drug, or

(e) a person who is acting for any person mentioned in subparagraph *(a)*, *(b)*, *(c)* or *(d)*,

who has in his possession any drug is guilty of an offence and is liable

(f) upon summary conviction to imprisonment for a term of not less than six months and not more than eighteen months, or

(g) upon conviction on indictment, to imprisonment for a term of not less than six months and not more than seven years,

Court not to impose less than minimum penalty.

and notwithstanding anything in the *Criminal Code* or in any other statute or law, the Court has no power to impose less than the minimum penalty prescribed in this subsection.

Cultivation, etc., of opium poppy.

(2) Every person, except a person who has a licence therefor under section 3 or a person who is acting for such a person, who cultivates, gathers or produces any opium poppy *(Papaver Somniferum)* or *Cannabis Sativa* is guilty of an offence and is liable

(a) upon summary conviction to imprisonment for a term not exceeding eighteen months; or

(b) upon conviction on indictment, to imprisonment for a term not exceeding seven years.

Trafficking.

(3) Every person

(a) who traffics in any drug or any substance represented or held out by such person to be a drug, or

(b) who has in his possession any drug for the purpose of trafficking,

is guilty of an offence and is liable, upon conviction on indictment, to imprisonment for a term not exceeding fourteen years and, in addition, at the discretion of the judge, to be whipped.

3. *Section 4.* The whole of section 4 has been revised to make more specific provision for, and to clarify, certain offences and remove certain anomalies presently existing. Monetary penalties have been removed together with the discretionary power of whipping except for trafficking or possession for trafficking. Minimum penalties, except in the case of illegal possession, have likewise been removed. Experience has shown that present 4 (1) *(a)* and *(b)* are unnecessary. Section 4 now reads as follows:

"**4.** (1) Every person who

(a) imports into or exports from Canada any drug, or not being a common carrier, takes or carries, or causes to be taken or carried from any place in Canada to any other place in Canada, any drug without first obtaining a licence therefor from the Minister;

(b) imports into or exports from Canada any drug at any port or place in Canada that has not been named by the Minister as a port or place into or from which any drug may be imported or exported;

(c) exports any raw opium or any drug that is not packed and marked in such manner as may be prescribed by the Minister;

(d) has in his possession any drug save and except under the authority of a licence from the Minister first had and obtained, or other lawful authority;

(e) unlawfully sells, gives away or administers any drug to any minor;

(f) manufactures, sells, gives away, delivers or distributes or makes any offer in respect of any drug, or any substance represented or held out by such person to be a drug, to any person without first obtaining a licence from the Minister; or without other lawful authority; or

(g) cultivates, gathers or produces any opium poppy *(Papaver Somniferum)* or Cannabis Sativa, except under the authority of a licence from the Minister first had and obtained;

is guilty of an offence, and is liable

(i) upon indictment, to imprisonment for any term not exceeding seven years and not less than six months, and to a fine not exceeding one thousand dollars and not less than two hundred dollars, and, in addition, at the discretion of the judge, to be whipped, or

(ii) upon summary conviction, to imprisonment with or without hard labour for any term not exceeding eighteen months and not less than six months, and to a fine not exceeding one thousand dollars and not less than two hundred dollars.

(2) Notwithstanding the provisions of the *Criminal Code*, or of any other statute or law, the court shall have no power to impose less than the minimum penalties therein prescribed, and shall, in all cases of conviction, impose both fine and imprisonment; and any person who commits an offence under paragraph (e) of this section shall be proceeded against by indictment, and not summarily."

(1) Section 4 (1) *(d)* which deals with the illicit possession of a drug, is revised to exclude therefrom more specifically than is presently done persons in legal possession of a drug.

(2) Section 4 (1) *(g)* is revised. No material change except that the penalty is modified.

(3) New in part. It replaces present paragraphs *(e)* and *(f)* of subsection (1) of section 4, which deal with the illegal sale or distribution of drugs. In place thereof it creates the specific offence of trafficking in a drug and it also creates the new offence of being in possession of a drug for the purpose of trafficking. No distinction is presently possible between illegal possession of a drug by an addict for his own use and possession of a drug by a trafficker for the purpose of trafficking. The majority of offences involve possession and of these a great many involve trafficking in some form or other, but for reasons of difficulty of proof, possession only can be charged.

Procedure in prosecution for possession for trafficking.

(4) In any prosecution for an offence under paragraph *(b)* of subsection (3), the court shall, unless the accused pleads guilty to the charge, first make a finding as to whether or not the accused was in possession of the drug; if the court finds that he was not in possession of the drug, the court shall acquit him; if the court finds that the accused was in possession of the drug, the court shall give the accused an opportunity of establishing that he was not in possession of the drug for the purpose of trafficking, and if the accused establishes that he was not in possession of the drug for the purpose of trafficking, he shall be acquitted of the offence as charged but shall, if the court finds that the accused was guilty of an offence under subsection (1), be convicted under that subsection and sentenced accordingly; and if the accused fails to establish that he was not in possession of the drug for the purpose of trafficking he shall be convicted of the offence as charged and sentenced accordingly."

4. Section 5 of the said Act is repealed and the following substituted therefor:

Licensed person not to supply drug.

Exceptions.

"**5.** (1) Subject to subsection (2), no person who has a licence under section 3 to deal in any drug shall supply a drug to any person.

(2) Notwithstanding subsection (1), a person who has a licence under section 3 to deal in any drug may, upon receiving a written order therefor dated and signed by a person who has a licence under section 3 to deal in the drug, a retail druggist, physician, dentist or veterinary surgeon or a person authorized by the regulations to purchase or be in possession of the drug, whose signature is known to the person receiving the order or, if unknown, then verified before the order is filled, supply a drug to such person.

Retail druggist not to supply drugs.

Exceptions.

(3) Subject to the regulations, no retail druggist shall supply a drug to any person except upon receiving a written order or prescription therefor dated and signed by a physician, dentist or veterinary surgeon whose signature is known to the druggist or, if unknown, then verified before the prescription is filled.

Retail druggist not to use order or prescription more than once.

(4) No retail druggist shall use an order or prescription to supply a drug on more than one occasion.

Offence and penalty.

(5) Every person who violates a provision of this section is guilty of an offence and is liable upon summary conviction to a fine of not less than two hundred dollars and not more than one thousand dollars or to imprisonment for a term not exceeding eighteen months or to both fine and imprisonment."

The creation of the specific offence of trafficking, as well as of the new offence of being in possession of a drug for the purpose of trafficking, is considered to provide a more realistic and effective means of dealing with the problem of drug trafficking. Provision is made for heavier penalties than are presently contained in the Act upon a conviction for either of such offences.

(4) New. This sets forth the detailed procedure to be followed in a prosecution for an offence under subsection (3) of section 4. It is considered that where a person is charged with possession for the purpose of trafficking and is found to be in illegal possession of a drug he should be required to satisfy the court of the purpose of his possession if he wishes to escape conviction of the more serious offence. This is in accordance with the philosophy of the present Act that a person in possession of a drug is required to explain it (see s. 15).

4. *Section 5.* Section 5 is revised to remove certain anomalies in the case of transactions between authorized persons and to make provision for oral prescriptions under regulations. For clarity the section is divided into five subsections. Section 5 now reads as follows:

> "**5.** Except as provided in section 8 every person licensed under this Act to deal in any drug, who gives, sells or furnishes any drug to any person, other than a duly authorized and practising physician, veterinary surgeon or dentist, or to a bona fide wholesale druggist, or to a retail druggist, or who gives, sells or furnishes any drug to any such physician, veterinary surgeon, dentist, wholesale or retail druggist, without a written order therefor, signed and dated; and any retail druggist who gives, sells or furnishes any drug to any person, except upon a written order or prescription signed and dated by a physician, veterinary surgeon or dentist whose signature is known to the said druggist or if unknown duly verified before such order or prescription is filled, or who uses any prescription to sell any drug on more than one occasion, is guilty of an offence, and is liable upon summary conviction to a fine not exceeding one thousand dollars and not less than two hundred dollars, or to imprisonment for a term not exceeding eighteen months, or to both fine and imprisonment."

(1) This imposes the overall prohibition on dealing in drugs.

(2) This provides as an exception to the overall prohibition that a licensed person may deal in drugs with authorized persons, such as druggists, physicians, dentists or veterinary surgeons upon receiving a signed written order from such persons.

(3) This requires a retail druggist to dispense a drug only upon a written order or prescription or as may be provided by regulations. The regulations will authorize oral prescriptions for medicinal preparations containing minor narcotic medication.

(4) This prohibits repeat prescriptions. No material changes.

(5) This provides penalties for violation of the provisions of the section. No material changes.

Section 13 does not apply to a physician, etc.

5. Section 7 of the said Act is repealed and the following substituted therefor:

"**7.** Section 13 does not apply to a physician, veterinary surgeon, dentist, or retail druggist.

6. Subsection (1) of section 8 is amended by repealing all the words preceding paragraph *(a)* thereof and by substituting therefor the following:

"**8.** (1) Notwithstanding the provisions of sections 4, 5 and 6,"

7. Section 15 of the said Act is repealed and the following substituted therefor:

Onus of proof on charge of offence under section 4.

"**15.** In any prosecution for an offence under section 4, it is not necessary for the prosecuting authority to establish that the accused did not have a licence under section 3 or was not otherwise authorized to do the act complained of, and if the accused pleads or alleges that he had such licence or other authority the proof thereof lies upon the accused."

8. Section 17 of the said Act is repealed and the following substituted therefor:

Occupier, etc., deemed to be in possession when drugs found on premises.

"**17.** (1) Without limiting the generality of subsection (1) or paragraph *(b)* of subsection (3) of section 4, any person who occupies, controls, or is in possession of any building, room, vessel, vehicle, enclosure or place in or upon which any drug is found shall be deemed to be in possession thereof unless he proves that the drug was there without his authority, knowledge or consent.

Onus of proof that goods mentioned in section 11 were lawfully possessed on occupier when found on premises.

(2) Any person who occupies, controls, or is in possession of any building, room, vessel, vehicle, enclosure or place in or upon which any article mentioned in section 11 is found shall, if charged with having such article in possession without lawful authority, be deemed to have been so in possession, unless he proves that the article was there without his authority, knowledge or consent or that he was lawfully entitled to the possession thereof."

9. Subsection (1) of section 23 of the said Act is repealed and the following substituted therefor:

Regulations.

"**23.** (1) The Governor in Council may make regulations

(a) for the seizure of any article or thing that there is reason to believe is liable to forfeiture under this Act;

(b) for the use, purchase, sale or possession of any drug for medicinal or scientific purposes;

(c) for the revocation of licences;

5. *Section 7.* This removes certain anomalies contained in section 7 of the Act and makes consequential changes to the section. Section 7 now reads as follows:

"**7.** The provisions of paragraphs *(a)*, other than those relating to importation into or exportation from Canada of any drug, *(d)* and *(f)* of subsection (1) of section 4 and of section 13 do not apply to a physician, veterinary surgeon, dentist, or retail druggist who does not manufacture any drug; but every physician, veterinary surgeon, dentist and retail druggist, shall make to the Minister, as and when required, a declaration in the prescribed form, stating that he is engaged in the sale or distribution of opium, morphine, cocaine, and their respective salts or derivatives, or otherwise, as the case may be."

6. *Section 8(1).* Consequential changes. The relevant part of section 8(1) now reads as follows:

"**8.** (1) Notwithstanding the provisions of paragraphs *(d)*, *(e)* and *(f)* of subsection (1) of section 4 and of sections 5, 6 and 7,"

7. *Section 15.* Consequential changes. Section 15 now reads as follows:

"**15.** Where any person is charged with an offence under paragraph *(a)*, *(d)*, *(e)*, *(f)*, or *(g)* of subsection (1) of section 4, it is not necessary for the prosecuting authority to establish that the accused had not a licence from the Minister or was not otherwise authorized to commit the act complained of, and if the accused pleads or alleges that he had such licence or other authority the burden of proof thereof shall be upon the person so charged."

8. *Section 17.* Consequential changes. Section 17 now reads as follows:

"**17.** Without limiting the generality of paragraph *(d)* of subsection (1) of section 4, any person who occupies, controls or is in possession of any building, room, vessel, vehicle, enclosure or place, in or upon which any drug or any article mentioned in section 11 is found, shall, if charged with having such drug or article in possession without lawful authority, be deemed to have been so in possession unless he prove that the drug or article was there without his authority, knowledge or consent, or that he was lawfully entitled to the possession thereof."

9. *Section 23(1).* Section 23, which is the regulation making section, is revised to set forth more particularly the authority of the Governor in Council to make regulations, including those for oral prescriptions. Section 23(1) now reads as follows:

"**23.** (1) The Governor in Council may make such orders and regulations as are deemed necessary or expedient for carrying out the intention of this Act; for the seizure of any opium pipe or other article or drug that there is reason to believe is liable to forfeiture under this Act; for the use or sale of any drug for scientific purposes, and for the revocation of licences."

(d) prescribing the form of prescriptions and specifying the drugs that may be sold by a retail druggist on the oral prescription of a physician, dentist or veterinary surgeon;

(e) directing the steps to be taken by a retail druggist before filling an oral prescription; and

(f) for carrying out the purposes and provisions of this Act."

Except in cases tried before two justices, no appeals in cases taken under section 4(1).

10. Section 25 of the said Act is repealed and the following substituted therefor:

"**25.** Except in cases tried before two justices of the peace, sections 749 to 760 and subsection (2) of section 769 of the *Criminal Code*, chapter 36 of the Revised Statutes of Canada, 1927, do not apply to any conviction, order or proceedings in respect of any offence under subsection (1) or (2) of section 4 of this Act."

Application of *Identification of Criminals Act*.

11. Section 27 of the said Act is repealed and the following substituted therefor:

"**27.** The *Identification of Criminals Act* applies to any person in lawful custody charged with, or under conviction of, an offence under subsection (1) or (2) of section 4, where the proceedings are by way of summary conviction."

10. *Section 25.* Consequential changes. Section 25 now reads as follows:

"**25.** Except in cases tried before two justices of the peace, sections 749 to 760, inclusive, and subsection (2) of section 769 of the *Criminal Code* do not apply to any conviction, order, or proceedings in respect of any offence under paragraphs *(a)*, *(d)*, *(e)* and *(f)* of subsection (1) of section 4 of this Act."

11. *Section 27.* Consequential changes. Section 27 now reads as follows:

"**27.** The provisions of the *Identification of Criminals Act* apply to any person in lawful custody charged with, or under conviction of, an offence under paragraph *(a)*, *(d)*, *(e)* or *(f)* of subsection (1) of section 4, where the proceedings are by way of summary conviction."

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 441.

An Act to amend the Canadian Wheat Board Act.
(Producers in area accessible to Churchill.)

First reading, May 5, 1954.

MR. BRYSON.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

90626

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 441.

An Act to amend the Canadian Wheat Board Act.
(Producers in area accessible to Churchill.)

R.S., c. 44.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1. Paragraph *(b)* of subsection (1) of section 25 of the *Canadian Wheat Board Act*, chapter 44 of the Revised Statutes of Canada, 1952, is repealed and the following substituted therefor:

Payment to producers.

"*(b)* pay to producers selling and delivering wheat produced in the designated area to the Board, at the time of delivery or at any time thereafter as may be agreed upon, a sum certain per bushel basis in store Fort William/Port Arthur, Vancouver or Churchill to be fixed from time to time by regulation of the Governor in Council in respect of wheat of the grade No. 1 Manitoba Northern and by the Board, with the approval of the Governor in Council, in respect of each other grade thereof; but such sum certain shall, in the case of grades other than No. 1 Manitoba Northern be such sum certain as in the opinion of the Board, with the approval of the Governor in Council, from time to time, brings the sum certain for each such grade into proper price relationship with the said sum certain for the grade No. 1 Manitoba Northern; and where, pursuant to this paragraph, the sum certain payable to producers in respect of wheat of any grade is increased during a pool period, the Board shall pay to any person the amount of such increase in respect of each bushel of wheat of that grade produced in the designated area and sold and delivered by him as a producer to the Board during that pool period prior to the day on which such increase becomes effective; and"

Explanatory Notes.

The only change made by this bill is to insert the words "or Churchill" in the appropriate place in two sections of the Act, as underlined.

The effect of this change will be to permit producers in the area accessible to the Port of Churchill to get the advantage of the cheaper freight rate to Churchill, wherever such cheaper rates apply. The implementation of this provision will not involve any increase in expenditure either by the Government or by the Canadian Wheat Board.

2. Subsection (5) of section 26 of the said Act is repealed and the following substituted therefor:

Determination of amounts to which producers entitled.

"(5) The Board shall, with the approval of the Governor in Council, determine and fix the amounts to which producers are entitled per bushel according to grade under certificates issued pursuant to this Part, it being the true intent and meaning of this Part that each producer shall receive in respect of wheat sold and delivered to the Board during each crop year for the same grade thereof, the same price basis Fort William/Port Arthur, Vancouver or Churchill and that each such price shall bear a proper price relationship to that for each other grade."

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 442.

An Act respecting the construction of lines of railway by Canadian National Railway Company from St. Felicien to Chibougamau and from Chibougamau to Beattyville, all in the Province of Quebec, and from Hillsport on the main line of the Canadian National Railways to Manitouwadge Lake, both in the Province of Ontario.

First reading, May 11, 1954.

THE MINISTER OF TRANSPORT.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

90435

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 442.

An Act respecting the construction of lines of railway by Canadian National Railway Company from St. Felicien to Chibougamau and from Chibougamau to Beattyville, all in the Province of Quebec, and from Hillsport on the main line of the Canadian National Railways to Manitouwadge Lake, both in the Province of Ontario.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

Construction and completion.

1. The Governor in Council may provide for the construction and completion in whole or in part by Canadian National Railway Company (in this Act called "the Company") prior to the 31st day of December, 1964, or such later date as the Governor in Council may fix, of the lines of railway (in this Act called the "railway lines") described in the Schedule and referred to therein as Branch Line Number 1 and Branch Line Number 2.

Competitive bids or tenders.

2. The Company shall adopt the principle of competitive bids or tenders in respect of the construction of the railway lines in so far as the Company decides not to perform such work or any part thereof with its own forces, but the Company is not bound to accept the lowest or any bid or tender made or obtained nor precluded from negotiating for better prices or terms.

Maximum expenditure.

3. Estimates of the mileage, the amount to be expended on the construction and the average expenditure per mile of the respective railway lines are set out in the Schedule, and, except with the approval of the Governor in Council, the Company shall not in performing the work of construction and completion exceed such estimates by more than fifteen per cent.

Issue of securities.

4. Subject to the provisions of this Act and the approval of the Governor in Council, the Company may, in respect of the cost of the construction and completion of the railway lines, or to provide amounts required for the repayment of loans made under section 5, issue notes, obligations, bonds, debentures or other securities (in this Act called "securities"), not exceeding in the aggregate, exclusive of any securities issued to secure loans made under section 5, the sum necessary to provide the Company with the net amount of forty-four million five hundred and sixty-two thousand five hundred dollars, bearing such rates of interest and subject to such other terms and conditions as the Governor in Council may approve.

Temporary loans.

5. To enable the work of construction and completion of the railway lines to proceed forthwith, the Minister of Finance, upon application made to him by the Company and approved by the Minister of Transport, may, with the approval of the Governor in Council, make temporary loans to the Company out of the Consolidated Revenue Fund, not exceeding forty-four million five hundred and sixty-two thousand five hundred dollars, repayable on such terms and at such rates of interest as the Governor in Council may determine and secured by securities that the Company is authorized to issue under section 4.

Guarantees.

6. (1) The Governor in Council may authorize the guarantee by Her Majesty in right of Canada of the principal and interest of the securities that the Company may issue under the provisions of this Act.

Forms and terms.

(2) The guarantee may be in such form and subject to such terms and conditions as the Governor in Council may determine to be appropriate and applicable thereto and may be signed on behalf of Her Majesty by the Minister of Finance or such other person as the Governor in Council may designate, and such signature is conclusive evidence for all purposes of the validity of the guarantee and that the provisions of this Act have been complied with.

Guarantees may be general or separate.

(3) Any guarantee under this Act may be either a general guarantee covering the total amount of the issue or a separate guarantee endorsed on each obligation.

Temporary guarantees.

(4) With the approval of the Governor in Council, temporary guarantees may be made to be subsequently replaced by permanent guarantees.

Deposit of proceeds of sale, etc., of securities.

7. (1) The proceeds of any sale, pledge, or other disposition of any guaranteed securities shall in the first instance be paid into the Consolidated Revenue Fund or shall be deposited to the credit of the Minister of Finance in trust for the Company, in one or more banks designated by him.

Release of deposits.

(2) The Board of Directors of the Company may authorize application to be made to the Minister of Transport for the release of any part of the proceeds deposited pursuant to subsection (1) to the Company for the purpose of meeting expenditures in respect of the construction of the railway lines, and the Minister of Transport may approve the applications, and upon the request of the Minister of Transport, the Minister of Finance may pay the amount or amounts of such applications or part thereof accordingly.

Report to Parliament.

8. The Minister of Transport shall present to Parliament during the first ten days of each session held prior to the date of completion fixed by or under section 1, a statement showing in detail the nature and extent of the work done under the authority of this Act during the previous calendar year, and the expenditure thereon, and the estimated expenditure for the current calendar year, together with the amount of any advances made under section 5 and the amount of such advances reimbursed, and such further information as the Minister of Transport may direct.

SCHEDULE.

Location	ESTIMATES		
	Mileage	Cost of Construction	Average Cost per mile
		$ cts.	$ cts.
BRANCH LINE NUMBER 1—			
Section "A" from a point at or near St. Felicien in a northwesterly direction to a point at or near the southwesterly end of Lake Cache, both in the Province of Quebec.....	139	17,000,000.00	122,308.16
Section "B" from the said point at or near the southwesterly end of Lake Cache in a southwesterly direction to a point at or near Beattyville, both in the Province of Quebec.	149	17,000,000.00	114,093.96
Section "C" from the said point at or near the southwesterly end of Lake Cache in a northerly direction to a point at or near the townsite of Chibougamau, both in the Province of Quebec.....	6	1,000,000.00	166,666.66
BRANCH LINE NUMBER 2—			
From Hillsport to Manitouwadge Lake, both in the Province of Ontario.....	27	3,750,000.00	138,888.89

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 443.

An Act to amend the Department of Transport Act.

First reading, May 11, 1954.

THE MINISTER OF TRANSPORT.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

90749

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 443.

An Act to amend the Department of Transport Act.

R. S. c. 79.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1. The *Department of Transport Act*, chapter 79 of the Revised Statutes of Canada, 1952, is amended by adding thereto, immediately after section 6 thereof, the following section:

Control of transport of goods in bulk.

"**6A.** (1) Notwithstanding anything in any Act, the Governor in Council may make regulations for the purpose of ensuring the prompt, efficient and orderly transport, by means of ships or by a company to which the *Railway Act* applies, of goods in bulk and, without restricting the generality of the foregoing, may make regulations respecting:

(a) the use, operation or supply of transport and storage facilities;

(b) the quantities of any goods in bulk to be transported or stored, either generally or with reference to any particular goods, persons, time, place or facilities, including priorities respecting transport and storage;

(c) the information to be furnished by persons dealing in or with transport or storage facilities or goods in bulk;

(d) the appointment of one or more controllers and one or more deputy controllers to carry out the provisions of this section and any regulations made thereunder, including the payment of their remuneration; and

(e) the penalties to be imposed either upon summary conviction or upon conviction on indictment for violation of any regulation made under this section, but such penalties shall not in the case of summary

Explanatory Note.

The purpose of this Bill is to authorize the Governor in Council to provide for transport control of goods in bulk.

conviction exceed a fine of five hundred dollars or imprisonment for a term of six months or both such fine and imprisonment, and in the case of conviction on indictment, a fine of five thousand dollars or imprisonment for a term of five years or both such fine and imprisonment.

"Goods in bulk" defined.

(2) In this section "goods in bulk" includes

(a) grain and grain products,

(b) ores and minerals (crude, screened, sized, refined or concentrated, but not otherwise processed),

(c) ferrous metals,

(d) iron and steel scrap,

(e) sand, stone and gravel,

(f) pulpwood, woodpulp, poles and logs,

(g) coal and coke, and

(h) sulphur and phosphate.

Duration.

(3) This section shall expire on the 31st day of May, 1956."

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 444.

An Act respecting Inventions by Public Servants.

First reading, May 11th, 1954.

THE SECRETARY OF STATE.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

90378

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 444.

An Act respecting Inventions by Public Servants.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

Short Title.

Short title.

1. This Act may be cited as the *Public Servants Inventions Act.*

Interpretation.

Definitions. "Appropriate Minister."

2. In this Act,

(a) "appropriate Minister" in relation to a public servant means the Minister who under the *Financial Administration Act* is the appropriate Minister with respect to the department in which the public servant is employed;

"Department."

(b) "department" means a department as defined in the *Financial Administration Act,* and includes a Crown Corporation named in Schedule C to that Act;

"Public Servant."

(c) "public servant" means any person employed in a department, and includes a member of the Canadian Forces or the Royal Canadian Mounted Police Force; and

"Invention."

(d) "invention" means any new and useful art, process, machine, manufacture or composition of matter, or any new and useful improvement in any art, process, machine, manufacture or composition of matter.

Explanatory Notes.

The purpose of this Bill is to substitute a uniform legislative scheme for the various provisions on the subject presently contained in four different statutes and applying to various categories of public servants. (See section 15 of the Bill.)

In short, this Bill, instead of the existing provisions of four different statutes, would govern the ownership and management of and the payment of awards for inventions made by public servants of the Government of Canada that are connected with the duties or employment of the inventors.

The expression "public servant" is defined in paragraph *(c)* of section 2 of the Bill as meaning any person employed in a department and as including a member of the Canadian Forces or of the Royal Canadian Mounted Police Force. Corporations listed in Schedules B and C to the *Financial Administration Act*, chapter 116 of the Revised Statutes, 1952, come within the meaning of the expression "department" as defined in paragraph *(b)* of section 2 of the Bill.

The definition of "inventions" in paragraph *(d)* of section 2 is *verbatim* the definition of that expression in paragraph *(d)* of section 2 of the *Patent Act*, chapter 203 of the Revised Statutes, 1952.

Section 3 of the Bill vests in Her Majesty in right of Canada all rights, in Canada or elsewhere, with respect to inventions made by public servants that have resulted from or are connected with the duties or employment of the inventors with the Government as set out in that section. The appropriate minister is empowered, subject to an appeal to the Exchequer Court by the inventor or other person claiming an interest in the invention, to determine any question that arises as to whether an invention is vested in Her Majesty under the Act by section 5 of the Bill.

The payment of an award to the inventor is authorized by section 10.

Inventions Vested in the Crown.

Inventions vested in Her Majesty.

3. The following inventions, and all rights with respect thereto in Canada or elsewhere, are vested in Her Majesty in right of Canada, namely,

(a) an invention made by a public servant

(i) while acting within the scope of his duties or employment, or

(ii) with facilities, equipment or financial aid provided by or on behalf of Her Majesty, and

(b) an invention made by a public servant that resulted from or is connected with his duties or employment.

Duties of inventor.

4. (1) Every public servant who invents an invention

(a) shall inform the appropriate Minister of the invention and shall furnish to him such information and documents with respect thereto as he requires;

(b) shall not file in Canada or elsewhere an application for a patent in respect of the invention without the written consent of the appropriate Minister; and

(c) shall, in any application in Canada for a patent in respect of the invention, disclose in his application that he is a public servant.

Duties of Commissioner of Patents.

(2) If it appears to the Commissioner of Patents that an application for a patent relates to an invention made by a public servant, the Commissioner shall inform the appropriate Minister of the application and give to the Minister such information with respect thereto as the Minister requires.

Determination of questions by Minister.

5. (1) Whenever any question arises as to whether an invention is vested in Her Majesty by this Act, the appropriate Minister shall, within three months after the question is referred to him, determine the question.

Appeal to Exchequer Court.

(2) If the appropriate Minister determines that an invention is by this Act vested in Her Majesty, the inventor or other person claiming an interest in the invention may, within thirty days from the date the determination is notified to him or such longer period as the appropriate Minister may allow, appeal to the Exchequer Court.

Determination by Exchequer Court.

(3) If no determination is made by the appropriate Minister within the time specified in subsection (1) the inventor or any person claiming an interest in the invention may, within thirty days after the expiration of the time so specified, apply to the Exchequer Court to have the question determined.

Notice to inventor.

(4) Whenever the appropriate Minister has made a determination under this section he shall forthwith in writing notify the inventor thereof.

Application for patent.

6. Notwithstanding anything in the *Patent Act*, the appropriate Minister may file an application, naming the inventor, for a patent for an invention vested in Her Majesty by this Act, and any patent issued on such an application shall be issued in the name of Her Majesty or otherwise as directed by the appropriate Minister.

Inventor to execute documents.

7. A public servant who has made an invention vested in Her Majesty by this Act shall execute all documents required by the appropriate Minister in connection with the filing of an application for a patent therefor in Canada or elsewhere.

Waiver of rights.

8. (1) The appropriate Minister may on behalf of Her Majesty waive, abandon or transfer all or any of the rights in respect of any invention vested in Her Majesty by this Act or in respect of any invention made or to be made by any public servant, and may execute any instrument to give effect thereto.

Restrictions.

(2) No interest in an invention coming within section 20 or 21 of the *Patent Act* shall be waived, abandoned or transferred under this section without the approval of the Minister of National Defence, and no interest in an invention coming within section 22 of that Act shall be waived, abandoned or transferred under this section without the approval of the Atomic Energy Control Board.

Administration and control of inventions.

9. (1) The administration and control of any invention vested in Her Majesty by this Act and any patent issued with respect thereto are vested in the appropriate Minister, and the appropriate Minister may transfer such administration and control to any other Minister or to any corporate agency of Her Majesty.

Development and exploitation.

(2) The appropriate Minister or other Minister or agency referred to in subsection (1) may develop and exploit any invention under the administration and control of such Minister or agency, as the case may be, and may on behalf of Her Majesty enter into any agreement with any person for such purpose.

Authority of Crown agencies.

(3) Notwithstanding anything in its charter or Act of incorporation, an agency to which the administration and control of any invention or patent is transferred under this section has the capacity and power to receive, hold, administer, control, develop and exploit the invention or patent and generally to carry out the provisions of this Act with respect thereto.

Awards.

Awards.

10. Subject to the regulations, the appropriate Minister may authorize the payment of an award to a public servant who makes an invention that is vested in Her Majesty by this Act, in such amount as the appropriate Minister and the public servant may agree upon or as the appropriate Minister determines.

Penalties.

Penalties.

11. Every person who violates subsection (1) of section 4 or section 7 is guilty of an offence and liable on summary conviction to a fine of five hundred dollars or to imprisonment for a term of six months, or to both fine and imprisonment.

Regulations.

Regulations.

12. The Governor in Council may make regulations for carrying out the purposes and provisions of this Act, and without restricting the generality of the foregoing, may make regulations:

(a) prescribing rules of practice and procedure respecting
(i) applications for patents pursuant to this Act,
(ii) the determination of questions whether an invention is vested in Her Majesty by this Act, and
(iii) any appeal or application under this Act to the Exchequer Court;

(b) prescribing the information to be furnished in any application for a patent in respect of an invention made by a public servant; and

(c) prescribing the amount of and the method of calculating and determining the awards to be paid under this Act and the manner and time of payment.

General.

Where two Ministers concerned.

13. (1) Where there are two or more appropriate Ministers with respect to any invention, any one of such appropriate Ministers may in relation to that invention act as the appropriate Minister under this Act.

Joint inventions.

(2) This Act applies to the interest of a public servant in an invention made jointly by him and another person who is not a public servant.

Application.

14. This Act applies to

(a) all inventions made after the 1st day of June, 1954, and

(b) all inventions, whenever made, in respect of which an application for a patent is made in Canada after the 1st day of June, 1954.

Repeal.

15. Section 13 of the *Atomic Energy Control Act*, chapter 11 of the Revised Statutes of Canada, 1952, section 12 of the *National Defence Act*, chapter 184 of the Revised Statutes of Canada, 1952, section 47 of the *Patent Act*, chapter 203 of the Revised Statutes of Canada, 1952, and section 14 of the *Research Council Act*, chapter 239 of the Revised Statutes of Canada, 1952, are repealed.

Coming into force.

16. This Act shall come into force on a day to be fixed by proclamation of the Governor in Council.

445

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE SENATE OF CANADA

BILL ~~C15~~ 445.

An Act to amend the Canadian Citizenship Act.

AS PASSED BY THE SENATE, 13th MAY, 1954.

EDMOND CLOUTIER, C.M.G.,O .A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

90679

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE SENATE OF CANADA

BILL C15.

An Act to amend the Canadian Citizenship Act.

R.S., c. 33, 1952-53, c. 23.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1952-53, c. 23.

1. Paragraph *(a)* of subsection (1) of section 10 of the *Citizenship Act*, chapter 33 of the Revised Statutes of Canada, 1952, is repealed and the following substituted therefor:

"*(a)* he has attained the age of twenty-one years, or he is the spouse of and resides in Canada with a Canadian citizen;"

2. Subsection (3) of section 44 of the said Act is repealed and the following substituted therefor:

Continuation of proceedings commenced under the *Naturalization Act*.

"(3) Naturalization proceedings that were commenced under the *Naturalization Act* but not completed before the 1st day of January, 1947, may be continued as proceedings for a grant of a certificate of citizenship under this Act and, for this purpose, an application for naturalization under the *Naturalization Act* and regulations shall be deemed to have the same effect as an application for the grant of a certificate of citizenship under this Act."

EXPLANATORY NOTES.

1. *Section 10(1) (a).*

This amendment does away with the declaration of intention. The provision substituted therefor merely sets out more clearly an existing requirement. The declaration of intention which unduly complicates the citizenship procedure is costly and cumbersome.

2. *Section 44(3).*

Reference to the declaration of intention has been deleted from this section as the result of the amendment to section 10(1) *(a)*.

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 446.

An Act to amend the Radio Act.

First reading, May 17, 1954.

THE MINISTER OF TRANSPORT.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

91183

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 446.

An Act to amend the Radio Act.

R. S., c. 233, 1952-53, c. 48.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1. Subsection (4) of section 7 of the *Radio Act*, chapter 233 of the Revised Statutes of Canada, 1952, is repealed and the following substituted therefor:

Exemptions.

"(4) The Governor in Council may, by regulation and on such terms and conditions as he may prescribe, exempt from the operation of this section,

(a) a person who

(i) is employed as a radio operator on a radio station in Canada;

(ii) holds a valid Canadian certificate of proficiency, or other authority to operate a radio station issued by the Minister, or an equivalent certificate or authority issued by the country of which he is a citizen; and

(iii) is a citizen of a country that grants reciprocal permission to Canadian citizens to be employed as radio operators in that country or is a landed immigrant within the meaning of the *Immigration Act;* and

(b) a person who is employed as a radio operator on a radio station in Canada by the government of another country or any agency thereof."

Explanatory Notes.

The purpose of this Bill is to amend the *Radio Act* to authorize the employment of United States personnel as radio operators on United States Government radio stations in Canada.

Order in Council P.C. 3484 of August 8, 1951, made under the *Emergency Powers Act*, authorized the Minister of Transport to grant permission to the Government of the United States to establish and operate radio stations in Canada, and to employ radio operators in connection therewith who are not British subjects. This Order in Council will expire on May 31, 1954.

The Bill would also authorize regulations permitting certain landed immigrants to be employed as radio operators in Canada.

Subsection (4) of section 7 of the *Radio Act* now reads as follows:

"(4) The Governor in Council may, by regulation and on such terms and conditions as he may prescribe, exempt from the operation of this section a non-resident of Canada who

(a) is employed as a radio operator on a radio station in Canada,

(b) holds a valid Canadian certificate of proficiency or an equivalent certificate issued by the country of which he is a citizen, and

(c) is a resident and citizen of a country that grants a reciprocal permission to Canadian citizens to be employed as radio operators in that country."

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 447.

An Act to amend the Excise Tax Act.

First reading, May 18, 1954.

THE MINISTER OF FINANCE.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

90314

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 447.

An Act to amend the Excise Tax Act.

R.S. cc. 100, 320; 1952-53, c. 35.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1. Section 2 of the *Excise Tax Act*, chapter 100 of the Revised Statutes of Canada, 1952, is amended by adding thereto the following subsection:

Application to Yukon and Northwest Territories.

"(2) For the purposes of this Act the expression "Her Majesty in right of a province" includes the governments of the Northwest Territories and the Yukon Territory, the expression "legislature of any province" includes the Council of the Northwest Territories and the Council of the Yukon Territory, and the expression "Lieutenant-Governor in Council" includes the Commissioner of the Northwest Territories and the Commissioner of the Yukon Territory."

1952-53, c. 35.

2. Section 7 of the said Act is amended by adding thereto the following subsection:

How return to be signed.

"(2) The return shall, in the case of a Canadian company, be signed by the president, vice-president, managing director or secretary; in the case of a company other than a Canadian company, by the chief agent of the company in Canada, or, in the case of a company not having a chief agent in Canada, in such manner as the Minister may prescribe."

3. Section 22 of the said Act is amended by adding thereto the following subsection:

Calculation of sale price and duty paid value.

"(2) For the purpose of determining the excise tax payable under this Part

(a) in calculating the sale price of goods manufactured or produced in Canada there shall be included the amount charged as price for or in respect of

(i) the wrapper, package, box, bottle or other container in which the goods are contained, and

EXPLANATORY NOTES.

1. The proposed new subsection is designed to provide for exemption from the excise taxes to purchasing authorities for the Yukon and Northwest Territories in the same manner as is now provided for provincial governments.

2. This subsection was inadvertently repealed by the amendments of 1952-53 and should be restored.

3. Where imported goods are subject to excise taxes, the packaging presently escapes the tax while domestic manufacturers are required to pay it on their packaging. The section is to make clear that all packaging is subject to the tax and is also intended to clarify the application of the excise tax to premium goods supplied with taxable products.

(ii) any other goods contained in or attached to such wrapper, package, box, bottle or other container; and

(b) in calculating the duty paid value of imported goods that, when imported, are wrapped, packaged, put up in boxes or bottles or otherwise prepared for sale, there shall be added to the value of the goods as determined in the manner prescribed in this Part the value, similarly determined, of the wrapper, package, box, bottle or other container in which the goods are contained, and such wrapper, package, box, bottle or other container shall be deemed to be subject to the same rate of duty as the goods contained therein."

1952-53, c. 35, s. 21.

4. Subsection (5) of section 23 of the said Act is amended by striking out the word "and" at the end of paragraph *(b)* thereof and by repealing paragraph *(c)* thereof and substituting the following therefor:

"*(c)* in the case of articles enumerated in section 14 of Schedule I, be deemed to apply to any such goods that are wrapped, packaged, put up in boxes or otherwise prepared for sale, otherwise than in a retail store for the purpose of sale in such store; and

(d) in the case of any fluid for use in a device mentioned in section 4 of Schedule I, be deemed to apply to any such fluid when put into tins, bottles or otherwise prepared for sale."

Repeal.

5. Sections 24 and 25 of the said Act are repealed.

1952-53, c. 35, s. 22.

6. (1) Paragraph *(e)* of subsection (1) of section 29 of the said Act is amended by striking out the word "and" at the end of subparagraph (v) thereof and by repealing subparagraph (vi) thereof and substituting the following therefor:

"(vi) any person who wraps, packages, puts up in boxes or otherwise prepares for sale any article enumerated in section 14 of Schedule I, otherwise than in a retail store for the purpose of sale in such store, and

(vii) any person who puts into tins or bottles or otherwise prepares for sale any fluid for use in a device mentioned in section 4 of Schedule I; and"

(2) Section 29 of the said Act is further amended by adding thereto the following subsection:

Calculation of sale price and duty paid value.

"(3) For the purpose of determining the consumption or sales tax payable under this Part

4. Under the present Act, persons who purchase volatile fluids and merely repackage them, escape the excise tax on lighter fluid unless they own some patent or other right to the goods sold. The proposed new paragraph *(d)* is intended to place beyond doubt that the excise tax will apply to all sales of lighter fluid. The amendment to paragraph *(c)* is consequential upon a change in the numbering of the items in Schedule I under this Bill.

5. These sections provided for the excise tax on furs, which tax has been repealed.

6. The amendments to be effected by clauses 3 and 4 of this bill refer to excise tax. Clause 6 of the bill would effect corresponding amendments in relation to sales tax.

(a) in calculating the sale price of goods manufactured or produced in Canada there shall be included the amount charged as price for or in respect of

(i) the wrapper, package, box, bottle or other container in which the goods are contained, and

(ii) any other goods contained in or attached to such wrapper, package, box, bottle or other container; and

(b) in calculating the duty paid value of imported goods that, when imported, are wrapped, packaged, put up in boxes or bottles or otherwise prepared for sale, there shall be added to the value of the goods as determined in the manner prescribed in this Part the value, similarly determined, of the wrapper, package, box, bottle or other container in which the goods are contained, and such wrapper, package, box, bottle or other container shall be deemed to be subject to the same rate of duty as the goods contained therein."

7. Subsections (2) and (3) of section 32 of the said Act are repealed and the following substituted therefor:

Articles exempted for 50 per cent.

"(2) There shall be imposed, levied and collected only fifty per cent of the tax imposed by section 30 on the sale and delivery of the articles enumerated in Schedule IV.

Further articles exempted.

(3) The taxes imposed by Parts IV to VI inclusive, do not apply to goods imported under *Customs Tariff* items 703, 704 and 708."

8. Section 39 of the said Act, and the heading immediately preceding that section, are repealed and the following heading and section substituted therefor:

"Stamps.

Preparation and use of stamps.

39. The Minister may direct the preparation and use of stamps for the purposes of this Act."

9. The said Act is further amended by adding thereto, immediately before section 45 thereof, the following heading:

"Liability of the Crown."

10. Subsection (7) of section 46 of the said Act is repealed and the following substituted therefor:

Drawback.

"(7) A drawback of ninety-nine per cent of the taxes imposed by Parts IV, V and VI and paid on or in respect of goods

(a) exported,

(b) supplied as ships' stores,

(c) used for the equipment, repair or reconstruction of ships or aircraft, or

7. Subsection (2) of section 32 reads:

"There shall be imposed, levied and collected only fifty per cent of the tax imposed by section 30 on the sale and delivery *or importation* of the articles enumerated in Schedule IV."

Schedule IV to which reference is made applies only to articles manufactured by the blind, deaf and dumb in institutions in Canada. Hence, the words "or importation" are superfluous.

Subsection (3) of section 32 reads:

"The taxes imposed by Parts IV to VI inclusive, do not apply to goods imported under Customs Tariff item 703."

Customs Tariff item 704 as amended by the Budget Resolutions reads:

"*(a)* Apparel, wearing and other personal and household effects not merchandise, of British subjects dying abroad, but domiciled in Canada; books, pictures, family plate or furniture, personal effects and heirlooms left by bequest to any resident of Canada, or acquired by any resident of Canada, as a result of the death of any person resident abroad, or as a gift in anticipation of the death of any such person; all such goods or articles when given as a free gift by anyone resident abroad to a resident of Canada; the Minister to be the sole judge as to whether any goods or any article imported is to be classified as entitled to the benefit of this item or not;

(b) Personal gifts, not exceeding twenty-five dollars in value and not including cigarettes, tobacco and alcoholic beverages, from members of the Canadian Forces serving abroad, to relatives or friends in Canada."

Under Customs Tariff item 708, importations of a considerable number of items for use by North Atlantic Treaty Organization Forces, United States Forces, Exchange Officers from various allied countries, etc., are permitted free from duty and sales tax but there is no equivalent exemption for excise tax. The exemption is designed to provide this.

8. Section 39 and the heading, read:

"*Stamp Duties.*

(1) The Minister, except as herein otherwise provided, may direct stamps to be prepared for the purposes of this Act of such kinds and bearing respectively such devices as he thinks proper, and all sums received for stamps and paper stamped by means of a die under this Act shall form part of the Consolidated Revenue Fund.

(2) The device on each stamp shall express the sum at which it shall be reckoned in discharge of the obligation to affix or impress stamps under this Act."

The amendment is designed to simplify the wording of the section.

9. A heading before section 45 is considered desirable.

10. The subsection to be repealed being subsection (7) of section 46 reads:

"(7) A drawback of ninety-nine per cent of the taxes imposed by Parts IV, V and VI paid *in respect of materials used in, wrought into or attached to goods exported, or in respect of materials (not to include fuel or plant equipment) consumed in the manufacture or production of any such goods*, may be granted; but payment of a specific sum in lieu of such drawback may be authorized by the Governor in Council in cases where specific rates of drawback of Customs duties are granted under the provisions of section 275 of the *Customs Act*."

(d) delivered to telegraph cable ships proceeding on an ocean voyage for use in the laying or repairing of oceanic telegraph cables outside Canadian territorial waters,

may be granted under regulations of the Governor in Council; but payment of a specific sum in lieu of such drawback may be authorized by the Governor in Council in cases where specific rates of drawback of customs duties are granted under section 275 of the *Customs Act*."

11. (1) Section 50 of the said Act is amended by adding thereto, immediately after subsection (8) thereof, the following subsection:

Recovery out of money owing by Crown.

"(8*a*) Where a person is indebted to Her Majesty under this Act the Minister may require the retention by way of deduction or set-off of such amount as the Minister may specify out of any amount that may be or become payable to such person by Her Majesty."

(2) Section 50 of the said Act is further amended by adding thereto the following subsection:

Recovery of pecuniary penalties.

"(13) Where a corporation has been convicted of an offence under this Act and a pecuniary penalty has been imposed by the conviction, the amount of the penalty may, by filing the conviction or a certified copy thereof in the Exchequer Court of Canada, be entered as a judgment of that court, and that judgment is enforceable against the accused in the same manner as if it were a judgment rendered against the accused in that court in civil proceedings."

Repeal.

12. Section 52 of the said Act is repealed.

13. Section 62 of the said Act is repealed and the following substituted therefor:

Time limited for prosecution.

"**62.** An information or complaint under the provisions of the *Criminal Code* relating to summary convictions, in respect of an offence under this Act may be laid or made on or before a day three years from the time when the matter of the information or complaint arose or within one year from the day on which evidence, sufficient in the opinion of the Minister to justify a prosecution for the offence, came to his knowledge, and the Minister's certificate as to the day on which such evidence came to his knowledge is conclusive evidence thereof."

14. Schedules I, II and III to the said Act are repealed and Schedules I, II and III to this Act are respectively substituted therefor.

The proposed subsection extends the drawback to goods supplied as ships' stores, to aircraft and cable ships under certain conditions.

11. (1) Provision is presently made for collection of the taxes imposed under the *Excise Tax Act* from persons who may owe money to a tax debtor but no provision is made in cases where the Crown is the debtor. This subsection is intended to provide that where money is owing by the Crown to a delinquent taxpayer, it can be collected directly from the paying department.

(2) This subsection is designed to continue in this Act the authority now provided by section 739*(a)* of the *Criminal Code*.

12. As Parts II and III of the *Excise Tax Act* were repealed at the last session, section 52 is no longer pertinent. The present section 52 reads:

"**52.** Any penalty collected and paid under Parts II and III may be divided with the person laying an information or otherwise aiding in effecting the conviction of the person accused, in such proportions as the Treasury Board in any case or class of cases directs."

13. The present section 62 reads:

"**62.** Prosecutions or suits for the recovery or enforcement of any of the penalties imposed by this Act may be made or commenced at any time within three years after the offence was committed or the cause of prosecution or suit arose, but not afterwards; but where false or fraudulent acts, whether of omission or commission, are involved in any offence committed or in any cause of prosecution or suit, the prosecution or suit may be commenced at any time within the said period of three years or within six months after the Minister or the Deputy Minister of National Revenue for Customs and Excise has knowledge or notice of such false or fraudulent acts, whichever be the longer period, but not afterwards."

It has been found that occasionally the period of six months provided is not sufficient in which to bring audit reports to finality due to auditors both for the taxpayer assessed and for the Department having to make extensive examinations of the books and records of a company. The section is designed to extend the period during which legal action may be taken from six months to one year.

14. The amendments to the Schedules are to bring into effect the budget resolutions.

Coming into force.

15. Sections 1, 3, 4, 5, 6, 7, 10 and 14 of this Act and the Schedules to this Act shall be deemed to have come into force on the 7th day of April, 1954, and to have applied to all goods mentioned therein imported or taken out of warehouse for consumption on or after that day, and to have applied to goods previously imported for which no entry for consumption was made before that day.

SCHEDULE I.

1. Automobiles adapted or adaptable for passenger use, with seating capacity for not more than ten persons each...fifteen per cent; the tax on automobiles applies on the total price charged for such automobiles, which price shall include all charges for accessories, optional equipment, or any other charges contracted for at the time of sale, whether charged for separately or not; the tax does not apply to automobiles imported under *Customs Tariff* items 702, 705a, 706 and 707.

2. Articles, materials or preparations of whatever composition or in whatever form, commonly or commercially known as toilet articles, preparations or cosmetics, which are intended for use or application for toilet purposes, or for use in connection with the care of the human body, including the hair, nails, eyes, teeth, or any other part or parts thereof, whether for cleansing, deodorizing, beautifying, preserving or restoring, and including shaving soaps and shaving creams, antiseptics, bleaches, depilatories, perfumes, scents and similar preparations .....ten per cent.

3. Motor cycles and all other two- or three-wheeled motor driven vehicles including motors for attachment to bicycles but not including vehicles specially designed for carrying goods or for use by invalids .....ten per cent.

4. Devices, commonly or commercially known as lighters, which produce sparks, flame or heat whether or not in combination with other articles on the separate or combined value, as the case may be.....ten per cent.

5. Coin, disc or token operated games or amusement devices of all kinds.....ten per cent.

6. *(a)* Phonographs, record playing devices, radio broadcasting receiving sets or any combination of the foregoing and tubes therefor; any apparatus or device that enables a person to hear programmes of music distributed by any means whatever or radio broadcasting programmes distributed by any means whatever; but this paragraph does not include any article coming within paragraph *(b)* of this section..fifteen per cent.

(b) Television receiving sets and tubes therefor; any apparatus or device that enables a person to see, or to see and hear, television programmes distributed by any means whatever or television radio broadcasting programmes distributed by any means whatever.....fifteen percent.

7. Ash trays; tobacco pipes; cigar and cigarette holders; cigarette rolling devices and other smokers' accessories, not including lighters, matches or tobacco.....ten per cent.

8. Fountain pens; ball-point pens; ink pencils; propelling pencils; desk sets and all other desk accessories.....ten per cent.

9. Cigars.....fifteen per cent.

10. Matches.....ten per cent.

11. Tires and Tubes:—

(a) Tires in whole or in part of rubber for self-propelled machines or automotive vehicles of all kinds, including trailers or other wheeled attachments used in connection with any of the said machines or vehicles.....ten per cent;

(b) Inner tubes for use in any such tires.....ten per cent;

the tax on the articles enumerated in paragraphs *(a)* and *(b)* of this section does not apply to the goods mentioned therein

(i) when used exclusively for the original equipment of such self-propelled machines, automotive vehicles, trailers or other wheeled attachments,

(ii) when used exclusively for replacement purposes on machinery designed for and used only for farm purposes, or

(iii) when designed and catalogued for farm machinery and used on farm trailers used exclusively for farm purposes.

12. *(a)* Clocks and watches adapted to household or personal use, except railway men's watches, and those specially designed for the use of the blind, and alarm clocks where the sale price by the Canadian manufacturer or the duty paid value of those imported does not exceed ten dollars.....ten per cent;

(b) Articles of all kinds made in whole or in part of ivory, jet, amber, coral, mother of pearl, natural shells, tortoise shell, jade, onyx, lapis lazuli, or other semi-precious stones.....ten per cent;

the tax on the articles enumerated in paragraphs *(a)* and *(b)* of this section does not apply to the goods mentioned therein where the sale price by the Canadian manufacturer, or the duty paid value of the goods imported, does not exceed one dollar;

(c) The following articles, namely:

(i) articles commonly or commercially known as jewellery, whether real or imitation, including diamonds and other precious or semi-precious stones for personal use or for adornment of the person; goldsmiths' and silversmiths' products except plated table knives, forks and spoons; pewter ware;

(ii) articles of cut glassware, crystal glassware, cut or not, etched glassware, or metal decorated glassware;

(iii) articles of china, porcelain, earthenware, marble, stoneware, or other pottery ware, except articles for use in the preparation or serving of food or drink, or except where they are sold or imported for use exclusively in the manufacture of electric lamps.....ten per cent;

the tax on the articles enumerated in this paragraph *(c)* does not apply to the goods mentioned therein where the sale price by the Canadian manufacturer, or the duty paid value of the goods imported, does not exceed fifty cents.

13. Carbonated beverages, aerated waters, unfermented fruit juice beverages (not including beverages at least ninety-five per cent of which consists of pure juice of the fruit) and imitations thereof and all other compounded or mixed soft drinks and all mixtures or products advertised or sold for making soft drink beverages or imitations thereof, whether sold in liquid, concentrated or in dry form except where the mixture or product is advertised or sold for making soft drink beverages or imitations thereof for sale.....ten per cent.

14. Candy, chocolate, chewing gum and confectionery that may be classed as candy or a substitute for candy.....ten per cent.

SCHEDULE II.

1. Carbonic acid gas and similar preparations to be used for aerating non-alcoholic beverages.....fifteen cents per pound.

2. Cigarettes, manufactured tobacco and Canadian raw leaf tobacco:

(a) For each five cigarettes or fraction of five cigarettes contained in any package.....two cents;

(b) Manufactured tobacco, including snuff, but not including cigars and cigarettes.....eighty cents per pound;

(c) Canadian raw leaf tobacco when sold for consumption in Canada.....eight cents per pound.

SCHEDULE III.

Foodstuffs

Barley; Bread; Butter; Cheese; Cream; Eggs, Egg Albumen and Egg yolks; Glucose; Honey, Ice; Lactose; Lard; Rice; Salt; Shortening; Soups; Split Peas; Sugar; Yeast; Yogurt;

Bakers' cakes and pies including biscuits, cookies or other similar articles;

Cereal breakfast foods not including beverages;

Cooking oil and salad oils, not including mayonnaise or salad dressing;

Drinks prepared from milk or eggs;

Fish and edible products thereof;

Flour including pastry, cake, biscuit, and similar mixes;

Foods prepared and sold exclusively for feeding infants;

Fruit, fresh, canned, frozen, preserved, dried or evaporated;

Grain grits and meals;

Ice cream;

Jams, jellies, marmalades, and preserves;

Malt syrup, except when sold for beverage purposes;

Maple syrup; corn syrup; table syrups; molasses;

Meats and poultry, fresh, cooked, canned, frozen, smoked or dried;

Milk, including buttermilk, condensed milk, evaporated milk, and powdered milk;

Peanut butter;

Prepared whipping cream;

Spaghetti, macaroni and vermicelli;

Vegetables, fresh, canned, frozen or dehydrated, not including pickles, relishes, catsup, sauces, olives, horseradish, mustard, and similar goods;

Vegetable juices; fruit juices which consist of at least ninety-five per cent of pure juice of the fruit;

Materials to be used exclusively in the manufacture or production of the aforementioned foodstuffs;

Farm and Forest

Bees; Casein; Fertilizer; Hay; Hops; Shorts; Straw;

Alfalfa meal;

Animals, living;

Baling twine or baling wire for baling farm produce, and articles and materials to be used or consumed exclusively in process of manufacture thereof;

Beet pulp, dried;

Drain tiles for agricultural purposes;

Farm produce sold by the individual farmer of his own production, not including flowers, flowering plants or bulbs, when the sales thereof exceed five hundred dollars per annum;

Feeds for fur-bearing animals whose pelts have commercial value;

Forest products when produced and sold by the individual settler or farmer;

Friction disc sharpeners;

Furs, raw;

Gopher poison, and materials for use exclusively in its manufacture;

Grain or seed cleaning machines and complete parts therefor;

Grains and seeds in their natural state;

Harness for horses and complete parts therefor, and articles and materials to be used exclusively in the manufacture thereof; harness leather;

Hides, raw and salted;

Logs and round unmanufactured timber;

Milk albumen, when for use exclusively in the production of animal or poultry feeds;

Nursery stock;

Oil cake, oil cake meal;

Peat moss when used for agricultural purposes, including poultry litter;

Poultry, cattle and other stock feeds;

Poultry, living;

Preparations or chemicals sold for disinfecting, dipping or spraying and so used in agriculture or horticulture, and materials for use exclusively in the manufacture of such preparations;

Sap spouts and sap buckets, evaporators and complete parts therefor, when for use exclusively for the production of maple syrup;

Sawdust and wood shavings;

Settlers' effects;

Steel pens and complete parts thereof for farm animals, and articles and materials for use exclusively in the manufacture thereof;

Vegetable plants;

Wool not further prepared than washed;

Woollen rolls or wool yarn milled for a producer of wool from wool supplied by him for his own use;

ENGINES

Internal combustion traction engines, and portable engines with boilers in combination, for farm purposes, or for use exclusively in the operation of logging, such operation to include the removal of the log from stump to skidway, log dump or common or other carrier, and accessories (not including machines and tools for operation by such engines) and complete parts of all the foregoing, and articles and materials, not including plant equipment, to be used or consumed exclusively in the manufacture of the foregoing engines, boilers or parts thereof;

MINES AND QUARRIES

Crushed stone or crushed gravel;

Gold and silver in ingots, blocks, bars, drops, sheets or plates unmanufactured;

Ores of all kinds;

Sand, gravel, rubble, and field stone;

MARINE AND FISHERIES

Boats *bona fide* purchased by fishermen for use in the fisheries, and articles and materials to be used exclusively in the manufacture, equipment or repair of such boats;

Carrageen or Irish Moss;

Cotton duck and cotton sail twine to be used only in the manufacture of equipment for ships or vessels;

Rope and cordage of cotton, hemp, manila or other vegetable fibre, or nylon, for the fisheries, not including these articles for sportsmen's purposes, and materials for use only in the manufacture thereof;

Preservatives for use exclusively for treating fishing nets, ropes and lines;

Materials for use only in the construction, equipment and repair of ships;

Materials used as ingredients in canned fish;

Ships licensed to engage in the Canadian coasting trade;

Sinkers, and floats including trawl kegs, when for use exclusively in the fisheries, not including these articles for sportsmen's purposes;

CHARITABLE, HEALTH, ETC.

Adrenocorticotrophin (ACTH); Cortisone; Insulin; Radium;

Articles and materials for the sole use of any *bona fide* public hospital certified to be such by the Department of National Health and Welfare, when purchased in good faith for use exclusively by the said hospital and not for resale;

Artificial eyes;

Donations of clothing and books for charitable purposes;

Hearing aids and parts therefor, including batteries specifically designed for use with such hearing aids;

Liver extract for use exclusively in the treatment of anaemia;

Memorials or monuments erected in memory of members of the Armed Forces who lost their lives in the service of their country;

War Veterans' badges;

PRINTING AND EDUCATIONAL

Bibles, missals, prayer books, psalm and hymn books, religious tracts, Sunday School lesson pictures, books, bound and unbound, pamphlets, booklets, leaflets, scripture, prayer, hymn and mass cards and religious mottoes and pictures unframed, for the promotion of religion, and materials to be used exclusively in the manufacture thereof, but not including calendars, parish reports, forms, stationery or programmes;

Books, printed and bound, that contain no advertising and are solely for educational, technical, cultural or literary purposes, and materials to be used exclusively in the manufacture thereof, but not including directories, price lists, time tables, rate books, catalogues, periodic reports, fashion books, albums, books for writing or drawing upon, or any books similar to the foregoing exclusions;

College and school annuals; newspapers; sheet music; magazines and literary papers unbound, regularly issued at stated intervals, not less frequently than four times yearly; and materials to be used exclusively in the manufacture thereof;

The Minister shall be the sole judge as to whether any printed material comes within any of the classes enumerated in any of the three foregoing paragraphs of this heading;

Manuscript;

Phonograph records authorized by the Department of Education of any province in Canada for instruction in the English and the French language, and materials to be used exclusively in the manufacture thereof;

Photographs, paintings, pastels, drawing and other art work and illustrations of all kinds, whether originals, copies or proofs, and printing plates made to reproduce the same, for use exclusively as non-advertising news pictures or for illustrating non-advertising articles or stories in periodical publications enjoying second-class mailing privileges, the pages of which are regularly bound, wire stitched or otherwise fastened together;

DIPLOMATIC

Articles for the use of the Governor General;

Articles imported for the personal or official use of the Heads of Diplomatic Missions, High Commissioners representing other of Her Majesty's Governments, Counsellors, Secretaries and Attaches at Embassies, Legations, and offices of High Commissioners in Canada, Trade Commissioners, representing other of Her Majesty's Governments, Consuls General of Foreign Nations who are natives or citizens of the countries they represent and who are not engaged in any other business or profession; automobiles, cigars, cigarettes, manufactured tobacco, ale, beer, stout, wines, spirits, purchased in Canada by any of the foregoing;

CERTAIN BUILDING MATERIALS

Bricks; building tile, building blocks and building stone;

Plaster; lime; cement;

Lumber; sash; doors; shingles; lath; siding; stairways;

Plaster boards, fibreboard, wall panels, building paper and materials, other than wallpaper, manufactured wholly or in part of vegetable or mineral substances for walls, wall coverings or building insulation;

Paints, varnishes, white lead and paint oil;

Prepared roofings;

Shower baths, bath tubs, basins, faucets, closets, lavatories, sinks and laundry tubs, not including repair parts therefor, nor pipes and pipe fittings;

Cast iron soil pipe and cast iron fittings therefor;

Glass for buildings;

Furnaces, stokers, oil or gas burners, hot water and steam radiators not including fittings, for the heating of buildings;

Locks and lock sets;

Structural steel to be used exclusively for the framework and support of buildings;

Articles and materials to be used exclusively in the manufacture or production of the aforementioned building materials;

COVERINGS

Usual coverings to be used exclusively for covering goods not subject to the consumption or sales tax and materials to be used exclusively in the manufacture of such coverings;

FIRE BRICK, REFRACTORIES, ETC.

Fire brick, plastic refractories, high temperature cement, fire clay and other refractory materials for use exclusively in the construction or repair of a furnace, kiln or other equipment of a manufacturing establishment, and materials to be used or consumed exclusively in the manufacture of such fire brick or refractory materials;

PROCESSING MATERIALS

Materials (not including grease or lubricating oils) consumed or expended directly in the process of manufacture or production of goods;

MACHINERY AND APPARATUS TO BE USED IN MANUFACTURE OR PRODUCTION

Machinery and apparatus (including coal crushers and stokers) and complete parts thereof which, in the opinion of the Minister are to be used directly in the process of manufacture or production of goods; this exemption does not apply to office equipment or motor vehicles, except diesel powered self-propelled trucks, mounted on rubber tired wheels, for off-highway use exclusively at mines or quarries, and complete parts thereof;

MISCELLANEOUS

Articles and materials purchased or imported by a government of a country designated by the Governor in Council under Customs Tariff item 708, or purchased or imported by a Canadian government agency on behalf of such a government, for the construction, maintenance or operation of military or defence establishments in Canada and not intended for resale, gift or other disposition except as may be authorized by the Minister of National Revenue;

British and Canadian coins and foreign gold coin;

Drain tile not exceeding four inches in inside diameter and twelve inches in length;

Electricity;

Equipment sold to or imported by municipalities for their own use and not for resale, at a price in excess of one thousand dollars per unit, specially designed for use directly for road making, road cleaning or fire fighting, but not including automobiles or ordinary motor trucks;

Fuel for lighting or heating, but not including fuel when for use in internal combustion engines; crude oil to be used in the production of fuel;

Natural gas and gas manufactured from coal, calcium carbide or oil for illuminating or heating purposes;

Tires and tubes for use exclusively on the machinery enumerated in Customs Tariff item 411a;

GOODS ENUMERATED IN CUSTOMS TARIFF ITEMS

173, 209b, 352a, 364, 406, 409, 409a, 409b, 409c, 409d, 409e, 409f, 409g, 409h, 409i, and complete parts thereof, 409j, 409k, 409q, 411a, 436, 437, 439c, 440k, 460, 476, 476a, 476b, 478, 480, 480a, 663b, 666, 667, 682, 692, 692b, 693(i), 695a, 695b, 696, 696a, 697, 698, 699, 700, 701, 702, 703, 704, 708, 786, 848;

Articles and materials which enter into the cost of manufacture of the goods enumerated in tariff items 409, 409a, 409b, 409c, 409d, 409e, 409f, 409g, 409j, 409k, 409o and 439c, when imported by manufacturers for use exclusively in the manufacture in their own factories of the goods enumerated in the aforesaid tariff items, under regulations prescribed by the Minister;

Articles and materials to be used exclusively in the manufacture of goods enumerated in Customs Tariff items 173, 406, 409, 409a, 409b, 409c, 409d, 409e, 409f, 409g, 409h, 409i, 409j, 409k, 409q, 410b, 411, 411a, 411b, 439c, 440k, 476, 476a, 480, 480a, 663, 663a, 663b, 666, 667, 696, 848;

Materials not to include plant equipment consumed in process of manufacture or production, which enter directly into the cost of goods enumerated in Customs Tariff items 406, 409, 409a, 409b, 409c, 409d, 409e, 409f, 409g, 409h, 409i, 409j, 409k, 409q, 410b, 411, 411a, 411b, 439c, 440k, 476, 476a, 480, 480a, 663, 663a, 666, 667, 696.

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 448.

An Act to amend the Excise Act.

First reading, May 18, 1954.

THE MINISTER OF FINANCE.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

90310

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 448.

An Act to amend the Excise Act.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

R.S., cc. 99, 319; 1952-53, c. 34.

1. (1) Section 171 of the *Excise Act*, chapter 99 of the Revised Statutes of Canada, 1952, is repealed.

(2) Sections 172 and 173 of the said Act are repealed and the following substituted therefor:

Duties.

"**172.** There shall be imposed, levied and collected on every gallon of beer or malt liquor the duties of excise set out in the Schedule, which shall be paid to the collector as herein provided.

Computation of duty.

173. The duty hereby imposed upon beer or malt liquor shall be charged and computed in such manner as may be prescribed by departmental regulations."

2. Section 175 of the said Act is repealed and the following substituted therefor:

Drawback on beer exported.

"**175.** (1) Every licensed brewer who exports beer or malt liquor of his own manufacture is entitled to receive a drawback thereon equivalent to the duty imposed thereon, and the amount of the drawback shall be computed in such manner and by such means as are, from time to time, directed by departmental regulations in that behalf.

Notice of intention to claim.

(2) No drawback under this section shall be allowed or paid unless the brewer claiming it has given at least two days' notice of his intention to export the beer on which it is claimed, and made such declaration as to the quantity thereof as is required by departmental regulations in that behalf.

Transactions deemed to be exports.

(3) For the purposes of this section and section 176, the delivery of beer or malt liquor

(a) for use as ships' stores, or

Explanatory Notes.

1. Section 171 at present reads as follows:

"**171.** On every cask or barrel used in a brewery or for keeping or delivering out any beer, there shall at all times be legibly cut, branded or painted in oil colours on one head, the name and address of the brewer; and on every bottle containing beer, there shall at all times be securely fixed by the brewer or bottler of the said beer, a label showing in conspicuous type the name and address of the brewer or bottler of the said beer and such other information as may be prescribed by departmental regulations."

The marking of bottles, barrels and other containers seems to be more appropriately a matter for regulation under the authority of Order-in-Council and is provided for accordingly under section 4 of this Bill.

2. Sections 172 and 173 at present read as follows:

"**172.** (1) There shall be imposed, levied and collected on every gallon of beer or malt liquor brewed in whole or in part from any substance other than malt, the duties of excise set out in the Schedule, which shall be paid to the collector as herein provided.

(2) There shall be imposed, levied and collected upon all malt brought into a brewery the duty of excise set out in the Schedule, which shall be paid to the collector as herein provided.

(3) The duty imposed by subsection (2) upon any malt may be remitted upon proof satisfactory to the Minister that such malt has been used solely for the production of beer subject to duty under subsection (1).

(4) For the purpose of determining the duty imposed by subsection (2), every quantity of malt brought into a brewery shall, immediately

(a) unless its weight has been determined by an officer under subsection (5), be weighed, and

(b) be entered for warehouse.

(5) Before a quantity of malt is shipped to a brewery where, in the opinion of the Minister, the proper facilities for weighing malt are not available, the weight thereof may, for the purpose of determining the duty imposed by subsection (2), be determined, subject to departmental regulations, by an officer at the point of shipment.

(6) No person shall deliver a quantity of malt to a brewery where, in the opinion of the Minister, proper facilities for weighing malt are not available unless the weight thereof has been ascertained under subsection (5).

(7) Malt shall not be brought into a brewery in a quantity of less than one thousand pounds at a time.

173. The duty hereby imposed upon beer brewed in whole or in part from any substance other than malt shall be charged and computed in such manner as may be prescribed by departmental regulations."

These sections are repealed and re-enacted to conform to the Budget Resolutions whereby malt becomes duty free and duty is to be collected entirely on a basis of gallonage produced.

(b) to or for the use of any person or class of persons designated by the Governor in Council,

under such conditions as the Governor in Council prescribes, shall be deemed to be an export."

3. Section 176 of the said Act is repealed and the following substituted therefor:

Regulations.

"**176.** (1) The Governor in Council may make such regulations as to him seem necessary for carrying into effect and enforcing the provisions of this Act respecting the operation of a licensed brewery, the information to be shown on containers, the keeping of records, the making of entries and returns, the sale or removal from a licensed brewery of beer for exportation and the collection of the duties hereby imposed.

Idem.

(2) Regulations made under this section may provide for the destruction, under excise supervision, of beer that has become unfit for use in a brewery before it has been shipped therefrom, and the refunding, in whole or in part, of the duty paid upon such beer."

4. Subsection (1) of section 180 of the said Act is repealed and the following substituted therefor:

Penalties.

"**180.** (1) Every brewer who

(a) fails to keep any record or make any entry or return as required by departmental regulations,

(b) removes beer or malt liquor from the vessels in which it is to be gauged before the quantity has been determined and assessed for duty,

(c) adds any gallonage to beer or malt liquor after assessment of duty except under supervision of an officer,

(d) evades or attempts to evade the payment of duties imposed by this Act, or any part thereof, or

(e) fails to comply with any of the requirements of this Act or any departmental regulation,

is liable to a penalty of not less than one thousand dollars or more than five thousand dollars and shall, in addition thereto, forfeit and pay for the use of Her Majesty, double the amount of excise duty, if any, that should have been paid by him under this Act."

R.S. c. 319, s. 12.

5. Parts III and IV of the Schedule to the said Act are repealed and the following substituted therefor:

"III. BEER.

Upon all beer or malt liquor, per gallon thirty-eight cents, subject to an allowance for loss in production based on the duty assessed on beer or malt liquor produced, of

3. Section 175 at present reads as follows:

"**175.** (1) Every licensed brewer who exports any beer or malt liquor of his own manufacture, is entitled to receive a drawback thereon equivalent to the duty herein imposed on the malt contained in the beer so exported; and the amount of such drawback shall be computed in such manner and by such means as are, from time to time, directed by departmental regulations in that behalf.

(2) No such drawback shall be allowed or paid unless the brewer claiming it has given at least two days' notice of his intention to export the beer on which it is claimed, and made such declarations as to the strength thereof as is required by departmental regulations in that behalf, nor unless the quantity of malt contained in the beer has been certified by the proper officer."

(1) As the duty on malt will no longer be applicable, the duty paid on beer exported will be subject to drawback.

(2) The basis of drawback is to be related to the gallonage rather than the strength of the beer exported as heretofore.

(3) This subsection sets forth the circumstances under which drawback may be granted.

4. Section 176 at present reads as follows:

"**176.** (1) The Governor in Council may make such regulations as to him seem necessary for carrying into effect and enforcing the provisions of this Act respecting the operation of a licensed brewery, the keeping of records, the making of entries and returns, the sale or removal from a licensed brewery of beer for exportation in bond or use as ships' stores, the collection of the duties hereby imposed and the refunding, in whole or in part, of the duty paid upon malt shipped to another licensed brewery.

(2) Such regulations may provide for the destruction, under excise supervision, of beer that has become unfit for use in any brewery, before it has been shipped therefrom; and the refunding, in whole or in part, of the duty paid upon the malt used in the brewing of such beer."

(1) The amendment provides authority for labelling regulations and as malt now becomes free from duty, regulations relating to refund are not required.

(2) Regulations relating to refund will apply to the duty paid upon the number of gallons of beer destroyed and not upon pounds of malt contained in the beer.

5. Subsection (1) of section 180 at present reads as follows:

"**180.** (1) Every brewer who, having received malt into his brewery, fails to have the same weighed forthwith after receipt thereof, fails to keep any record or make any entry or return as required by departmental regulations, evades or attempts to evade the payment of duties imposed by this Act, or any part thereof, or fails to comply with any of the requirements of this Act or any departmental regulation, is liable to a penalty of not less than one thousand dollars or more than five thousand dollars and shall, in addition thereto, forfeit and pay for the use of Her Majesty double the amount of excise duty, if any, which should have been paid by him under this Act."

This subsection has been codified in order to clarify it and subsections *(b)* and *(c)* have been added for the reason that under the new brewery procedure, removing of beer before assessment of duty is made, and adding of gallonage after assessment of duty, is prohibited.

(*a*) five per cent when yeast sediment is included, or
(*b*) three per cent when yeast sediment is not included."

Coming into force.

6. This Act shall be deemed to have come into force on the 7th day of April, 1954.

6. Parts III and IV of the Schedule at present read as follows:

"III. Upon all beer or malt liquor brewed in whole or in part from any substance other than malt, per gallon, forty-two cents.

IV. Upon all malt brought into a brewery subject to such allowance or rebate in respect of waste as may be authorized by the Governor in Council, per pound, twenty-one cents."

This clause is to give effect to the Budget Resolutions.

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 459.

An Act to amend the Veterans' Land Act.

First reading, May 19, 1954.

THE MINISTER OF VETERANS AFFAIRS.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

90688

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 459.

An Act to amend the Veterans' Land Act.

R.S., c. 280.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1. The *Veterans' Land Act*, chapter 280 of the Revised Statutes of Canada, 1952, is amended by adding thereto, immediately after section 5 thereof, the following heading:

"PART I.

LAND SETTLEMENT ASSISTANCE."

2. The said Act is further amended by adding thereto, immediately after section 44 thereof, the following headings and Parts:

"PART II.

HOME CONSTRUCTION ASSISTANCE.

INTERPRETATION.

Definitions. "Approved lender."

"**45.** In this Part,

(a) "approved lender" means any lender approved by the Governor in Council for the purpose of making loans under the *National Housing Act, 1954;*

"Corporation."

(b) "Corporation" means the Central Mortgage and Housing Corporation established by the *Central Mortgage and Housing Corporation Act;*

"Cost to the Director."

(c) "cost to the Director" means, in relation to land, the cost to the Director of the land including any improvements made by the Director in connection therewith, and, in relation to any dwelling, the amount payable by the Director to a veteran under any contract entered into under section 48, less

Explanatory Note.

This Bill amends the *Veterans' Land Act* by adding thereto Parts II and III.

Part II contains provisions for financial and technical assistance to veterans for home construction and is essentially housing legislation available to veterans who have had no advantages from the present provisions of the Act and who are competent, with expert supervision and guidance, to build their own homes. Part III makes further financial assistance available to veterans presently settled under the Act as full-time farmers or who may be so settled in the future and to veterans who may in the future become qualified as part-time farmers or commercial fishermen.

(i) any amount by which the amount paid by the veteran to the Director under subsection (2) of section 47 in respect of the land to which that contract relates exceeds the cost to the Director of that land,

(ii) any amount paid by the veteran to the Director under subsection (3) of section 47, and

(iii) any amount paid by the veteran to the Director under subsection (2) of section 48;

"Eligible veteran." *(d)* "eligible veteran" means any person eligible under section 46 to participate in the benefits of this Part;

"Improvements." *(e)* "improvements" includes works and undertakings in connection with drainage, clearing and levelling, the disposal of sewage, the provision of roads, sidewalks, gas, electricity and water and the cost of preparing plans of subdivisions and other plans required in connection with such works and undertakings; and

"Mortgage." *(f)* "mortgage" includes a hypothec.

PERSONS ELIGIBLE.

Persons eligible. "**46.** Subject to this Part, and notwithstanding anything in Part I or any other Act of the Parliament of Canada, every veteran is eligible to participate in the benefits of this Part, except

(a) a veteran who has entered into a contract with the Director under section 10, subsection (9) of section 11 or section 23 or has received a grant from the Director under section 38 or 39, which contract or the agreement relating to which grant

(i) has not been rescinded or otherwise terminated,

(ii) was not rescinded or otherwise terminated until after the expiration of the ten year period referred to in subsection (4) of section 10 or, in the case of the agreement relating to the grant, until after the expiration of the period after which, under the agreement, he is not required to repay such grant,

(iii) was rescinded or otherwise terminated prior to the expiration of the period applicable, as mentioned in subparagraph (ii), otherwise than due to circumstances beyond the control of the veteran, as defined in the regulations, or

(iv) was rescinded or otherwise terminated prior to the expiration of the period applicable, as mentioned in subparagraph (ii), due to circumstances beyond the control of the veteran, as defined in the regulations, unless, in any such case, the veteran repays to the Director for deposit in the Consolidated Revenue Fund any amount by which the value of the benefit received by him by virtue of

having entered into the contract or the agreement relating to the grant, as determined by the Minister, exceeded his re-establishment credit under the *War Service Grants Act*, together with interest on that amount at the rate of three and one half per cent per annum from the date of such rescission or termination;

(b) a veteran to whom an allowance has been paid under the *Veterans Rehabilitation Act*, for the purpose of taking an undergraduate or postgraduate course at a university as defined in that Act, for a period of more than nine months; and

(c) a veteran who is indebted to the Director under section 15.

FINANCIAL AND TECHNICAL ASSISTANCE.

Financial and technical assistance.

"**47.** (1) In any case where, for the purposes of this Part, the Corporation has approved of a loan under the *National Housing Act, 1954*, to an eligible veteran in respect of the construction by him of a single-family dwelling for his own use on suitable land to be provided as prescribed in this Part, the Director may, if he is satisfied that such veteran is competent to build his own home and is in a position to do so, furnish to such veteran financial, technical and other necessary assistance in the manner and to the extent authorized by this Part.

Where land owned by Director.

(2) Where the land in respect of which any loan referred to in subsection (1) has been approved is owned by the Director, the veteran shall, before any contract is entered into by him with the Director under section 48, pay to the Director in cash an amount equal to the cost to the Director of that land, as determined by the Director, or eight hundred dollars, whichever is the greater.

Where land not owned by Director.

(3) Where the land in respect of which any loan referred to in subsection (1) has been approved is not owned by the Director, the veteran shall, before any contract is entered into by him with the Director under section 48, convey such land or cause the same to be conveyed to the Director, with a good and marketable title free from all encumbrances, and, if the land so conveyed is appraised by the Director at a value of less than eight hundred dollars, the veteran shall in addition pay to the Director in cash the amount by which eight hundred dollars exceeds such appraised value.

Powers of the Director.

(4) For the purposes of this Part, the Director may

(a) acquire, by purchase or otherwise, land suitable for or required in connection with the construction of single-family dwellings as contemplated by this Part, and, where in his opinion it is advisable to do so, subdivide any land so acquired or held by him, but no expenditure for the acquisition of any such land in excess of fifteen thousand dollars shall be made by the Director under this paragraph without the approval of the Governor in Council;

(b) construct, maintain and repair on any land acquired or held by him such buildings, improvements and other works as, in his opinion, are necessary for the purposes of this Part;

(c) enter into contracts with any person, firm or partnership or any provincial or municipal authority for effecting such improvements in respect of any land acquired or held by him as, in his opinion, are necessary for the purposes of this Part;

(d) subject to this Part, sell or otherwise dispose of any land acquired or held by him or grant any easement, roadway or other interest in, upon or over any such land; and

(e) conduct, for the benefit of eligible veterans, training courses in housing construction on such terms and conditions as the Governor in Council may prescribe.

CONSTRUCTION CONTRACTS.

Director may enter into construction contract.

"**48.** (1) Subject to section 47, the Director may enter into a contract with any eligible veteran certified by him to be qualified under subsection (1) of section 47, for the construction by that veteran of a single-family dwelling for his own use, at a cost to the Director not exceeding

(a) eighty five per cent of the market value of the land and the proposed dwelling, as estimated by the Director,

(b) the amount of the loan approved by the Corporation in respect of the construction by that veteran of the proposed dwelling, or

(c) eight thousand dollars,

whichever is the least.

Additional payment may be required.

(2) Where the cost of construction of the proposed dwelling, as estimated by the Director, exceeds the least of the amounts mentioned in paragraphs *(a)*, *(b)* and *(c)* of subsection (1), the veteran shall, before any contract is entered into by him with the Director under this section, pay to the Director in cash the full amount of such excess, less

(a) any amount by which the amount paid by the veteran to the Director under subsection (2) of section 47 in respect of the land exceeds the cost to the Director of that land, as determined by the Director; and

(b) any amount paid by the veteran to the Director under subsection (3) of section 47.

No contract in certain cases.

(3) Notwithstanding subsection (1), no contract shall be entered into by the Director under this section with any veteran with whom, under this section, the Director has previously entered into any contract, unless such contract was terminated by the Director, prior to the completion of the dwelling in respect of which it was entered into, due to circumstances beyond the control of the veteran as defined in the regulations, and the veteran repays to the Director in cash the full amount of any loss sustained by the Director, as determined by the Director, by reason of having entered into such contract.

Veteran not an agent or servant.

(4) A veteran is not an agent or servant of the Director or of Her Majesty by reason only of having entered into a contract with the Director under this section.

COLLATERAL AGREEMENTS.

Collateral agreements.

"**49.** (1) Every veteran who enters into a contract with the Director under section 48 shall, at the time of entering into that contract, enter into a collateral agreement with the Director providing, *inter alia*, for the execution by the veteran, upon the completion of the dwelling as required under the contract, of a mortgage under the *National Housing Act, 1954* in favour of the Corporation or an approved lender for the amount of the approved loan referred to in subsection (1) of section 47 and the insurance fee required under paragraph *(a)* of subsection (6) of section 6 of the *National Housing Act, 1954* in respect of an instalment loan under that Act.

(2) The Director may, in the case of a married veteran, require that any collateral agreement or mortgage to be entered into or executed by the veteran as described in subsection (1) shall be entered into or executed, as the case may be, by the veteran and his spouse.

CONSTRUCTION ADVANCES AND ASSISTANCE.

Construction advances and assistance.

"**50.** From time to time during the course of construction of any dwelling in respect of which a contract has been entered into under section 48, the Director

(a) shall advance to the veteran such amounts as are required under the contract to be advanced by him to that veteran; and

(b) may furnish to the veteran free of charge such technical advice and assistance, including such standard plans and drawings as the Director has available, as, in the opinion of the Director, may be required by that veteran.

COMPLETION OF CONTRACT.

Registration of mortgage, conveyance of land, etc.

"**51.** (1) Upon the completion of the dwelling as required under the contract and upon the execution of the mortgage mentioned in subsection (1) of section 49, the Director shall, at his own expense, provide for the registration of such mortgage and for the conveyance to the veteran of the land in respect of which the contract was entered into, at which time the Corporation or the approved lender, whichever is the mortgagee, shall remit to the Director

(a) an amount equal to the cost to the Director of the said dwelling, and

(b) one-eighth of the insurance fee mentioned in subsection (1) of section 49;

and, where the mortgagee in any such case is an approved lender, the balance of the insurance fee mentioned in subsection (1) of section 49 shall be remitted by the approved lender to the Corporation.

Payment to be made by mortgagee.

(2) Where, under the circumstances described in subsection (1), the amount of the approved loan referred to in subsection (1) of section 47 exceeds the cost to the Director of the dwelling, the Corporation or the approved lender, whichever is the mortgagee, shall pay to the veteran the full amount of such excess.

Effect of payment by mortgagee.

(3) The remission to the Director by the Corporation or an approved lender of any amount mentioned in paragraph *(a)* of subsection (1) has the same effect, as between the Corporation or the approved lender and the veteran, as if the amount so remitted had been paid by the Corporation or the approved lender directly to the veteran.

Sale of portion of land.

"**52.** (1) With the consent of the veteran and the Corporation, the Director may sell or otherwise dispose of a portion of any land held by the Director in respect of which that veteran has a subsisting contract with the Director under section 48, and the Director shall retain the proceeds of any such sale or disposition, less any amount expended by him in connection therewith, pending execution by the veteran or by the veteran and his spouse, as the case may be, of the mortgage mentioned in subsection (1) of section 49, at which time the Director shall pay the

amount so retained, in accordance with any direction in that behalf received by the Director from the Corporation or the approved lender, whichever is the mortgagee,

(a) to the mortgagee, to be applied by the mortgagee in reduction of the principal amount of the mortgage then outstanding, or

(b) to the veteran;

except that if the contract is terminated by the Director pursuant to the provisions thereof prior to the execution of such mortgage, the amount so retained by the Director shall be held by the Director pending any sale of the land by him under subsection (1) of section 53, and shall be deemed, for the purposes of this Part, to form part of the proceeds of that sale.

Construction of contracts, agreements, etc.

(2) Nothing in this Part and nothing in any contract or collateral agreement entered into under section 48 or 49 shall be construed as conferring upon or vesting in any veteran, prior to the conveyance to that veteran by the Director under subsection (1) of section 51 of the land in respect of which the contract or agreement was entered into, any right, title, interest or estate in that land.

TERMINATION AND SALE.

Termination and sale.

"**53.** (1) In any case where, pursuant to the provisions of any contract entered into under section 48, such contract is terminated by the Director, the Director may, in accordance with sections 20 and 23, sell the land and dwelling in respect of which the contract was entered into and, in the case of any such land on which the dwelling has not been completed, the Director may complete the dwelling prior to the sale thereof.

Amount to be retained by Director.

(2) Where any sale is made by the Director under subsection (1), the Director shall retain out of the proceeds of such sale

(a) an amount equal to the cost to the Director of the dwelling sold, to the date of the sale,

(b) all amounts expended by the Director, from the date of the termination of the contract to the date of the sale, on account of insurance, taxes, rates and other charges in respect of the property sold, for the repair and maintenance of the property sold and for the completion in any such case by the Director of the dwelling prior to the sale thereof,

(c) all amounts expended by the Director in connection with taking over and selling the property, and

(d) interest on the amounts mentioned in paragraphs *(a)*, *(b)* and *(c)* from the date of the advance or expenditure thereof by the Director until the date of

the sale, at the rate that was payable by a borrower, at the time when the contract was entered into, in respect of a loan made under the *National Housing Act, 1954;*

and any balance remaining of the proceeds of the sale (hereinafter referred to as "the surplus") shall be held by the Director for a period of thirty days after the date of such sale for disposal as provided in section 54.

CLAIMS.

Claims for materials and services.

"**54.** (1) At any time during the period of thirty days referred to in subsection (2) of section 53, any person having a claim against the veteran or his estate for materials supplied or services performed in respect of the property sold may file with the Director a statement setting forth the details of such claim and verified by statutory declaration.

Disposition of surplus.

(2) After the expiration of the period of thirty days referred to in subsection (2) of section 53, if no claims have been filed with the Director in accordance with subsection (1) the Director shall pay the surplus to the veteran or, in the case of a deceased veteran, to his estate, but if within that period one or more such claims are filed with the Director in accordance with subsection (1) the Director shall retain the said surplus for a further period of thirty days, except that during such period he shall pay all or any such claims in full or in part in accordance with any settlement agreed upon by or on behalf of the veteran or his estate and the claimants.

Unsatisfied claims.

(3) If, upon the expiration of the further period of thirty days referred to in subsection (2), any claim filed with the Director, in accordance with subsection (1) remains unpaid, the Director shall, upon application to the Exchequer Court of Canada and in accordance with the order of the Court, pay the full amount of such claim into Court and shall pay the remainder, if any, of the said surplus to the veteran or, in the case of a deceased veteran, to his estate.

Where surplus insufficient.

(4) Notwithstanding subsections (2) and (3), where it appears to the Director that the surplus is not sufficient to provide for payment in full of all claims filed with the Director in accordance with subsection (1), the Director shall, upon application to the Exchequer Court of Canada and in accordance with the order of the Court, pay the whole of such surplus into Court.

Expenses of payment into court.

(5) The Director may, in any case mentioned in subsection (3) or (4), retain out of the amount required to be paid by him into Court such an amount as will, in his opinion, be sufficient to provide for payment of his legal costs in connection with such payment into Court.

Ss. (3) to (5) of s. 24 of *Exchequer Court Act* to apply.

(6) Subsections (3) to (5) of section 24 of the *Exchequer Court Act* apply in respect of amounts paid by the Director into Court pursuant to subsection (3) or subsection (4) of this section, as though those amounts were amounts belonging or payable to someone other than the Crown, except that no action lies for the recovery of any such amount or any share thereof otherwise than for materials supplied or services performed in respect of property sold by the Director under subsection (1) of section 53.

HOUSING ACCOUNT.

Payments out of C.R.F.

"**55.** (1) Subject to this Part, there may be advanced out of the Consolidated Revenue Fund

(a) such amounts as are required for the purposes of paragraphs *(a)*, *(b)* and *(c)* of subsection (4) of section 47;

(b) an amount in respect of any contract entered into under section 48 equal to the cost to the Director of the dwelling to which that contract relates; and

(c) such amounts contemplated by paragraphs *(b)* and *(c)* of subsection (2) of section 53 as the Director is required to expend in the event of the termination by him of any contract entered into under section 48.

Housing Account.

(2) There shall be established in the Consolidated Revenue Fund an account to be known as the Veterans' Land Act Housing Account, and every advance out of the Consolidated Revenue Fund made pursuant to subsection (1) shall in the first instance be entered as a charge against that account.

Credits.

(3) There shall be shown as credits in the said account

(a) all amounts received by the Director under subsection (2) of section 47, to the extent that the amount so received in any case does not exceed the cost to the Director of the land in that case;

(b) all amounts received by the Director under any sale, grant or other disposition made by him under paragraph *(d)* of subsection (4) of section 47;

(c) such amounts mentioned in paragraph *(a)* of subsection (1) of section 51 as are received by the Director from the Corporation or an approved lender;

(d) such amounts mentioned in paragraphs *(a)*, *(b)* and *(c)* of subsection (2) of section 53 as are retained by the Director out of the proceeds of any sale made by the Director under subsection (1) of that section; and

(e) such amounts as are charged by the Director under subsection (2) of section 56 to the Insurance Account established under that section.

Advances not to exceed prescribed amount.

(4) No advance under subsection (1) shall exceed fifteen million dollars less the aggregate of all amounts then standing as a charge against the said account.

INSURANCE ACCOUNT.

Insurance Account.

"**56.** (1) There shall be established in the Consolidated Revenue Fund a special account to be known as the Veterans' Land Act Insurance Account, to which shall be credited all amounts received by the Director under paragraph *(b)* of subsection (1) of section 51.

Losses may be charged to Account.

(2) There shall be charged to the Insurance Account referred to in subsection (1) in the event of a sale by the Director under subsection (1) of section 53, any amount by which the aggregate of the amounts authorized to be retained by the Director under subsection (2) of section 53 out of the proceeds of the sale exceeds the proceeds of that sale.

OTHER AMOUNTS.

Trust Account.

"**57.** (1) There shall be kept and maintained in the Consolidated Revenue Fund a Trust Account in which shall be deposited to the credit of a veteran any amount by which the aggregate of the amounts required to be advanced by the Director to that veteran under any contract entered into under section 48 exceeds the cost to the Director of the dwelling to which the contract relates.

Initial advances.

(2) All advances made under any contract entered into under section 48 to a veteran to whom any amount has been credited in the Trust Account referred to in subsection (1) shall in the first instance be paid out of the Trust Account, and in the event that any portion of the amount so credited to that veteran is not so advanced such portion shall be returned by the Director to him.

VETERANS' CO-OPERATIVE HOUSING ASSOCIATIONS.

Veterans' co-operative housing associations.

"**58.** (1) The provisions of this Part apply with such modifications as the circumstances may require in respect of the construction by an approved veterans' co-operative housing association of single-family dwellings for the use of veterans as contemplated by this Part, and the Governor in Council may make such regulations applying, adapting and modifying the provisions of this Part in relation to approved veterans' co-operative housing associations as in the opinion of the Governor in Council are necessary for the purpose of giving effect to this section.

"Co-operative housing association."

(2) In this section,

(a) "co-operative housing association" means a co-operative association incorporated under the laws of Canada or any province, having as its principal aim or object the construction, on a co-operative basis, of single-family dwellings; and

(b) "approved co-operative housing association" means a co-operative housing association the instrument of incorporation and the by-laws of which are approved by the Director for the purposes of this section, in respect of which association the Director is satisfied

(i) that all of the dwellings to be constructed by the association as part of any project contemplated by subsection (1) are to be conveyed, upon completion of construction, to the members or shareholders of the association, each of whom will own one such dwelling; and

(ii) that all of the members or shareholders of the association, of whom there shall not be less than six, are eligible veterans who are competent to build their own homes on a co-operative basis and are in a position to do so.

GENERAL.

Form of contracts, collateral agreements.

"**59.** Subject to this Part, every contract entered into under section 48 and every collateral agreement entered into under section 49 shall be in such form as the Governor in Council prescribes, and every such contract and agreement shall contain such covenants, stipulations, conditions and other provisions, including any for the termination thereof by the Director for non-compliance or other cause, as the Governor in Council deems necessary or advisable for the purpose of giving effect to this Part.

Where benefit received under Part II.

"**60.** A veteran who has entered into a contract with the Director under section 48 is not eligible to enter into any contract with the Director under section 10 or subsection (9) of section 11 or, in his capacity as a veteran, any contract for the purchase of property as contemplated by section 23, or to receive any advance under section 15 or grant under section 38 or 39, except under such circumstances and subject to such terms and conditions as the Governor in Council by regulation prescribes.

Certain provisions of Part I to apply.

"**61.** The provisions of sections 20, 22, 23 and 25, sections 30 to 35, subsection (6) of section 36, section 37 and sections 40 to 44 apply *mutatis mutandis* to this Part.

References contained in Part I.

"**62.** Subject to section 61, a reference to "this Act" contained in sections 6 to 44 shall be construed as a reference to Part I of this Act.

PART III.

FARM IMPROVEMENT ASSISTANCE.

Assistance Loans.

Assistance loans.

"**63.** Subject to this Part,

(a) in any case where a veteran with whom the Director has a subsisting contract under section 10, subsection (9) of section 11 or section 23 or to whom any advance made under section 15 remains outstanding, requires additional financial assistance for the purpose of

(i) erecting or improving buildings or providing additions thereto on any land to which that contract or advance relates,

(ii) clearing, breaking, draining or fencing any such land or effecting other improvements of a permanent nature that, in the opinion of the Director, will tend to increase the productive value thereof or promote conservation of the soil thereof, or

(iii) purchasing additional land to be used in connection with the land to which that contract or advance relates; or

(b) in any case where a veteran has requested that contemporaneously with the making of any contract under section 10, subsection (9) of section 11 or section 23 or any advance under section 15, there be advanced by way of loan to him supplementary financial assistance under or in respect of that contract or advance;

the Director may, upon application to him by the veteran, advance by way of loan to such veteran for one or more of the purposes specified in paragraphs *(a)* and *(b)*, amounts in the aggregate not exceeding

(c) three thousand dollars, in the case of a veteran certified by the Director to be a full-time farmer, and

(d) fourteen hundred dollars, in the case of a veteran certified by the Director to be a part-time farmer or a commercial fisherman, with whom the Director has not, otherwise than contemporaneously with the making of such loan, entered into any subsisting contract or made any outstanding advance under the provisions of Part I referred to in this section.

Amount to be paid by veteran.

"**64.** Notwithstanding section 63, no amount may be advanced by the Director under that section by way of loan to any veteran unless the veteran, at the time of the making of the loan, pays to the Director in cash for use by the Director for the purpose for which the loan is to be made, any amount by which the total amount that may be required for that purpose, as estimated by the Director, exceeds the amount to be advanced by the Director by way of loan to him.

Amount to be advanced by Director.

65. (1) In any case where the aggregate of the amounts that may be advanced by the Director under section 63 by way of loan to any veteran exceeds the aggregate of

(a) two-thirds of the value, as determined by the Director, of any land to be acquired or additions or improvements to be made consequentially upon the making of the loan, and

(b) two-thirds of any amount deemed by subsection (2) to have been paid by the veteran to the Director for use by the Director for the purpose for which that loan is to be made,

the maximum amount that, notwithstanding section 63, may be advanced by the Director under that section by way of loan to that veteran is the lesser of those aggregate amounts.

Idem.

(2) For the purposes of subsection (1), there shall be deemed to have been paid to the Director, for use by the Director for the purpose for which any loan therein referred to is to be made, such of the following amounts as are applicable, namely;

(a) by any veteran who, in accordance with paragraph *(b)* of subsection (1) of section 10, has paid to the Director an amount equal to the difference between the cost to the Director, as determined under section 9, of the land including improvements to which any contract referred to in section 63 relates, and the value of that land including improvements as determined by the Director as of the date of the purchase thereof by the Director, the amount so paid to the Director by that veteran;

(b) by any veteran who, at the time of entering into the contract or receiving the advance referred to in section 63, had any equitable or other interest in the land to which that contract or advance relates, the amount or value of that interest, as determined by the Director; and

(c) by any veteran who, since entering into the contract or receiving the advance referred to in section 63, has made improvements to the land of a permanent nature, without cost to the Director, that, in the opinion of the Director, have increased the value of that land, the amount of that increase, as determined by the Director.

FORM OF AGREEMENT.

Form and content of agreement.

66. Every loan made under section 63 shall be evidenced by an agreement entered into between the veteran and the Director, which agreement shall be in such form as the Governor in Council prescribes and shall be supplementary

to and form part of the agreement of sale entered into under section 10, subsection (9) of section 11 or section 23, or the agreement relating to the advance made under section 15, as the case may be, and shall contain

(a) a description of the land to which the contract or the advance referred to in section 63 relates and of any additional land purchased or to be purchased with the proceeds of the loan,

(b) a statement setting forth the amount of the loan, the interest payable in respect thereof, and the terms of repayment thereof, and

(c) such additional terms and conditions as the Governor in Council deems necessary or advisable for the purpose of protecting the rights of the Director and of the veteran under this Part or Part I.

SECURITY.

Director's lien.

67. As long as any portion of any loan made under section 63 remains unpaid, the Director has a first and paramount lien in respect thereof upon the land to which the contract or the advance referred to in that section relates, and upon any additional land purchased or to be purchased with the proceeds of the loan, which lien has priority over all other rights, interests, liens, charges, claims or demands whatsoever of any other person.

Where additional land purchased.

68. (1) Where proceeds of a loan made under section 63 are used by the Director to purchase additional land as described in that section,

(a) the land so purchased shall be held as security for repayment of the loan in the same manner and subject to the same terms and conditions, as nearly as may be, as the land to which the contract or advance referred to in section 63 relates; and

(b) subject to this Act, no transfer or conveyance of the land so purchased or discharge of any mortgage thereon shall be given by the Director to the veteran until such time as the veteran has repaid in full his indebtedness to the Director under this Part and Part I.

No transfer, etc. of land subject to Part I contract.

(2) Subject to this Act, no transfer or conveyance of the land to which any contract or advance referred to in section 63 relates or discharge of any mortgage thereon shall be given by the Director to any veteran to whom a loan under that section has been made, until such time as the veteran has repaid in full his indebtedness to the Director under this Part in respect of that loan.

TERMS OF LOAN.

Terms of repayment, interest, etc.

69. (1) Every loan made under section 63 shall bear interest at the rate of five per cent per annum, and shall be repayable in equal instalments, as set forth in the agreement of loan, amortized over a period not greater than the period then remaining within which, under the contract referred to in section 63 or the agreement relating to the advance made under section 15 therein referred to, the veteran is required to repay his indebtedness to the Director in respect of that contract or advance.

Other terms.

(2) It shall be a term of every agreement of loan entered into under section 66 that, in the event of any sale, lease or other disposition by the veteran of the land upon which the Director has, by virtue of section 67, a first and paramount lien, any portion of the loan then outstanding shall, at the option of the Director, forthwith become due and payable.

GENERAL.

Prohibition.

70. Notwithstanding anything in this Part, no loan shall be made under section 63 to any veteran who is in default under any contract entered into under section 10, subsection (9) of section 11 or section 23 or in respect of any advance made under section 15, or who is indebted in respect of any loan made pursuant to the *Veterans Business and Professional Loans Act.*"

Coming into force.

3. This Act shall come into force on a day to be fixed by proclamation of the Governor in Council.

460

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE SENATE OF CANADA

BILL ~~B15~~ 460.

An Act to amend the International Rapids Power Development Act.

AS PASSED BY THE SENATE, 20th MAY, 1954.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

90683

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE SENATE OF CANADA

BILL B[15].

An Act to amend the International Rapids Power Development Act.

R.S., c. 157.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1. Paragraph *(b)* of section 4 of the *International Rapids Power Development Act*, chapter 157 of the Revised Statutes of Canada, 1952, is repealed and the following substituted therefor:

"*(b)* the provisions of the *St. Lawrence Development Act, 1952 (No. 2)* of the Province of Ontario respecting the expropriation or taking of lands or property for the works have effect as if enacted in this Act."

Explanatory Notes.

Section 4 of the *International Rapids Power Development Act* reads as follows.

> "4. For the purpose of constructing, operating and maintaining the works to be undertaken pursuant to the agreement set out in the Schedule,
>
> *(a)* the Hydro-Electric Power Commission of Ontario shall have the powers and capacities of a natural person as if it were incorporated by Letters Patent under the Great Seal for that purpose; and
>
> *(b)* the provisions of the *Power Commission Act* of the Province of Ontario *with respect to* the expropriation or taking of lands or property *apply mutatis mutandis to the expropriation or taking of lands or properties* for the works, *and* have effect as if enacted in this Act *in relation thereto*."

Since the *International Rapids Power Development Act* was given Royal assent on December 21st, 1951, the Legislature of Ontario passed the *St. Lawrence Development Act 1952 (No. 2)* which makes specific provision regarding the expropriation of lands or properties for the power project in the International Rapids section of the St. Lawrence River.

The purpose of this Bill is to delete the reference to the *Power Commission Act* of Ontario from paragraph *(b)* of section 4 of the *International Rapids Power Development Act* and to replace it by a reference to the *St. Lawrence Development Act 1952 (No. 2)* of the Province of Ontario.

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 461.

An Act to amend certain Acts respecting the Superannuation of Government Employees transferred to Crown Corporations.

First reading, May 24, 1954.

THE MINISTER OF FINANCE.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

88604

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 461.

An Act to amend certain Acts respecting the Superannuation of Government Employees transferred to Crown Corporations.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

Canadian Broadcasting Corporation Act.

1. Section 13 of the *Canadian Broadcasting Corporation Act*, chapter 32 of the Revised Statutes of Canada, 1952, is amended by adding thereto the following subsection:

Application of ss. (1).

"(3) Subsection (1) does not apply in respect of any civil servant appointed to the staff of the Corporation on or after the 1st day of January, 1954, to whom, but for this subsection, subsection (1) would apply, and every such civil servant is deemed, for the purposes of the *Public Service Superannuation Act*, to have ceased to be employed in the Public Service, for a reason other than disability or misconduct, as of the date of his appointment as aforesaid, and to have ceased to be a contributor under the *Public Service Superannuation Act* as of that date."

Canadian Overseas Telecommunication Corporation Act.

2. Section 9 of the *Canadian Overseas Telecommunication Corporation Act*, chapter 42 of the Revised Statutes of Canada, 1952, is amended by adding thereto the following subsection:

Application of ss. (3) and (4).

"(5) Subsections (3) and (4) do not apply in respect of any person who is appointed or becomes employed under or pursuant to this Act on or after the 1st day of January, 1954, to whom, but for this subsection, subsections (3) and

Explanatory Notes.

The purpose of this Bill is to amend certain Statutes relating to several Crown Corporations in order to prescribe the pension provisions for and the manner in which such pension provisions are to apply to persons who transfer their employment from the Public Service (as defined in the *Public Service Superannuation Act*) to that of one of the Corporations concerned.

1. Section 13 of the *Canadian Broadcasting Corporation Act* now reads as follows:

"**13.** (1) Notwithstanding anything in the *Civil Service Act*, the *Civil Service Superannuation Act* or any other Act of the Parliament of Canada, a civil servant who, at the time of his appointment to the staff of the Corporation under authority in that behalf conferred by any Act of the Parliament of Canada, is a contributor under the provisions of the *Civil Service Superannuation Act*, shall continue to be a contributor under the said Act; his service on the staff of the Corporation, in virtue of an appointment as aforeasaid, shall be counted as service in the civil service for the purposes of the *Civil Service Superannuation Act*, and he, his widow and children or other dependants, if any, are eligible to receive the respective allowances or gratuities provided by the said Act; and in the event of his being retired from his office or position on the staff of the Corporation for any reason other than that of misconduct, he is eligible, in accordance with the regulations made under the *Civil Service Act*, for assignment to a position in the civil service of the class from which he was so retired or to any other position for which he may have qualified or, in the alternative, to receive the same benefits under the *Civil Service Superannuation Act* as he would have been eligible to receive if he had been retired under like circumstances from the position in the civil service that he held immediately prior to his appointment to the staff of the Corporation.

(2) Any employee of the Corporation, who at the time of his appointment or employment under or pursuant to the provisions of this Act, holds a position in the "civil service", or is an "employee" within the meaning of the *Civil Service Act*, shall continue or retain and be eligible to receive all the benefits, except salary as a civil servant, that he would have been eligible to receive had he remainded under that Act."

2. Subsections (2), (3) and (4) of section 9 of the *Canadian Overseas Telecommunication Corporation Act* now read as follows:

"(2) The *Civil Service Superannuation Act*, notwithstanding anything contained therein, is not applicable to directors, officers and servants appointed or employed under this Act, but the Corporation may by by-law, with the approval of the Governor in Council, establish and support a pension fund or make other pension or superannuation arrangements for the benefit of directors, officers, and servants appointed or employed under this Act and their dependants.

(4) would apply, and every such person is deemed, for the purposes of the *Public Service Superannuation Act*, to have ceased to be employed in the Public Service, for a reason other than disability or misconduct, as of the date of his appointment or employment as aforesaid, and to have ceased to be a contributor under the *Public Service Superannuation Act* as of that date."

GOVERNMENT COMPANIES OPERATION ACT.

3. Section 5 of the *Government Companies Operation Act*, chapter 133 of the Revised Statutes of Canada, 1952, is amended by adding thereto the following subsection:

Application of ss. (2)

"(5) Subsection (2) does not apply in respect of any person who becomes employed by a Company on or after the 1st day of January, 1954, to whom, but for this subsection, subsection (2) would apply, and every such person is deemed, for the purposes of the *Public Service Superannuation Act*, to have ceased to be employed in the Public Service, for a reason other than disability or misconduct, as of the date of his employment as aforesaid, and to have ceased to be a contributor under the *Public Service Superannuation Act* as of that date."

Interim contributions.

4. Upon the coming into force of this Act or as soon thereafter as possible, the amount of any contributions made by a person under the *Public Service Superannuation Act* in respect of any service of that person with a corporation to which any enactment contained in section 1, 2 or 3 relates since the date, on or after the 1st day of January, 1954, of his appointment or employment as described in that enactment, shall be paid out of the Superannuation Account in the Consolidated Revenue Fund to that person or, in the event of the death of that person prior to such payment, as though the said amount were a return of contributions or other lump sum payment to which, under the *Public Service Superannuation Act*, his widow and children were jointly entitled.

ST. LAWRENCE SEAWAY AUTHORITY ACT.

5. (1) Subsections (1) and (2) of section 21 of the *St. Lawrence Seaway Authority Act*, chapter 242 of the Revised Statutes of Canada, 1952, are repealed and the following substituted therefor:

Retirement from employment by Authority.

"**21.** (1) The following provisions are applicable to every person employed by the Authority who was a contributor under the *Public Service Superannuation Act* immediately prior to his employment by the Authority, and

(3) Notwithstanding subsection (2) or any other statute or law, a person who, immediately prior to his appointment or employment under or pursuant to this Act, was a contributor under the *Civil Service Superannuation Act* shall continue to be a contributor under the said *Civil Service Superannuation Act*; and, for the purposes of the said *Civil Service Superannuation Act*, his service under this Act shall be counted as service in the civil service and he, his widow, children or other dependants, if any, or his legal representatives, may be granted the respective allowances or gratuities provided by the said *Civil Service Superannuation Act*.

(4) Where a person, who immediately prior to his appointment or employment under or pursuant to this Act was a contributor under the *Civil Service Superannuation Act*, is retired from his position under this Act, he may be assigned to a position in the civil service for which he is qualified or he may be granted the same benefits under the *Civil Service Superannuation Act* as if his office or position had been abolished."

3. Subsections (1) and (2) of section 5 of the *Government Companies Operation Act* now read as follows:

"(1) The *Civil Service Superannuation Act* does not apply to officers and servants employed by a Company but each Company may with the approval of the Governor in Council establish and support a pension fund or group insurance plan or other pension or superannuation arrangements for the benefit of officers and servants employed by the Company and their dependants and a Company may, with the approval of the Governor in Council, continue any such fund, plan or arrangement established by the Company at the time this Act comes into force.

(2) Notwithstanding subsection (1) or any other statute or law, a person who, immediately prior to his employment by any Company was a contributor under the *Civil Service Superannuation Act*, continues while employed by the Company to be a contributor under that Act; for the purposes of that Act, his service with the Company shall be counted as service in the civil service and he, his widow, children or other dependants, if any, or his legal representatives may be granted the respective allowances or gratuities provided by the said Act; and in the event of his being retired from employment with such Company for any reason other than that of misconduct, he shall be eligible for re-appointment in the civil service or to receive the same benefits under the *Civil Service Superannuation Act*, as he might have been granted if he were retired under like circumstances from a position in the civil service."

Sections 1, 2, 3 and 4 of this Bill apply in the circumstances described therein as of the 1st day of January, 1954, the date on which the *Public Service Superannuation Act* came into force.

5. Subsections (1) and (2) of section 21 of the *St. Lawrence Seaway Authority Act* now read as follows:

"**21.** (1) Notwithstanding this Act or any other statute or law, where a person is employed by the Authority and immediately before his employment he was a contributor under a Part of the *Civil Service Superannuation Act* other than Part VI, and his employment by the Authority was entered into with the consent of the Minister of the Department or Branch of the Public Service in which he was employed, he continues, while in the employment of the Authority to be such a contributor under the *Civil Service Superannuation Act*, and for the purposes of that Act his service in employment under this Act shall be counted as service in the Civil Service and upon his death or retirement therefrom, he, his widow, children or other dependants, if any, may, subject to subsection (2), be granted the respective allowances or gratuities provided by that Act.

whose employment by the Authority was entered into with the consent of the Minister of the department or branch of the Public Service in which he was employed, namely:

(a) if that person is retired from employment by the Authority for a reason other than misconduct, and if before his employment by the Authority he was employed in a position to which the *Civil Service Act* applied, he may be appointed to a position to which the *Civil Service Act* applies of a class not lower than the position in which he was so employed; and

(b) if that person is retired from employment by the Authority for a reason other than misconduct, and if before his employment by the Authority he was employed in a position in the Public Service to which the *Civil Service Act* did not apply, he may be appointed to a position in the Public Service to which the *Civil Service Act* does not apply of a class not lower than the class in which he was so employed."

(2) The said Act is further amended by adding thereto, immediately after section 21 thereof, the following section:

Contributors under *Public Service Superannuation Act.*

"**21A.** (1) A person to whom the provisions of subsection (1) of section 21 are applicable continues to be a contributor under the *Public Service Superannuation Act* until the coming into operation of a by-law under section 8 establishing a pension fund as described in that section, at which time he ceases to be a contributor under the *Public Service Superannuation Act* and becomes a contributor to the pension fund so established.

Idem.

(2) During any period in which a person who is employed by the Authority continues, pursuant to subsection (1), to be a contributor under the *Public Service Superannuation Act*,

(a) the Authority is deemed to be a Public Service corporation within the meaning of section 23 of that Act; and

(b) the person so employed is deemed, for the purposes of the *Public Service Superannuation Act*, to be employed in the Public Service;

and for the purposes of that Act he is deemed to have ceased to be employed in the Public Service, for a reason other than disability or misconduct, as of the date he ceases, pursuant to subsection (1), to be a contributor under that Act.

Authority deemed to be public service employer.

(3) For the purposes of the *Public Service Superannuation Act*, the Authority is deemed to be a public service employer within the meaning of section 28 of that Act."

(2) Where a person to whom subsection (1) applies is retired from employment by the Authority for a reason other than misconduct,

(a) if before his employment by the Authority he was employed in a position to which the *Civil Service Act* applied, he may be appointed to a position to which the *Civil Service Act* applies of a class not lower than the position in which he was so employed;

(b) if before his employment by the Authority he was employed in any other position in the Public Service, he may be appointed to a position in the Public Service to which the *Civil Service Act* does not apply of a class not lower than the class in which he was so employed;

(c) if he fails to apply for or refuses appointment to a position to which he may be appointed under paragraph *(a)* or *(b)* and has not reached retirement age or become disabled or incapable of performing the duties of the position, he shall be deemed for the purposes of the *Civil Service Superannuation Act*, to have retired voluntarily from a position in the Civil Service; or

(d) if he applies for and is not appointed to such a position he shall be deemed, for the purposes of the *Civil Service Superannuation Act*, to have been retired from his position in the Civil Service by reason of the abolition of office."

The purpose of subsection (1) of section 5 of this Bill is to continue those provisions of subsections (1) and (2) of section 21 of the *St. Lawrence Seaway Authority Act*, as it now reads, which relate to re-employment in the Public Service of persons who are retired from employment by the Authority.

The remainder of this Bill is considered necessary because the *St. Lawrence Seaway Authority Act* is not yet in force and the type of pension plan which will be provided for members, officers and employees of the Authority is not known.

Effect of addition to Schedule A, *Public Service Superannuation Act.*

6. Nothing in this Act shall be construed as limiting or restricting the right of the Governor in Council, under subsection (3) of section 30 of the *Public Service Superannuation Act*, to amend Schedule A to that Act by adding thereto the name of The St. Lawrence Seaway Authority, but in the event that the said Schedule is so amended prior to the coming into operation of a by-law under section 8 of the *St. Lawrence Seaway Authority Act* establishing a pension fund as described in that section, subsection (2) of section 5 of this Act is deemed to have been repealed on the day on which that amendment takes effect.

CONFIDENTIAL.

462.

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 462.

An Act to provide for Allowances for Disabled Persons.

First reading, May 24, 1954.

THE MINISTER OF NATIONAL HEALTH AND WELFARE.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

90498

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 462.

An Act to provide for Allowances for Disabled Persons.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

SHORT TITLE.

Short title.

1. This Act may be cited as the *Disabled Persons Act.*

INTERPRETATION.

Definitions.

2. In this Act,

"Agreement."

(a) "agreement" means an agreement made under section 3;

"Allowance."

(b) "allowance" means a disabled persons allowance provided under provincial law to the persons and under the conditions specified in this Act and the regulations;

"Application."

(c) "application" means an application for an allowance;

"Minister."

(d) "Minister" means the Minister of National Health and Welfare;

"Provincial authority."

(e) "provincial authority" means the officer or body charged with the administration of the provincial law;

"Provincial law."

(f) "provincial law" means a law of a province that provides for the payment of allowances to the persons and under the conditions specified in this Act and the regulations, and authorizes the province to enter into an agreement with the Government of Canada in accordance with this Act;

"Province."

(g) "province" includes the Northwest Territories and the Yukon Territory;

"Recipient."

(h) "recipient" means a person to whom an allowance has been granted and includes an applicant for an allowance; and

"Unmarried person."

(i) "unmarried person" includes a widow, a widower, a divorced person and a married person who, in the opinion of the provincial authority, is living separate and apart from his spouse.

Agreements with Provinces.

Agreements with provinces.

3. (1) The Minister, with the approval of the Governor in Council, may, on behalf of the Government of Canada, make an agreement with a province to provide for the payment to the province, in accordance with this Act and the regulations, of amounts in respect of allowances paid by the province pursuant to provincial law, not exceeding, in respect of any recipient, fifty per cent of forty dollars monthly or of the amount of the allowance paid by the province monthly to the recipient, whichever is the lesser.

Qualifications.

(2) Payments to a province pursuant to this section shall be made only in respect of a recipient who

(a) at the date of the proposed commencement of allowance payments to him

(i) has attained the age of eighteen years, and

(ii) has resided in Canada for ten years immediately preceding that date, or if he has not so resided, has been present in Canada prior to those ten years for an aggregate period equal to twice the aggregate period of absences from Canada during those ten years;

(b) is totally and permanently disabled as prescribed by the regulations;

(c) is not in receipt of an allowance under the *Blind Persons Act* or assistance under the *Old Age Assistance Act* or an allowance under the *War Veterans Allowance Act*, or a pension under the *Old Age Security Act;*

(d) is not in receipt of money or assistance from any province or municipality by way of mothers allowance;

(e) is not a patient in a tuberculosis sanatorium, mental institution, home for the aged, infirmary or institution for the care of incurables;

(f) is not a patient or resident in a hospital, nursing home, or private, charitable or public institution, except as prescribed in the regulations; and

(g) is

(i) an unmarried person, and his income, inclusive of allowance, is not more than seven hundred and twenty dollars a year, or

(ii) married and living with his spouse, and the total income, inclusive of allowance, of the recipient and his spouse is not more than twelve hundred dollars a year, or

(iii) married and living with his spouse who is blind within the meaning of the *Blind Persons Act*, and the total income, inclusive of allowance, of the recipient and his spouse is not more than thirteen hundred and twenty dollars a year.

Amount of payments by Government of Canada.

4. An agreement with a province shall contain a covenant by the Government of Canada to pay to the province each month the amount that the Government of Canada is at that time authorized to pay to the province under this Act.

Allowance payable monthly in arrears.

5. (1) The allowance in respect of which the Government of Canada is authorized by this Act to make payments shall be payable monthly in arrears.

Where recipient dies.

(2) Where a province pays an allowance in respect of a recipient for the whole of the month in which the recipient dies, the Government of Canada shall make payments in respect thereof in accordance with section 3.

Census records.

6. Subject to the conditions specified in the regulations, a provincial authority is entitled, for the purpose of ascertaining the age of a recipient, to obtain from the Dominion Bureau of Statistics any information respecting the age of a recipient that is contained in the returns of any census taken more than thirty years before the date of the application for such information.

Provisions of agreement.

7. In every agreement the province shall, subject to section 3,

(a) specify the minimum age of a recipient and any other conditions of eligibility set forth in the provincial law;

(b) specify the maximum allowance to be paid by it to a recipient;

(c) provide for the reduction of such maximum allowance by the amount of any income received by a recipient in excess of an amount to be specified in such agreement; and

(d) covenant and agree

(i) that the provincial authority will consider applications from persons resident in the province in the manner prescribed by regulation, and where satisfied that a recipient is properly and lawfully entitled to the allowance, under the conditions specified in this Act, the regulations and the agreement, grant the allowance to such recipient in the amount specified in the agreement;

(ii) that where a recipient, during the last ten hundred and ninety-five days that he was present in Canada prior to reaching the age of eighteen

years, or prior to making application for the allowance, whichever is the later, was present in the province for a greater number of days than in any other province, the province will reimburse any other province that is paying the allowance to the extent of fifty per cent of the amount of the allowance;

(iii) that the province will, where a recipient who has been granted an allowance transfers his residence to such province from another province, pay the allowance;

(iv) that where a recipient, to whom the province has granted an allowance, transfers his residence to another province with which no agreement is in force, the province will continue to pay the allowance to such recipient;

(v) that where a recipient, who has been granted an allowance, transfers his residence to some place out of Canada, the province will discontinue payment of the allowance and not resume payment thereof until such recipient has again become resident in Canada;

(vi) to make statutory provision for penalties to ensure the proper carrying out of the provincial law and to provide that no allowance shall be subject to alienation or transfer by a recipient or to attachment or seizure in satisfaction of any claim against him, and that the receipt of the allowance shall not by itself constitute a disqualification from voting at any provincial or municipal election;

(vii) that the province will furnish, without charge to the provincial authority of any province, a certificate of the date of the birth of any recipient born within the province;

(viii) to maintain proper and adequate records and accounts respecting the payment of allowances, and to permit of an examination, inspection and audit by the Government of Canada of all such payments and of the records and accounts with respect thereto;

(ix) that where a recipient or his spouse has, within the five years preceding the date of application, made an assignment or transfer of property the consideration for which is, in the opinion of the provincial authority, inadequate, or where it appears to the provincial authority that any assignment or transfer of property made by a recipient or his spouse was made for the purpose of qualifying the recipient for an allowance, or for a larger allowance than he otherwise would be

entitled to receive, or to prevent recovery of any claim under the provincial law, the province will deem the property so assigned or transferred to be property of the recipient or his spouse owned at the date of the application as though the assignment or transfer had not been made;

(x) that where recovery of the amount of any allowance is made from a recipient or his estate, the province will furnish to the Government of Canada monthly a report thereof and pay to the Government of Canada an amount that bears the same ratio to the amount so recovered as the total amounts paid by the Government of Canada in respect of allowance payments made to such recipient bears to the total of such allowance payments; and

(xi) that the provincial authority will suspend payment of the allowance to any recipient who, in the opinion of the provincial authority, unreasonably neglects or refuses to comply with or to avail himself of training, rehabilitation or treatment measures or facilities provided by or available in the province.

Payments out of C.R.F.

8. All sums of money payable to a province in pursuance of an agreement shall be paid by the Minister of Finance on the certificate of the Minister out of the Consolidated Revenue Fund, and all such payments shall be made subject to the conditions specified in this Act and the regulations and subject to the observance of the covenants, agreements and undertakings contained in the agreement.

Duration of agreements.

9. (1) Subject to subsection (2), every agreement shall continue in force so long as the provincial law remains in operation or until the expiration of ten years from the day upon which notice of an intention to terminate the agreement is given by the Minister, with the approval of the Governor in Council, to the province with which the agreement was made.

Amendment.

(2) An agreement may be amended or terminated by mutual consent of the parties thereto with the approval of the Governor in Council.

Coming into force of agreement.

10. An agreement shall not come into operation until the Governor in Council has approved the scheme for the administration of allowances proposed to be adopted by the province, and no change in the scheme shall be made by the province without the approval of the Governor in Council.

Regulations.

Regulations.

11. (1) The Governor in Council may make regulations for carrying the purposes and provisions of this Act into effect, and, without limiting the generality of the foregoing, may make regulations providing for

(a) the definition of "totally and permanently disabled" for the purposes of this Act;

(b) the information to be included in the scheme for the administration proposed to be adopted by the province;

(c) the time, manner and form of making an application, the information and evidence to be submitted in connection therewith, and the procedure to be followed by the provincial authority in the consideration of applications;

(d) the investigation into applications and into the eligibility of a recipient to receive an allowance, the reports to be made and the information to be supplied by or in respect of recipients;

(e) the conditions under which information may be obtained from the Dominion Bureau of Statistics as provided in section 6;

(f) the definition of residence in Canada for the purposes of this Act and the extent of intervals of absence from Canada that shall be deemed not to have interrupted the continuity of residence;

(g) the definition of income for the purposes of this Act, and the manner in which income is to be determined, including the income of a recipient and his spouse, and the determination of the amount thereof that each shall be deemed to receive, whether they live together or separate and apart;

(h) determining the amount that for the purposes of this Act shall be deemed income of a recipient from any interest in real or personal property of the recipient or his spouse owned or deemed to be owned at the date of making application or acquired subsequent thereto;

(i) the time at which, after application therefor, the payment of the allowance shall commence;

(j) the circumstances under which payment of the allowance may be made to a recipient who is a patient or resident in a hospital, nursing home, or private, charitable or public institution;

(k) the circumstances under which payment of the allowance may be made to persons as trustees for the benefit of recipients;

(l) the circumstances justifying or requiring the suspension of the payment of allowances and the resumption of payment; and

(m) the recovery of the amount of allowance payments to which a recipient was not entitled under this Act, the regulations and the agreement.

Alteration of regulations.

(2) No regulation, by reference to which an agreement with a province has been made, shall be altered except with the consent of the province or in accordance with the regulations to which it has agreed.

Advisory Board.

(3) There shall be an Advisory Board consisting of two representatives of the Government of Canada, appointed by the Governor in Council, and two representatives of each of the provinces with which agreements have been made, appointed by the Governor in Council on the recommendation of such provinces, to recommend such alterations to the regulations as may from time to time appear to be necessary or advisable.

REPORT.

Report.

12. The Minister shall, as soon as possible after the termination of each fiscal year, submit a report to Parliament respecting the operation for that year of the agreements made under this Act and the payments made to the provinces under each of the agreements.

COMING INTO FORCE.

Coming into force.

13. This Act shall come into force on a day to be fixed by proclamation of the Governor in Council.

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 463.

An Act to amend the Public Service Superannuation Act.

First reading, May 25, 1954.

THE MINISTER OF FINANCE.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

91352

First Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 463.

An Act to amend the Public Service Superannuation Act.

1952-53, c. 47.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

Part I.

1. (1) The *Public Service Superannuation Act*, chapter 47 of the statutes of 1952-53, is amended by inserting therein, immediately after section 1 thereof, the following heading:

"PART I.

SUPERANNUATION."

References to Act.

(2) A reference to "this Act" in sections 2 to 38 of the said Act, and in Part IV of Schedule A thereto, shall be construed as a reference to Part I of the said Act.

2. The said Act is further amended by adding thereto the following Part:

"PART II.

SUPPLEMENTARY DEATH BENEFITS.

INTERPRETATION.

Definitions.

"Basic benefit."

39. (1) In this Part,

(a) "basic benefit" with respect to a participant means

(i) five thousand dollars, or

(ii) the salary of the participant if it is a multiple of two hundred and fifty dollars or the nearest multiple of two hundred and fifty dollars above the salary of the participant if it is not a multiple of two hundred and fifty dollars,

whichever is the lesser amount, subject to a reduction, to be made as of such time as the regulations prescribe,

Explanatory Notes.

The purpose of this Bill is to provide death benefits up to a maximum of $5,000 for the spouse or the estate of a public servant or a member of the regular forces, in addition to superannuation or pension benefits. The right to the death benefits will continue in certain circumstances after a public servant ceases to be employed by Her Majesty or a member of the regular forces ceases to be such a member.

of one-tenth of such lesser amount for every year in excess of sixty attained by the participant, except that in the case of a participant employed in the Public Service the basic benefit shall be not less than one-sixth of his salary if such one-sixth is a multiple of two hundred and fifty dollars or the nearest multiple of two hundred and fifty dollars above one-sixth of his salary if such one-sixth is not a multiple of two hundred and fifty dollars;

"Benefit."

(b) "benefit" means the amount payable in respect of a participant under section 43;

"Crown corporation."

(c) "Crown corporation" means a Crown corporation as defined in section 76 of the *Financial Administration Act*, except any such corporation specified in Part I of Schedule A to this Act;

"Elective."

(d) "elective" as applied to a participant means that the participant comes within subparagraph (iv) of paragraph *(e)*;

"Participant."

(e) "participant" means

(i) a person who is required by subsection (1) of section 4 to contribute to the Superannuation Account,

(ii) an employee of a Crown corporation who is required to contribute to the Superannuation Account in respect of current service or who, but for subsection (2) of section 4, would be required so to contribute,

(iii) a member of the regular forces, and

(iv) a person not coming within subparagraph (i), (ii) or (iii) who has made an election under section 40 or 41 and continues to contribute under this Part,

but does not include an employee of a Crown corporation or public board excluded from the operation of this Part by the regulations;

"Public board."

(f) "public board" means a board, commission or corporation specified in Schedule A and includes the Office of the Custodian of Enemy Property;

"Public service participant"

(g) "public service participant" means a participant who is employed in the Public Service or who, having ceased to be so employed, continues to be a participant by virtue of an election made under section 40;

"Regular forces participant."

(h) "regular forces participant" means a participant who is a member of the regular forces or who, having ceased to be such a member, continues to be a participant by virtue of an election made under section 41;

"Salary."

(i) "salary" means

(i) in the case of a participant employed in the Public Service, the compensation received for

the performance of the regular duties of his position or office in the Public Service,

(ii) in the case of a participant who is a member of the regular forces, three thousand dollars per annum if his rank is lower than chief petty officer in the Royal Canadian Navy or warrant officer in the Canadian Army or Royal Canadian Air Force, and five thousand dollars per annum if his rank is chief petty officer or higher in the Royal Canadian Navy or warrant officer or higher in the Canadian Army or Royal Canadian Air Force,

(iii) in the case of an elective public service participant, his salary in the Public Service at the time he ceased to be employed in the Public Service, and

(iv) in the case of an elective regular forces participant, three thousand dollars per annum if his rank at the time he ceased to be a member of the regular forces was lower than chief petty officer in the Royal Canadian Navy or warrant officer in the Canadian Army or Royal Canadian Air Force, and five thousand dollars per annum if his rank at that time was chief petty officer or higher in the Royal Canadian Navy or warrant officer or higher in the Canadian Army or Royal Canadian Air Force; and

Other words and expressions.

(j) other words and expressions have the same meaning as in Part I.

Crown corporation employees deemed to be in Public Service.

(2) A participant who is employed by a Crown corporation shall for the purposes of this Part be deemed to be employed in the Public Service.

When woman deemed widow.

(3) Where in any circumstances a woman would be deemed to be or not to be the widow of a deceased contributor under Part I, a woman shall, in like circumstances, be deemed for the purposes of this Part to be or not to be the widow of a deceased participant.

Election to continue as participant.

40. A person who ceases to be employed in the Public Service and at the time he ceases to be so employed is a public service participant who has been employed in the Public Service substantially without interruption for five or more years, may, within thirty days after that time, elect to continue to be a participant under this Part.

Idem.

41. A person who ceases to be a member of the regular forces and at the time he ceases to be such a member is a regular forces participant who has been a member of the regular forces substantially without interruption for five years or more, may, within thirty days after that time, elect to continue to be a participant under this Part.

CONTRIBUTIONS.

Amount of contribution.

42. Every participant shall contribute an amount equal to ten cents per month for every multiple of two hundred and fifty dollars in the amount of his basic benefit, or, in the case of elective participants and participants who are on leave of absence, such contributions as the regulations prescribe.

BENEFITS.

Payment of benefit.

43. (1) On the death of a participant there shall be paid to the persons and in the manner specified in this Part, the amount of the basic benefit of the participant with respect to which the last contribution payable under this Part by the participant was calculated.

"Last contribution" defined for certain cases.

(2) Where, in the case of a participant who at the time of death was employed in the Public Service, salary is not paid for the full month in which he died, the last contribution shall be for that full month and shall be deemed to have become payable immediately before death.

To whom benefits paid.

44. (1) Benefits shall be paid as follows:

(a) if the participant died leaving a spouse, to the spouse; or

(b) if the participant died leaving no spouse, to the estate of the participant.

How benefits paid.

(2) Subject to any regulations made under paragraph *(f)* of subsection (1) of section 50, a benefit shall be paid in a lump sum.

Account in Consolidated Revenue Fund.

45. (1) There shall be an account in the Consolidated Revenue Fund to be known as the Public Service Death Benefit Account to which shall be credited the following:

Credits to Account.

(a) the amount of all contributions paid under section 42 by public service participants;

(b) the payments made by a Crown corporation or public board as required by the regulations;

(c) one-sixth of the benefits paid in respect of participants who, at the time of death, were employed in the Public Service;

(d) one-sixth of the benefits paid in respect of elective public service participants to whom an immediate annuity was payable under Part I upon their ceasing to be employed in the Public Service; and

(e) an amount representing interest on the balance from time to time to the credit of the said Account at such rate and calculated in such manner as the regulations prescribe.

Idem. (2) There shall be an account in the Consolidated Revenue Fund to be known as the Regular Forces Death Benefit Account to which shall be credited the following:

(a) the amount of all contributions paid under section 42 by regular forces participants;

(b) one-sixth of the benefits paid in respect of participants who, at the time of death, were members of the regular forces;

(c) one-sixth of the benefits paid in respect of elective regular forces participants to whom a pension was payable under the *Defence Services Pension Act* upon their retirement from the regular forces; and

(d) an amount representing interest on the balance from time to time to the credit of the said Account at such rate and calculated in such manner as the regulations prescribe.

How benefits to be charged. (3) Benefits shall be paid out of the Consolidated Revenue Fund and shall be charged as follows:

(a) the benefits paid in respect of public service participants shall be charged against the Public Service Death Benefit Account; and

(b) the benefits paid in respect of regular forces participants shall be charged against the Regular Forces Death Benefit Account.

General.

Elective participants. **46.** (1) There shall be issued to elective participants a document in such form as the regulations prescribe as evidence that they are participants under this Part.

Idem. (2) An elective participant ceases to be a participant if any contribution payable by him under this Part is not paid within thirty days after the due date thereof.

Benefits not assignable, etc. **47.** Benefits are not capable of being assigned, charged, attached, anticipated or given as security and any transaction purporting to assign, charge, attach, anticipate or give as security any benefit is void.

Actuarial report. **48.** The Minister shall lay before Parliament at least once in every five years an actuarial report on the state of the Accounts established by this Part containing an estimate of the extent to which the amounts standing to the credit of the Accounts and the contributions payable under this Part are sufficient to meet the benefits chargeable against the Accounts.

Annual report.

49. The Minister shall lay before Parliament each year a report on the administration of this Part during the preceding fiscal year, including a statement showing the amounts that during such year were credited to or charged against each Account established by this Part.

Regulations.

50. (1) The Governor in Council may make regulations for carrying the purposes and provisions of this Part into effect and, without restricting the generality of the foregoing, may make regulations

(a) prescribing the times as of which the reductions referred to in paragraph *(a)* of subsection (1) of section 39 shall be made;

(b) excluding any Crown corporation or public board from the operation of this Part;

(c) prescribing the manner and time of payment of contributions;

(d) prescribing the contributions to be made by elective participants and participants who are on leave of absence and prescribing the conditions upon which participants who are on leave of absence may continue to be participants;

(e) respecting the manner and time of proof of age and of death;

(f) authorizing payment, with the approval of the Treasury Board, out of any benefit payable to the estate of a deceased participant, of expenses incurred for the maintenance, medical care or burial of the participant;

(g) prescribing the rate of interest and the manner of calculating the interest to be credited to the Accounts established by this Part;

(h) prescribing the amount, time and manner of payments to be made by Crown corporations and public boards in respect of participants who are employed by such corporations or boards; and

(i) prescribing forms for the purposes of this Part.

Application of s. 30.

(2) Paragraphs *(l)*, *(m)*, *(n)*, *(o)* and *(p)* of subsection (1) of section 30 are, *mutatis mutandis*, applicable to this Part.

Civil Service Act.

51. (1) Section 56 of the *Civil Service Act* does not apply to a participant.

Civil Service Insurance Act.

(2) No contract of insurance shall be entered into under the *Civil Service Insurance Act* on the life of any person unless

Section 50 (2):—The purpose of this clause is to permit the extension of regulations under superannuation provisions to similar situations under the new Part.

Section 51 (1):—Section 56 of the *Civil Service Act* reads as follows:

> **"56.** When a person dies while in the Civil Service, after having been at least two years therein, an amount equal to two months of his salary shall be paid to his widow or to such person as the Treasury Board determines."

Section 56 of the *Civil Service Act*, which provides for a death benefit equal to two months salary, will no longer apply to participants.

In addition the interim allowance that is payable for a period of two months to the dependants of married members of the regular forces upon the death of such members will be discontinued.

(a) a medical examiner or a medical referee has in accordance with the regulations under that Act recommended without qualification the acceptance of the risk, and

(b) the medical report on the application for the contract of insurance was based on a medical examination begun prior to the 1st day of May, 1954."

Coming into force.

3. This Act shall come into force on a day to be fixed by proclamation of the Governor in Council.

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 464.

An Act to amend the Royal Canadian Mounted Police Act.

First reading, May 25, 1954.

THE MINISTER OF JUSTICE.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

91410

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 464.

An Act to amend the Royal Canadian Mounted Police Act.

R.S., c. 241.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1. Subsection (2) of section 6 of the *Royal Canadian Mounted Police Act*, chapter 241 of the Revised Statutes of Canada, 1952, is repealed and the following substituted therefor:

Appointment of Deputy Commissioners, etc.

"(2) The Governor in Council may by commission appoint one or more Deputy Commissioners and one or more Assistant Commissioners of Police, one or more staff and other superintendents, and inspectors, detective inspectors, sub-inspectors, surgeons, assistant surgeons, veterinary surgeons and assistant veterinary surgeons, of the Force, and the Governor in Council may in any commission issued under the authority of this subsection limit the time during which the same shall continue in force."

2. Section 11 of the said Act is repealed and the following substituted therefor:

Deputy Commissioner or Assistant Commissioner to act.

"**11.** In the absence of the Commissioner, such Deputy Commissioner or Assistant Commissioner as the Commissioner may designate, may exercise all the powers that by this or any other Act are conferred upon the Commissioner."

3. (1) Section 27 of the said Act is amended by adding thereto the following subsections:

Pension upon retirement for inefficiency.

"(2) The Governor in Council may grant to a retired member of the Force who

(a) is not a contributor under Part V,

(b) has served in the Force for ten years or upwards, and

Explanatory Notes.

1. The present subsection (2) of section 6 reads as follows:

"(2) The Governor in Council may by commission appoint *a Deputy Commissioner* and one or more Assistant Commissioners of Police, one or more staff and other superintendents, and inspectors, detective inspectors, sub-inspectors, surgeons, assistant surgeons, veterinary surgeons and assistant veterinary surgeons, of the Force, and the Governor in Council may in any commission issued under the authority of this subsection limit the time during which the same shall continue in force."

The purpose of this amendment is to provide for the appointment of more than one Deputy Commissioner.

2. The present section 11 reads as follows:

"**11.** In the absence of the Commissioner, *the Deputy Commissioner, or such* Assistant Commissioner as the Commissioner may designate, may exercise all the powers that by this or any other Act are conferred upon the Commissioner."

The amendment is consequential upon the proposed amendment to section 6.

3. The purpose of this amendment is to enable officers and men retired for inefficiency or misconduct under Parts II and III of the Act to be granted a pension as in the case of retirement for similar reasons under Part V.

(c) was retired by reason of his inefficiency in the performance of his duties,

an annual pension equal to one-half of the pension that might have been granted to him if he had been retired in consequence of permanent infirmity of body or mind until he attains the age of sixty-five years and thereafter to two-thirds of the said pension.

Misconduct or inefficiency.

(3) Where a member of the Force who is not a contributor under Part V is retired by reason of misconduct or by reason of his inefficiency in the performance of his duties, the fact of such retirement and the circumstances thereof shall be reported to the Board of Officers appointed under subsection (2) of section 101, and if the Board, after investigation of the circumstances surrounding any retirement reported to it under this subsection, reports to the Minister that it is in the public interest by reason of good and faithful service rendered by the member of the Force prior to the time of the misconduct or at which the inefficiency became manifest, to grant a pension, the Minister may recommend accordingly to the Treasury Board and the Governor in Council may on the report of the Treasury Board in such cases grant a pension equal to two-thirds of the pension that might have been granted to him if he had been retired in consequence of permanent infirmity of body or mind until he attains the age of sixty-five years and thereafter to the said pension."

Application.

(2) This section applies to a member of the Force who, since the 1st day of March, 1949, was retired by reason of his inefficiency in the performance of his duties or by reason of misconduct, but no pension shall be granted to any person under the authority of this subsection in respect of any period prior to the coming into force of this act."

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 465.

An Act for granting to Her Majesty certain sums of money for the public service of the financial year ending the 31st March, 1955.

AS PASSED BY THE HOUSE OF COMMONS, 27th MAY, 1954.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

91579

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 465.

An Act for granting to Her Majesty certain sums of money for the public service of the financial year ending the 31st March, 1955.

MOST GRACIOUS SOVEREIGN,

Preamble.

WHEREAS it appears by messages from His Excellency, the Right Honourable Vincent Massey, etc., etc., Governor General of Canada, and the estimates accompanying the said messages, that the sums hereinafter mentioned are required to defray certain expenses of the public service of Canada, not otherwise provided for, for the financial year ending the 31st day of March, 1955, and for other purposes connected with the public service: May it therefore please Your Majesty, that it may be enacted, and be it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, that:

Short title.

1. This Act may be cited as the *Appropriation Act, No. 3, 1954.*

$263,003,811 granted for 1954-55.

2. From and out of the Consolidated Revenue Fund, there may be paid and applied a sum not exceeding in the whole two hundred and sixty-three million, three thousand, eight hundred and eleven dollars, towards defraying the several charges and expenses of the public service, from the 1st day of April, 1954, to the 31st day of March, 1955, not otherwise provided for, and being one-twelfth of the amount of each of the items to be voted set forth in the Main Estimates for the fiscal year ending the 31st day of March, 1955, as laid before the House of Commons at the present session of Parliament.

$1,413,731.92 granted for 1954-55.

3. From and out of the Consolidated Revenue Fund, there may be paid and applied, in addition to the amount granted therefor by section 2 of this Act, a sum not exceeding in the whole one million, four hundred and thirteen thousand, seven hundred and thirty-one dollars and ninety-two cents, towards defraying the several charges and expenses of the public service, from the 1st day of April, 1954, to the 31st day of March, 1955, not otherwise provided for, and being one-twelfth of the amount of the items to be voted set forth in the Schedule to this Act.

Account to be rendered. R.S., c. 116.

4. Sums expended under the authority of this Act shall be accounted for in the Public Accounts in conformity with section 64 of the *Financial Administration Act*.

SCHEDULE

Based on the Main Estimates, 1954-55. The amount hereby granted is $1,413,731.92, being one-twelfth of the amount of the several items in the said Estimates as contained in this Schedule.

SUMS granted to Her Majesty by this Act for the financial year ending 31st March, 1955, and the purposes for which they are granted.

No. of Vote	Service	Amount	Total
		$	$
	AGRICULTURE		
	EXPERIMENTAL FARMS SERVICE		
	Branch Experimental Farms, Sub-Stations and Illustration Stations—		
19	Operation and Maintenance	6,351,995	
	LEGISLATION		
	THE SENATE		
199	General Administration	453,249	
	HOUSE OF COMMONS		
202	General Administration—Estimates of the Clerk	1,250,777	
203	Estimates of the Sergeant-at-Arms	726,540	
	MINES AND TECHNICAL SURVEYS		
	A—DEPARTMENT		
	GEOLOGICAL SURVEY OF CANADA		
	Geological Surveys—		
218	Administration, Operation and Maintenance, including the expenses of the National Advisory Committee on Research in the Geological Sciences, an amount of $1,500 for Canada's share of the cost of the Committee on Mineral Resources and Geology, London, England, and an amount of $25,000 for Grants in aid of Geological Research in Canadian Universities	2,235,425	
	SURVEYS AND MAPPING BRANCH		
	Topographical Surveys, including expenses of the Canadian Board on Geographical Names—		
221	Administration, Operation and Maintenance	1,580,845	
	Canadian Hydrographic Service—		
223	Administration, Operation and Maintenance, including Canada's Annual Contribution of $5,300 to the International Hydrographic Bureau	2,617,873	
	Geodetic Survey of Canada—		
225	Administration, Operation and Maintenance	527,613	
227	International Boundary Commission	69,481	

SCHEDULE—*Concluded*

No. of Vote	Service	Amount	Total
		$	$
	MINES AND TECHNICAL SURVEYS—*Concluded*		
	A—Department—*Concluded*		
	Geographical Branch		
231	Geographical Branch—Administration, Operation and Maintenance, including a Grant of $250 to the Canadian Association of Geographers	283,385	
	TRADE AND COMMERCE		
	Exhibitions		
431	Canadian International Trade Fair, including authority to refund, from revenue, deposits received for contracts for space	867,600	
			*16,964,783

* Net Total $1,413,731.92.

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 466.

An Act to amend the Industrial Relations and Disputes Investigation Act. (Laying of Information).

First reading, May 28, 1954.

MR. KNOWLES.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

91717

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 466.

An Act to amend the Industrial Relations and Disputes Investigation Act. (Laying of Information).

R.S., c. 152.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1. (1) Subsection 1 of section 45 of the *Industrial Relations and Disputes Investigation Act*, Chapter 152 of the Revised Statutes, 1952, is repealed and the following substituted therefor:

Prosecution by or of employers' organization or trade union.

"**45.** (1) A prosecution for an offence under this Act may be brought by or against an employers' organization or a trade union and in the name of the organization or union and for the purpose of such a prosecution a trade union or an employers' organization shall be deemed to be a person, and any act or thing done or omitted by an officer or agent of an employers' organization or trade union within the scope of his authority to act on behalf of the organization or union shall be deemed to be an act or thing done or omitted by the employers' organization or trade union."

(2) The said section 45 is further amended by adding thereto the following subsection:

Who may lay information or complaint.

"(3) Any information or complaint in respect of any prosecution under this Act may be laid by an employer, employers' organization, trade union or person claiming to be aggrieved under this Act."

Explanatory Notes.

The purpose of this Bill is to amend the *Industrial Relations and Disputes Investigation Act* to make it clear that a trade union or an individual, on the one hand, or an employer or an employers' organization, on the other hand, has the right to lay an information or complaint under the Act.

As section 45 now stands, it is clear that a prosecution for an offence under the Act may be brought against a trade union or an employers' organization. However, in view of a recent court decision, some ambiguity has arisen as to whether an information or complaint can be laid by an aggrieved trade union against an employer. The proposed amendments to section 45 would clear up this uncertainty.

1. (1) Subsection (1) of section 45 is amended by inserting the words "by or" after the word "brought" in the second line thereof.

(2) Section 45 is further amended by adding a new subsection thereto.

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 467.

An Act to amend the Income Tax Act.

First reading, May 31, 1954.

THE MINISTER OF FINANCE.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

91034

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 467.

An Act to amend the Income Tax Act.

R.S., c. 148, 1952-53, c. 40.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1. (1) Subsection (1) of section 6 of the *Income Tax Act*, chapter 148 of the Revised Statutes of Canada, 1952, is amended by adding thereto, immediately after paragraph *(e)* thereof, the following paragraph:

Insurance proceeds expended.

"*(ea)* such part of an amount payable to the taxpayer under a policy of insurance in respect of damage to property that is depreciable property of the taxpayer within the meaning of section 20 as has been expended by the taxpayer

(i) within the year, and

(ii) within a reasonable time after the damage,

on repairing the damage;"

(2) This section is applicable to the 1954 and subsequent taxation years.

2. (1) Subparagraph (i) of paragraph *(c)* of subsection (1) of section 11 of the said Act is repealed and the following substituted therefor:

"(i) borrowed money used for the purpose of earning income from a business or property (other than borrowed money used to acquire property the income from which would be exempt), or"

(2) Subsection (1) of the said section 11 is further amended by adding thereto, immediately after paragraph *(c)* thereof, the following paragraph:

Compound interest.

"*(ca)* an amount paid in the year pursuant to a legal obligation to pay interest on an amount that would be deductible under paragraph *(c)* if it were paid in the year or payable in respect of the year;"

Explanatory Notes

This bill amends the *Income Tax Act* which is Chapter 148 of the Revised Statutes of Canada, 1952, *The Income Tax Act* which is the 1948 Act applicable to the taxation years 1949 to 1952 inclusive, and the *Income War Tax Act.*

Clause 1.—This new paragraph provides that an amount payable under a policy of insurance in respect of damge to property which is not treated as proceeds of a disposition under section 20 of the Act shall be included in computing income in the year when it is spent on repairing the property, thus offsetting the deduction for the cost of the repairs. This amendment should be read in conjunction with section 20 (5) *(c)* (iv) of the Act which requires that an amount payable under a policy of insurance in respect of damage to property shall be treated as proceeds of a disposition except to the extent that it has been expended on repairing the damage within a reasonable time.

Clause 2.—(1) This is a change in wording for clarification. The subparagraph being repealed reads as follows:

> "(i) borrowed money used for the purpose of earning income from a business or property (other than property the income from which would be exempt), or"

(2) This new paragraph allows a deduction in computing income for interest paid on overdue interest.

(3) Subparagraph (i) of paragraph *(d)* of subsection (1) of the said section 11 is repealed and the following substituted therefor:

"(i) repaying borrowed money used for the purpose of earning income from a business or property (other than borrowed money used to acquire property the income from which would be exempt), or"

(4) Paragraph *(g)* of subsection (1) of the said section 11 is repealed and the following substituted therefor:

Employer's contribution to pension funds.

"*(g)* an amount not exceeding $1500 paid by the taxpayer in the year or within 60 days from the end of the year to or under an approved superannuation fund or plan in respect of services rendered by each employee, officer or director of the taxpayer in the year plus such amount as may be deducted as a special contribution under section 76;"

(5) Subparagraphs (i) and (ii) of paragraph *(i)* of subsection (1) of the said section 11 are repealed and the following substituted therefor:

"(i) not exceeding in the aggregate $1500 in the year, if retained by his employer from his remuneration for or under the fund or plan in respect of services rendered in the year or paid into or under the fund or plan by the taxpayer as part of his dues for the year as a member of a trade union, and

(ii) not exceeding in the aggregate $1500 paid in the year into or under the fund or plan by the taxpayer in respect of services rendered by him previous to the year while he was not a contributor;"

(6) The said section 11 is further amended by adding thereto, immediately after subsection (3) thereof, the following subsections:

Borrowed money.

"(3a) For the purposes of paragraph *(c)* of subsection (1), where a person has borrowed money in consideration of a promise by him to pay a larger amount and to pay interest on the larger amount,

(a) the larger amount shall be deemed to be the amount borrowed, and

(b) where the amount borrowed has been used in whole or in part for the purpose of earning income from a business or property, the proportion of the larger amount that the amount actually so used is of the amount actually borrowed shall be deemed to be the amount so used.

Idem.

(3b) For greater certainty it is hereby declared that, where a taxpayer has used borrowed money to repay money borrowed previously, the borrowed money shall, for the purpose of paragraph *(c)* or *(d)* of subsection (1), be deemed to have been used for the purpose for which the money borrowed previously was used or was deemed by this subsection to have been used.

(3) This is a change in wording for clarification. The subparagraph being repealed reads as follows:

> "(i) repaying borrowed money used for the purpose of earning income from a business or property (other than property the income from which would be exempt), or"

(4) and (5) These amendments substitute the underlined amount for the figure of $900. This implements paragraph 5 of the Income Tax Resolution which reads as follows:

> "5. That for the 1954 and subsequent taxation years the deduction allowed to an employer or employee in respect of amounts paid or contributed to or under an approved superannuation fund or plan shall be increased from $900 to $1,500."

(6) The new subsection (3a) provides for calculation of the deduction in respect of interest on securities issued at a discount. The face value of the securities shall be deemed to be the amount borrowed and the proportion of this larger amount that shall be deemed to be used for the purpose of earning income shall be the same as the proportion of the amount actually borrowed which is so used.

The new subsection (3b) declares for greater certainty that money borrowed to repay borrowed money shall be deemed to be used for the same purpose as the money it replaces.

Teachers.

(3c) For the purpose of determining whether a teacher may deduct amounts contributed by him to or under an approved superannuation fund or plan in computing his income for a taxation year during which he was employed by Her Majesty or a person whose taxable income for the year is exempt by virtue of section 62, subparagraph (ii) of paragraph *(i)* of subsection (1) shall be read as though the words "while he was not a contributor" at the end thereof were deleted."

(7) Subsection (8) of the said section 11 is repealed and the following substituted therefor:

Employer's contribution to pension funds for arrears.

"(8) Where an amount has been contributed by a taxpayer to or under an approved superannuation fund or plan during the 1946 or a subsequent taxation year in respect of services rendered by him before he became a contributor, it may be included in computing a deduction under subparagraph (ii) of paragraph *(i)* of subsection (1) for a taxation year subsequent to the year during which it was contributed to the extent that it exceeds the aggregate of amounts deductible in respect thereof under this subsection or the said subparagraph (ii) in computing incomes for years preceding the taxation year."

(8) Paragraph *(c)* of subsection (9) of the said section 11 is repealed and the following substituted therefor:

"*(c)* was not in receipt of an allowance for travelling expenses that was, by virtue of subparagraph (v), (vi) or (vii) of paragraph *(b)* of section 5, not included in computing his income and did not claim any deduction for the year under subsection (5), (6) or (7),"

(9) The said section 11 is further amended by adding thereto, immediately after subsection (9) thereof, the following subsection:

Meals.

"(9a) An amount expended in respect of a meal consumed by an officer or employee shall not be included in computing the amount of a deduction under subsection (6) or (9) unless the meal was consumed during a period while he was required by his duties to be away, for a period of not less than twelve hours, from the municipality where the employer's establishment to which he ordinarily reported for work was located and away from the metropolitan area, if there is one, where it was located."

(10) The said section 11 is further amended by adding thereto, immediately after subsection (11) thereof, the following subsection:

Idem.

"(11a) Any deduction made under subsection (11) of this section or subsection (11) of section 11 of *The 1948 Income Tax Act* shall be deemed, for the purposes of section 20, to have been made under regulations made under paragraph *(a)* of subsection (1)."

The new subsection (3c) relates to teachers who at one time were members of an approved pension plan but upon leaving that particular employment withdrew their contributions. This amendment will permit these taxpayers, if they return to their previous employment, to claim a deduction for payments made in respect of past services even though they were formerly contributors to the plan for those previous years.

(7) This amendment deletes the words "in excess of $900". The omission of a specified amount in this section means that the limit of $1,500 will apply.

(8) This amendment adds the underlined reference to a subparagraph to correct an omission in previous drafting. The amendment makes it clear that a clergyman who receives an allowance for transportation which is excluded from income by reason of section 5 of the Act may not also claim a deduction under section 11 of the Act for travelling expenses.

(9) This new subsection provides that salesmen or other employees who are permitted by subsections (6) and (9) of section 11 of the Act to deduct travelling expenses incurred in earning their income may not deduct the cost of their meals unless they are away from the municipality or the metropolitan area where their employer's establishment is located for at least 12 hours.

(10) This new subsection provides that capital cost allowances deducted by a taxpayer in respect of an automobile used in the performance of the duties of his office or employment shall be subject to recapture under section 20 of the Act.

(11) Subsections (1) to (5) and (7) to (10) of this section and subsections (3a) and (3c) of section 11 of the said Act as enacted by subsection (6) of this section are applicable to the 1954 and subsequent taxation years.

3. (1) Subsection (7) of section 17 of the said Act is repealed and the following substituted therefor:

Idem.

"(7) Where depreciable property of a taxpayer as defined for the purpose of section 20 has been disposed of under such circumstances that subsection (4) of section 20 is applicable to determine, for the purpose of paragraph *(a)* of subsection (1) of section 11, the capital cost of the property to the person by whom the property was acquired, subsections (2), (5) and (6) are not applicable in respect of the disposition."

(2) This section shall be deemed to have come into force on the day on which the Revised Statutes of Canada, 1952, came into force.

4. (1) All that portion of subsection (1) of section 18 of the said Act preceding paragraph *(a)* thereof is repealed and the following substituted therefor:

Lease-option, hire-purchase, etc.

"**18.** (1) A lease-option agreement, a hire-purchase agreement or other contract or arrangement for the leasing or hiring of property, except immovable property used in carrying on the business of farming, by which it is agreed that the property may, on the satisfaction of a condition, vest in the lessee or other person to whom the property is leased or hired or in a person with whom the lessee or such other person does not deal at arm's length shall, for the purpose of computing the income of the lessee or other person to whom the property has been leased or hired, be deemed to be an agreement for the sale of the property to him and rent or other consideration paid or given thereunder shall be deemed to be on account of the price of the property and not for its use; and the lessee or other person to whom the property has been leased or hired shall, for the purpose of a deduction under paragraph *(a)* of subsection (1) of section 11, be deemed to have acquired the property at a capital cost equal to the price fixed by the contract or arrangement minus the aggregate of all amounts paid by him"

Option exercised by person with whom lessee not at arm's length.

(2) The said section 18 is further amended by adding thereto the following subsection:

"(3) Where a lease-option agreement, a hire-purchase agreement or other contract or arrangement for the leasing

Clause 3.—(1) This amendment changes the underlined number from 2 to 4. This is to correct an error made in the Revised Statutes of Canada, 1952.

Clause 4.—(1) This amendment extends the section to cover cases where an option to purchase a property is given to a person with whom the lessee does not deal at arm's length instead of to the lessee himself. The portion of the subsection being repealed reads as follows:

"**18.** (1) A lease-option agreement, a hire-purchase agreement or other contract or arrangement for the leasing or hiring of property, except immovable property used in carrying on the business of farming, by which it is agreed that the property may, on the satisfaction of a condition, vest in the lessee or other person to whom the property is leased or hired shall, for the purpose of computing the income of the lessee or other such person, be deemed to be an agreement for the sale of the property and rent or other consideration paid or given thereunder shall be deemed to be on account of the price of the property and not for its use; and the lessee or other person in whom the property may vest shall, for the purpose of a deduction under paragraph *(a)* of subsection (1) of section 11, be deemed to have acquired the property at a capital cost equal to the price fixed by the contract or arrangement minus the aggregate of all amounts paid by him"

(2) This new subsection provides the rules to be applied in respect of capital cost allowances if the option is exercised by a person with whom the lessee does not deal at arm's length.

or hiring of property, except immovable property used in carrying on the business of farming, by which it was agreed that the property might, on the satisfaction of a condition, vest in a person with whom the lessee or other person to whom the property was leased or hired (hereinafter referred to as the "lessee") was not dealing at arm's length, has been entered into and, upon satisfaction of the condition, the property has, at a subsequent time, vested in that person (hereinafter referred to as the "new owner"), the following rules are applicable:

(a) for the purpose of paragraph *(a)* of subsection (1) of section 11, the lessee shall be deemed to have, at the subsequent time, disposed of the property for an amount equal to its undepreciated capital cost to him (as defined by section 20) at that time;

(b) the capital cost of the property to the new owner shall be deemed to be an amount equal to the capital cost thereof to the lessee as determined under subsection (1); and

(c) an amount equal to the capital cost of the property to the new owner as determined under paragraph *(b)* minus the amount for which the lessee is deemed by paragraph *(a)* to have disposed of the property shall be deemed to have been allowed to the new owner in respect of property of the prescribed class to which the property belongs under regulations made under paragraph *(a)* of subsection (1) of section 11, in computing incomes for the taxation years before the acquisition of the property by the new owner."

(3) This section is applicable to the 1954 and subsequent taxation years in respect of an agreement, contract or arrangement entered into on or after May 31, 1954.

5. (1) Paragraphs *(f)* and *(g)* of subsection (6) of section 20 of the said Act are repealed and the following substituted therefor:

"*(f)* where, at any time after a taxpayer has acquired property, there has been a change in the relation between the use regularly made by him of the property for gaining or producing income and the use regularly made of the property for other purposes,

(i) if the use regularly made by him of the property for the purpose of gaining or producing income has increased, he shall be deemed to have acquired at that time depreciable property of that class at a capital cost equal to the proportion of the fair market value of the property as of that time that the amount of the increase in the use regularly made by him of the property for that purpose is of the whole use regularly made of the property, and

Clause 5.—The amendment to paragraph *(f)* provides new rules for adjusting the depreciation account when the proportion of a property used for producing income is changed. Formerly the entire property had to be revalued at the fair market value. Paragraph *(f)* being repealed reads as follows:

> "*(f)* where, at any time after a taxpayer has acquired property, there has been a change in the relation between the use made by him of the property for gaining or producing income and the use made of the property for other purposes, the property shall, for the purpose of paragraph *(e)*, be deemed to have been disposed of at that time by the taxpayer at its fair market value at that time and to have been reacquired at the same time at a capital cost equal to the same amount;"

(ii) if the use regularly made of the property for the purpose of gaining or producing income has decreased, he shall be deemed to have disposed at that time of depreciable property of that class and the proceeds of disposition shall be deemed to be an amount equal to the proportion of the fair market value of the property as of that time that the amount of the decrease in the use regularly made by him of the property for that purpose is of the whole use regularly made of the property; 5 10

(g) where an amount can reasonably be regarded as being in part the consideration for disposition of depreciable property of a taxpayer of a prescribed class and as being in part consideration for something else, the part of the amount that can reasonably be regarded as being the consideration for such disposition shall be deemed to be the proceeds of disposition of depreciable property of that class irrespective of the form or legal effect of the contract or agreement; and the person to whom the depreciable property was disposed of shall be deemed to have acquired the property at a capital cost to him equal to the same part of that amount; and" 15 20

(2) This section is applicable to the 1954 and subsequent taxation years. 25

6. (1) Subparagraph (vi) of paragraph *(c)* of subsection (1) of section 27 of the said Act is repealed and the following substituted therefor:

"(vi) for or in respect of an artificial limb, an iron lung, a spinal brace, a brace for a limb, an aid to hearing or a wheelchair for the taxpayer, his spouse or any such dependant, or" 30

(2) This section is applicable to the 1954 and subsequent taxation years.

7. (1) Subsection (4) of section 28 of the said Act is repealed and the following substituted therefor: 35

"Control period."

"(4) In this section, "control period" means the period from the commencement of the payer corporation's taxation year in which the control was acquired to the end of the taxation year in which the dividend was paid." 40

(2) Paragraph *(a)* of subsection (5) of the said section 28 is repealed and the following substituted therefor:

"*(a)* the aggregate of its incomes for the taxation years in the control period,"

(3) Subparagraph (i) of paragraph *(b)* of subsection (5) of the said section 28 is repealed and the following substituted therefor: 45

"(i) its taxes under this Part for the taxation years in the control period,"

The amendment to paragraph *(g)* enlarges the present paragraph to cover the valuation of the property in the hands of the person to whom it was disposed. Paragraph *(g)* being repealed reads as follows:

"*(g)* where an amount can reasonably be regarded as being in part the consideration for disposition of depreciable property of a taxpayer of a prescribed class and as being in part consideration for something else, the part of the amount that can reasonably be so regarded shall be deemed to be the proceeds of disposition of the depreciable property of that class irrespective of the form or legal effect of the contract or agreement;"

Clause 6.—This amendment adds the underlined words.

Clause 7.—(1) This amendment extends the "control period" to the end of the taxation year in which the dividend was paid. The subsection being repealed reads as follows:

"(4) In this section, "control period" means the period from the commencement of the payer corporation's taxation year in which the control was acquired to the time when the dividend was paid."

(2) This amendment, which is consequential upon the amendment in subclause (1) above, deletes the word "completed". The paragraph being repealed reads as follows:

"*(a)* the aggregate of its incomes for the completed taxation years in the control period,"

(3) This amendment, which is consequential upon the amendment in subclause (1) above, deletes the word "completed". The subparagraph being repealed reads as follows:

"(i) its taxes under this Part for the completed taxation years in the control period,"

(4) This section is applicable to the 1953 and subsequent taxation years.

8. (1) Section 37 of the said Act is amended by adding thereto the following subsections:

Where income from business or partnership and employment.

"(2) Where there would otherwise be included in computing the income of an individual for a taxation year under this Part

(a) income from

(i) a business of which he was the proprietor at a time when he did not carry on and was not a partner in any other business and was not an employee, or

(ii) a partnership of which he was a member at a time when he was not a member of any other partnership, did not carry on any business of which he was the sole proprietor and was not an employee,

for each of one or more fiscal periods ending in the year, and

(b) income from an employment that was received after ceasing to carry on the business or withdrawing from the partnership,

and the aggregate of the number of days in the fiscal periods and the number of days in the taxation year during which he was so employed after ceasing to carry on the business or to be a member of the partnership is greater than the number of days in the taxation year, the following rules are, if the taxpayer so elects, applicable:

(c) the taxpayer's income from the business or partnership and the employment for the taxation year shall be deemed for the purpose of this Part to be the proportion of the aggregate of the incomes therefrom that the number of days in the taxation year is of the aggregate of the number of days in the fiscal period or periods plus the number of days in the taxation year during which he was so employed after ceasing to carry on the business or to be a member of the partnership; and

(d) the taxpayer shall pay in addition to any other tax payable for the year a tax on the amount by which the aggregate of the incomes from the business or partnership and the employment for the taxation year exceeds his income from the business or partnership and the employment for the year determined under paragraph *(c)* equal to the proportion thereof that the tax payable under this Part for the year (other than the tax payable under this paragraph) is of his taxable income for the year when the amount included as income from the business or partnership and the employment is the amount determined under paragraph *(c)*;

Clause 8.—These new subsections provide a formula for calculating the tax payable where the income of an individual for a taxation year was partly from a business of which he was the proprietor or from membership in a partnership, and partly from employment received after ceasing to carry on business or after withdrawing from a partnership, and the whole period in which the combined income was earned was more than a taxation year.

but when a taxpayer elects to have those rules applicable for a taxation year, no amount is deductible under paragraph (*e*) of subsection (1) of section 27 in respect of the same business in computing his taxable income for the year.

Saving provision.

(3) Subsection (1) does not apply in a case to which the rules mentioned in subsection (2) are applicable."

(2) This section is applicable to the 1954 and subsequent taxation years.

9. (1) Subsections (2) to (4) of section 39 of the said Act are amended by substituting the words "associated with" for the words "related to" wherever the latter words appear therein.

(2) Subsection (5) of the said section 39 is repealed and the following substituted therefor:

Idem.

"(5) When two corporations are associated, or are deemed by this subsection to be associated, with the same corporation at the same time, they shall, for the purpose of this section, be deemed to be associated with each other.

Idem.

(6) For the purposes of this section, one corporation is associated with another in a taxation year if, at any time in the year, one of them and one or more corporations with which that one is, for the purpose of this section, associated or deemed to be associated, owned in the aggregate directly or indirectly 70% or more of all the issued common shares of the capital stock of the other."

(3) This section is applicable to the 1954 and subsequent taxation years.

10. (1) Paragraph (*b*) of subsection (1) of section 42 of the said Act is repealed and the following substituted therefor:

"(*b*) determine the amount (in this section referred to as the "average gross income") equal to one-fifth of the amount by which

(i) the aggregate of the amounts determined under paragraph (*a*) for the years in the averaging period, exceeds

(ii) the aggregate of the amounts that would be deductible in respect of the losses sustained in the taxation years in the averaging period in computing the taxable income for the year immediately following the year of averaging if the taxpayer's income from the same business for that year were the aggregate of the amounts determined under paragraph (*a*) for the years in the averaging period;"

(2) The said section 42 is further amended by adding thereto the following subsections:

Rents or trust income from farming or fishing.

"(6) For the purposes of subsection (1),

Clause 9.—(1) This amendment is merely a change in the use of words so that the expression "related to" may be reserved for references to non-arm's length transactions.

(2) The amendment to subsection (5) substitutes the word "associated" for the word "related" and the words "associated with" for the words "related to". The subsection being repealed reads as follows:

> "(5) When two corporations are related, or are deemed by this subsection to be related, to the same corporation at the same time, they shall, for the purpose of this section, be deemed to be related to each other."

The new subsection (6) adds another set of conditions under which corporations shall be regarded as associated corporations.

Clause 10.—(1) This amendment deals with the averaging of income from farming or fishing. It provides that the total of the losses incurred in the averaging period are to be offset against income in the same period and if the aggregate of losses exceeds the aggregate of incomes the excess may be carried forward to be applied against subsequent years. The paragraph being repealed reads as follows:

> "*(b)* determine the amount (in this section referred to as the "average gross income") equal to one-fifth of the aggregate of the amounts determined under paragraph *(a)* for the years in the averaging period;"

(2) The new subsection (6) provides that the income described shall be deemed to be income from farming or fishing and therefore may be averaged.

(a) rents dependent on the lessee's gross production in the course of farming or fishing, and

(b) income from a trust or estate to the extent that it can reasonably be regarded as having been derived from farming or fishing,

shall be deemed to be income from farming or fishing.

Losses.

(7) Any amount in respect of a loss deducted in making a calculation under paragraph (*a*) of subsection (1) shall, for the purpose of paragraph (*e*) of subsection (1) of section 27, be deemed to have been deducted in respect of that loss under this Act; and any amount in respect of a loss included in computing an aggregate for the purpose of subparagraph (ii) of paragraph (*b*) of subsection (1) shall, for the purpose of paragraph (*e*) of subsection (1) of section 27, be deemed to have been deductible in respect of that loss under this Act."

(3) This section is applicable to the 1954 and subsequent taxation years.

Corporations.

11. (1) All that portion of paragraph *(a)* of subsection (1) of section 50 of the said Act preceding subparagraph (i) thereof is repealed and the following substituted therefor:

"*(a)* on or before the last day of each of the first 9 months in that period, an amount equal to one-twelfth of the tax as estimated by it at the rate for the taxation year".

(2) Paragraph *(b)* of subsection (1) of the said section 50 is repealed and the following substituted therefor:

"*(b)* on or before the last day of each of the next 2 months in the period, an amount equal to one-third of the remainder of the tax payable as estimated by it on its taxable income for the year at the rate for the year, and".

(3) This section is applicable to the 1954 and subsequent taxation years.

Effect of carry back of loss.

12. (1) Section 54 of the said Act is amended by adding thereto the following subsection:

"(8) Where a taxpayer is entitled to deduct under section 27 in computing his taxable income for a taxation year an amount in respect of a loss sustained in the taxation year immediately following the taxation year (hereinafter in this subsection referred to as "the loss year"), for the purpose of computing interest under subsection (1) or (2) on tax or a part or instalment of tax for the taxation year for any portion of the period in respect of which the interest is payable on or before the last day of the loss year, the tax payable for the taxation year shall be deemed to be the amount that it would have been if the taxpayer were not entitled to deduct any amount under section 27 in respect of that loss."

The new subsection (7) prohibits deduction of the same loss more than once.

Clause 11.—This amendment extends by three months the period during which a corporation may base its instalments of tax on an estimate of its earnings. At present a corporation is assumed to be able to accurately ascertain its year's earnings within one month after the close of its taxation year. This amendment will allow it four months to do so. The portion of paragraph *(a)* being repealed, reads as follows:

"*(a)* on or before the last day of each of the first 6 months in that period, an amount equal to one-twelfth of the tax as estimated by it at the rate for the taxation year"

Paragraph *(b)* being repealed reads as follows:

"*(b)* on or before the last day of each of the next 5 months in the period, an amount equal to one-sixth of the remainder of the tax payable as estimated by it on its taxable income for the year at the rate for the year, and"

Clause 12.—This new subsection provides that where a taxpayer carries back a loss and applies it to the income of the taxation year preceding the year of loss and thus becomes eligible for re-assessment of the tax for that year any interest penalties in respect of underpayment of tax or instalments for that year shall nevertheless be calculated for the period up until the end of the loss year as if the tax had not been re-assessed to take account of the loss.

(2) This section is applicable to the 1954 and subsequent taxation years.

13. (1) Section 57 of the said Act is amended by adding thereto the following subsection:

Effect of carry back of loss.

"(5) Where a taxpayer is entitled to deduct under section 27 in computing his taxable income for a taxation year an amount in respect of a loss sustained in the taxation year immediately following the taxation year (hereinafter in this subsection referred to as "the loss year"), and the amount of the tax payable for the taxation year is relevant in determining an overpayment for the purpose of computing interest under subsection (3) for any portion of a period ending on or before the last day of the loss year, the tax payable for the taxation year shall be deemed to be the amount that it would have been if the taxpayer were not entitled to deduct any amount under section 27 in respect of that loss."

(2) This section is applicable to the 1954 and subsequent taxation years.

14. (1) Subsection (1) of section 62 of the said Act is amended by deleting the word "or" at the end of paragraph *(q)* thereof, by inserting the word "or" at the end of the paragraph *(r)* thereof and by adding thereto the following paragraph:

Farmers' and fishermens' insurers.

"*(s)* an insurer, who was engaged during the period in no business other than insurance, if, in the opinion of the Minister on the advice of the Superintendent of Insurance, 50% of its gross premium income for the period was in respect of the insurance of farm property, property used in fishing or residences of farmers or fishermen."

(2) This section is applicable to the 1954 and subsequent taxation years.

15. (1) The said Act is further amended by adding thereto, immediately after section 68 thereof, the following heading and section:

"*Mutual Insurance Corporations.*

Mutual insurance corporations.

68A. It is hereby declared that an insurance corporation other than a life insurance corporation, whether or not it is a mutual corporation, that has, in a taxation year, entered into insurance contracts or other arrangements or relationships whereby it can reasonably be regarded as undertaking to insure other persons, whether or not such persons are members or shareholders of the corporation, against loss, damage or expense of any kind, shall, regardless of the form or legal effect of those contracts, arrangements or relationships, be deemed, for the purposes of this Act, to

Clause 13.—This new subsection provides that where a taxpayer carries back a loss and applies it to the income of the taxation year preceding the year of loss and thus becomes eligible for re-assessment of the tax for that year any interest owing to the taxpayer on overpayment of tax for that year shall nevertheless be calculated for the period up until the end of the loss year as if the tax had not been re-assessed to take account of the loss.

Clause 14.—This new paragraph provides that an insurer meeting the stated qualifications shall be exempt from income tax. This implements paragraph 7 of the Income Tax Resolution which reads as follows:

"**7.** For the exemption from taxation, for the 1954 and subsequent taxation years, of insurers, not less than 50% of whose gross premium income was in respect of the insurance of farm property, property used in fishing or residences of farmers or fishermen."

Clause 15.—(1) This new heading and section implements paragraph 6 of the Income Tax Resolution which reads as follows:

"**6.** For the taxation of a resident mutual insurance corporation, other than a life insurance corporation, as though the surplus arising from its insurance activities on and after January 1, 1954 were a profit from a business, and declaring that a non-resident mutual insurance corporation, other than a life insurance corporation, shall be deemed to be and always to have been subject to taxation on that basis."

have been carrying on an insurance business in the year for profit, and, in any such case, for the purpose of computing the income from the business so deemed to have been carried on, the following rules are applicable:

(a) every amount received under, in consideration of, in respect of or on account of such a contract, arrangement or relationship shall be deemed to have been received by the corporation in the course of the business;

(b) the income shall, otherwise, be computed in accordance with the rules applicable in computing the income from a business for the purposes of this Part; and

(c) all income from property vested in the corporation shall be deemed to be income of the corporation."

(2) Section 68A of the said Act as enacted by this section is applicable,

(a) in the case of a resident corporation, to the 1954 and subsequent taxation years, and

(b) in the case of a non-resident corporation, to the 1953 and subsequent taxation years and, *mutatis mutandis*, in the computation of the income of the corporation under the *Income War Tax Act* for the 1947 and 1948 taxation years and under *The Income Tax Act* for the 1949 to 1952 taxation years.

(3) The said section 68A, except paragraphs *(a)* and *(b)* thereof, is applicable in the case of a resident corporation

(a) to the 1953 taxation year, and

(b) *mutatis mutandis*, in the computation of the income of the corporation under the *Income War Tax Act* for the 1947 and 1948 taxation years and under *The Income Tax Act* for the 1949 to 1952 taxation years.

(4) Notwithstanding subsection (2), the income of a resident mutual insurance corporation, other than a life insurance corporation, for the 1954 taxation year from sources other than property vested in the corporation shall be deemed to be an amount equal to that proportion of the income of the corporation for that year from sources other than property vested in the corporation that

(a) the number of days in that portion of the taxation year that is after December, 1953,

is of

(b) the number of days in the whole year.

16. (1) Paragraph *(c)* of subsection (4) of section 70 of the said Act is repealed and the following substituted therefor:

"*(c)* its principal business was not

(i) the making of loans, or

(ii) trading or dealing in mortgages, hypothecs, bills, notes or other similar property or any interest therein;"

(2) This section is applicable to the 1954 and subsequent taxation years.

(2) Because the new section is to be applicable in the case of non-resident corporations to 1947 and subsequent taxation years *The Income Tax Act* and the *Income War Tax Act* must also be amended.

(3) This provides that resident corporations shall be subject to tax on their investment income for the years 1947 to 1953 inclusive.

(4) This provides for the calculation of the income of resident corporations from sources other than investments in the 1954 taxation year for those corporations whose fiscal year does not coincide with the calendar year.

Clause 16.—This amendment provides that a corporation which carries on business in Canada making loans or trading or dealing in mortgages, bills, notes or other similar property shall not qualify as a non-resident-owned investment corporation. The paragraph being repealed reads as follows:

"*(c)* its principal business was not the making of loans;"

17. (1) Subsection (4) of section 79 of the said Act is repealed and the following substituted therefor:

Employer's contribution to trust deductible.

"(4) An amount paid by an employer to a trustee under an employees profit sharing plan during a taxation year or within 60 days thereafter may be deducted in computing the employer's income for the taxation year to the extent that it was not deductible in computing income for a previous taxation year."

(2) The said section 79 is further amended by adding thereto the following subsection:

Payments out of profits.

"(7) Where the terms of an arrangement under which an employer makes payments to a trustee specifically provide that the payments shall be made "out of profits", such arrangement shall, if the employer has so elected in prescribed manner, be deemed, for the purpose of subsection (1), to be an arrangement for payments "computed by reference to his profits from his business"."

(3) This section is applicable to the 1954 and subsequent taxation years.

18. Section 81 of the said Act is amended by adding thereto the following subsection:

Where paid-up capital increased.

"(8) Where a corporation has at any time increased its paid-up capital otherwise than by

(a) payment of a stock dividend, or

(b) a transaction that has increased the assets of the corporation by an amount not less than the amount by which its paid-up capital has been increased,

the corporation shall, for the purpose of subsection (3), be deemed to have capitalized at that time undistributed income on hand equal to the lesser of

(c) the undistributed income then on hand, or

(d) the amount by which the corporation's paid-up capital was so increased, minus the amount, if any, by which the assets of the corporation have been so increased."

19. (1) Subsection (3) of section 82 of the said Act is amended by repealing all that portion of the said subsection preceding paragraph *(a)* thereof and by substituting therefor the following:

Computation.

"(3) For the purpose of computing undistributed income under paragraph *(a)* of subsection (1), there shall be added to the amount from which the aggregate of the amounts referred to in subparagraphs (i) to (viii) thereof is to be subtracted"

(2) Subsection (3) of section 73A of *The Income Tax Act* is amended by repealing all that portion of the said subsection preceding paragraph *(a)* thereof and by substituting therefor the following:

Clause 17.—(1) This amendment adds the underlined words.

(2) This new subsection permits an arrangement which calls for payments by an employer to a trustee "out of profits" to be deemed to be an employees profit sharing plan if the employer so elects.

Clause 18.—This new subsection provides a rule deeming undistributed income on hand to have been capitalized where a corporation has written up its paid-up capital and not increasing its assets by a like amount, for example, by increasing the par value of its shares. The rule provided is similar to that in the case of stock dividends.

Clause 19.—(1) This technical amendment substitutes (viii) for (vii) to correct an omission made in last year's amending Act.

(2) This amends *The Income Tax Act* by substituting (vii) for (vi) to correct an omission made in last year's amending Act.

Computation.

"(3) For the purpose of computing undistributed income under paragraph *(a)* of subsection (1), there shall be added to the amount from which the aggregate of the amounts referred to in subparagraphs (i) to (vii) thereof is to be subtracted"

(3) Subsection (3) of section 82 of the *Income Tax Act* is further amended by deleting the word "and" at the end of paragraph *(a)* thereof and by adding thereto, immediately after paragraph *(a)* thereof, the following paragraphs:

"*(aa)* where a deduction or deductions from tax at the rate of $26\frac{2}{3}\%$ have been allowed to a corporation under subsection (6), (7), (9) or (9A) of section 8 of the *Income War Tax Act*, an amount equal to 5/4 of the aggregate of the deductions so allowed,

(ab) where a deduction or deductions from tax at the rate of 30% have been allowed to a corporation under subsection (8) of section 8 of the *Income War Tax Act*, an amount equal to 5/6 of the aggregate of the deductions so allowed,

(ac) where a deduction or deductions from tax at the rate of 20% have been allowed to a corporation under subsection (6A), (7A) or (9) of section 8 of the *Income War Tax Act*, an amount equal to 5/3 of the aggregate of the deductions so allowed,

(ad) where a deduction or deductions from tax at the rate of $22\frac{1}{2}\%$ have been allowed to a corporation under subsection (8) of section 8 of the *Income War Tax Act*, an amount equal to 10/9 of the aggregate of the deductions so allowed, and"

(4) Subsection (12) of section 82 of the *Income Tax Act* is repealed and the following substituted therefor:

Tax-paid undistributed income deemed received.

"(12) Where a corporation is deemed by subsection (3) of section 81 to have received a dividend on or after June 30, 1950, its undistributed income on hand immediately thereafter, as determined under paragraph *(a)* of subsection (1), shall be deemed to be the amount otherwise determined thereunder plus the amount of the dividend that was not included in computing the corporation's income for the year by virtue of subsection (4) of section 81; and, in any such case, the receiving corporation's tax-paid undistributed income immediately after the dividend is deemed to have been received, as determined under paragraph *(b)* of subsection (1), shall be deemed to be the amount otherwise determined thereunder plus the amount of the dividend that was not included in computing the corporation's income for the year by virtue of subsection (4) of section 81."

(5) Subsection (12) of section 73A of *The Income Tax Act* is repealed and the following substituted therefor:

(3) These new paragraphs require a corporation in computing undisbributed income to add the amounts specified. This amendment will have significance only for oil, gas and mining companies. It is necessary because during the years 1943 to 1947 these companies were not allowed a deduction for exploration expenses in computing income but instead were given a tax credit equal to various percentages of exploration expenses. Since the exploration expenses were not deducted in computing income the companies in effect received depletion allowances on these expenses. Also because these exploration expenses were not deducted in computing income they may now be deducted in computing undistributed income and in this way they give rise to a double benefit. This amendment requires corporations to add back to undistributed income an amount equal to the extra depletion the corporations were able to claim because the exploration expenses were not deducted.

(4) This amendment adds the underlined words. June 30, 1950, was the date on which the provisions now in the law relating to tax-paid undistributed income came into force. Subsection (12) of the Act, which was added in 1953, effective on royal assent, permits tax-paid undistributed income in the hands of one corporation to become tax-paid undisbributed income in the hands of other corporations owning shares of the first corporation. The amendment will permit any transfer of dividends since June 30, 1950, to have the benefit of this subsection.

(5) This makes the same amendment as explained above to *The Income Tax Act* to cover the years 1950 to 1952 inclusive.

Tax-paid undistributed income deemed received.

"(12) Where a corporation is deemed by subsection (3) of section 73 to have received a dividend on or after June 30, 1950, its undistributed income on hand immediately thereafter, as determined under paragraph *(a)* of subsection (1), shall be deemed to be the amount otherwise determined thereunder plus the amount of the dividend that was not included in computing the corporation's income for the year by virtue of subsection (4) of section 73; and, in any such case, the receiving corporation's tax-paid undistributed income immediately after the dividend is deemed to have been received, as determined under paragraph *(b)* of subsection (1), shall be deemed to be the amount otherwise determined thereunder plus the amount of the dividend that was not included in computing the corporation's income for the year by virtue of subsection (4) of section 73."

(6) Section 82 of the *Income Tax Act* is further amended by adding thereto the following subsections:

Control acquired of inactive business.

"(13) Where more than 50% of the issued share capital of a corporation has, between a time when the corporation ceased to carry on active business and a time when it commenced to carry on active business again, been acquired by a person or persons who did not own any of the shares in the corporation at the time when it so ceased to carry on active business, if the corporation had no undistributed income on hand at the latter time, the reference in subsection (1) to "the taxation year that ended in 1917" shall be deemed to be a reference to the taxation year in which the corporation so commenced to carry on active business again.

(14) A person who has a right under a contract, in equity or otherwise, either immediately or in the future and either absolutely or contingently, to, or to acquire, shares in a corporation shall be deemed, for the purpose of subsection (13), to have acquired the shares at the time he acquired the right."

(7) Subsections (1) and (4) shall be deemed to have come into force on the day on which the Revised Statutes of Canada, 1952, came into force; subsection (2) shall be deemed to have come into force on the day on which chapter 40 of the statutes of 1952-53 came into force; and subsection (5) shall be deemed to have come into force on June 30, 1950.

(8) Subsection (6) is applicable to the 1954 and subsequent taxation years where the corporation commenced to carry on the active business on or after May 31, 1954.

20. (1) Paragraph *(a)* of subsection (4) of section 83 of the said Act is repealed and the following substituted therefor:

"*(a)* in the case of a person who disposes of the shares while or after carrying on a campaign to sell shares of the corporation to the public, or"

(6) These new subsections provide that where a person acquires a controlling interest in a defunct corporation in which he previously had no ownership and that corporation had a deficit on its books at the time it ceased to carry on business the computation of undistributed income on hand of the corporation shall start from the time the corporation commences to again carry on an active business. This will prevent any deficit accumulated before the change in control took place from being applied against earnings accumulated after the corporation commenced to carry on an active business under the new control.

Clause 20.—(1) This amendment adds the underlined words.

(2) Subsection (5) of the said section 83 is amended by repealing all that portion of the said subsection after paragraph *(b)* thereof and substituting therefor the following:

"that came into production of ore prior to the end of the 1957 calendar year, income derived from the operation of the mine during the period of 36 months commencing with the day on which the mine came into production shall, subject to prescribed conditions, not be included in computing the income of the corporation."

(3) This section is applicable to the 1954 and subsequent taxation years.

21. (1) Section 85A of the said Act is amended by adding thereto the following subsections:

Application.

"(6) For greater certainty it is hereby declared that, where a person to whom any provision in subsection (1) would otherwise apply has ceased to be an employee before all things have happened which would make that provision applicable, subsection (1) shall continue to apply as though the person were still an employee and as though the employment were still in existence.

Idem.

(7) This section does not apply if the benefit conferred by the agreement was not received in respect of, in the course of or by virtue of the employment."

(2) This section is applicable to the 1953 and subsequent taxation years in cases where the agreements were made after March 23, 1953.

22. (1) Paragraph *(c)* of subsection (1) of section 85B is amended by deleting the word "or" at the end of subparagraph (iii) thereof and by adding thereto, immediately after subparagraph (iii) thereof, the following subparagraph:

"(iiia) periods for which rent or other amounts for the possession or use of chattels other than a ship have been paid in advance, if the payment in respect thereof was made for a period of more than two years, or"

(2) The said section 85B is further amended by adding thereto the following subsection:

Reference to "taxation year."

"(8) Where a taxpayer is an individual and his income for a taxation year includes income from a business the fiscal period of which does not coincide with the calendar year, unless the context otherwise requires, a reference in this section to "taxation year" or "year" shall be read as a reference to the fiscal period ending in the year."

(3) This section is applicable to the 1953 and subsequent taxation years.

23. (1) The said Act is further amended by adding thereto, immediately after section 85B thereof, the following heading and section:

(2) This amendment substitutes the year 1957 for 1956. This carries out paragraph 1 of the Income Tax Resolution which reads as follows:

> "1. That the exemption of income from metalliferous or industrial mineral mines for the first three years of production be extended to mines coming into production during the calendar year 1957."

Clause 21.—(1) The new subsection (6) provides that where a corporation confers a benefit upon one of its employees through the sale of shares or issue of rights this benefit shall still be considered as having been conferred if the individual concerned leaves the employment before the full benefit is realized.

The new subsection (7) provides that section 85A, which provides special rules for taxing benefits conferred upon their employees by corporations, shall apply only where the benefit received by an employee is received in his capacity as an employee.

(2) Section 85A as originally enacted last year applied to agreements made after March 23, 1953.

Clause 22.—(1) This new subsection provides that there may be deducted a reasonable amount as a reserve in respect of rents or similar payments for chattels other than a ship if they have been paid in advance for a period of more than two years.

(2) This new subsection is added to clarify the references to "taxation year" where the taxpayer is an individual.

Clause 23.—This new section provides that an immigrant, or a person resuming residence in Canada, whose child has become eligible for family allowance in the taxation year may elect to have the child deemed not to have been a child qualified for family allowance in that year if he repays with his tax all the family allowance payments he received, or might have received, in respect of the child in the year.

"Family Allowance Payments.

Child not previously qualified for family allowance.

85C. Where any child not previously qualified for family allowance, in respect of whom a taxpayer is entitled to a deduction under section 26, becomes a child qualified for family allowance during a taxation year by reason of having become during the year a child as described in subparagraph (ii) or (iii) of paragraph *(b)* of section 2 of the *Family Allowances Act*, the following rules are, if the taxpayer so elects, applicable:

(a) the child shall be deemed not to have been a child qualified for family allowance during the year; and

(b) there shall be added to the tax otherwise payable by the taxpayer under this Part upon his taxable income for the year an amount equal to the aggregate of all amounts that were payable during the year as family allowance in respect of that child or that would have been so payable if that child had been registered under the *Family Allowances Act.*"

(2) This section is applicable to the 1954 and subsequent taxation years.

24. (1) The said Act is further amended by adding thereto, immediately after section 85c thereof, the following heading and section:

"Accounts Receivable.

Sale of accounts receivable.

85D. (1) Where a person who has been carrying on a business has, in a taxation year, sold all or substantially all the property used in carrying on the business, including the debts that have been or will be included in computing his income for that year or a previous year and that are still outstanding, to a purchaser who proposes to continue the business which the vendor has been carrying on, if the vendor and the purchaser have executed jointly an election in prescribed form to have this section apply, the following rules are applicable:

(a) there may be deducted in computing the vendor's income for the taxation year an amount equal to the difference between the face value of the debts so sold (other than debts in respect of which the vendor has made deductions under paragraph *(f)* of subsection (1) of section 11) and the consideration paid by the purchaser to the vendor for the debts so sold;

(b) an amount equal to the difference described in paragraph *(a)* shall be included in computing the purchaser's income for the taxation year;

The portions of paragraph *(b)* of section 2 of the *Family Allowances Act* referred to read as follows:

"*(b)* "child" means any person under the age of sixteen years who is a resident of Canada at the date of registration, and . . . .

(ii) who has been resident of Canada for one year immediately prior to the date of registration,

(iii) whose father's or mother's domicile at the time of such person's birth and for three years prior thereto was in Canada and has continued to be in Canada up to the date of registration, or . . . . "

Clause 24.—This new section provides rules for dealing with accounts receivable in the computation of the income of both the vendor and the purchaser where assets used in carrying on a business are sold but the same business will still be carried on.

(c) the debts so sold shall be deemed, for the purposes of paragraphs *(e)* and *(f)* of subsection (1) of section 11, to have been included in computing the purchaser's income for the taxation year or a previous year but no deduction may be made by the purchaser under paragraph *(f)* of subsection (1) of section 11 in respect of a debt in respect of which the vendor has previously made a deduction; and

(d) each amount deducted by the vendor in computing income for a previous year under paragraph *(f)* of subsection (1) of section 11 in respect of any of the debts so sold shall be deemed, for the purpose of paragraph *(f)* of section 6, to have been so deducted by the purchaser.

Statement by vendor and purchaser.

(2) An election executed for the purposes of subsection (1) shall contain a statement by the vendor and the purchaser jointly as to the consideration paid for the debts sold by the vendor to the purchaser and that statement shall, as against the Minister, be binding upon the vendor and the purchaser insofar as it may be relevant in respect of any matter arising under this Act."

(2) This section is applicable to the 1954 and subsequent taxation years.

25. Paragraph (i) of subsection (2) of section 105 of the said Act is repealed and the following substituted therefor:

"(i) the aggregate of

(A) the dividends declared by it that were paid by it in the taxation years beginning with the 1950 taxation year and ending with the last complete taxation year before the election, and

(B) the dividends that were, by subsection (3) of section 81, deemed to have been received by shareholders of the corporation in consequence of the corporation having paid a stock dividend in the taxation years referred to in subparagraph (A),

except such portions thereof as, by virtue of subsection (4) of section 81 or subsection (1) of section 141, have not been taken into account in computing income of shareholders of the corporation,"

26. (1) Subsection (1) of section 105A is repealed and the following substituted therefor:

Tax on premium.

"(1) Where a corporation other than a non-resident-owned investment corporation has in a taxation year redeemed or acquired any of its shares, other than a common

Clause 25.—This amendment permits a corporation which elects to pay the 15% tax on that part of its surplus accumulated after 1949 which is equal to the aggregate of dividends declared to include taxable stock dividends in computing the aggregate of dividends. The paragraph being repealed reads as follows:

"(i) the aggregate of the dividends declared by it that were paid by it in the taxation years beginning with the 1950 taxation year and ending with the last complete taxation year before the election except such portion thereof, as, by virtue of subsection (1) of section 141, has not been taken into account in computing income of shareholders of the corporation,"

Clause 26.—(1) This amendment provides a higher rate of tax of 30% where the amount of the premium paid on the redemption or acquisition of its shares by a corporation was more than 10%. The subsection being repealed reads as follows:

"(1) Where a corporation other than a non-resident-owned investment corporation has in a taxation year redeemed or acquired any of its shares, other than common shares, at a premium, the corporation shall, on or before the day on or before which it is required to file its return of income under Part I for the taxation year in which the shares were redeemed or acquired, pay a tax of 20% on the amount of the premium."

share, at a premium, the corporation shall, on or before the day on or before which it is required to file its return of income under Part I for the taxation year in which the share was redeemed or acquired, pay

(a) a tax of 20% on the amount of the premium, if the amount of the premium on the share was not more than 10% of the amount referred to in paragraph *(a)* or *(b)*, as the case may be, of subsection (2), and

(b) a tax of 30% on the amount of the premium, if the amount of the premium on the share was more than 10% of the amount referred to in paragraph *(a)* or *(b)*, as the case may be, of subsection (2)."

(2) This section is applicable

(a) to any acquisition of shares on or after May 31, 1954, and

(b) to any redemption of shares on or after July 31, 1954.

27. (1) Subparagraph (i) of paragraph *(a)* of subsection (1) of section 106 of the said Act is repealed and the following substituted therefor:

"(i) a dividend from a non-resident-owned investment corporation if the tax paid by its shareholders under this Part on other dividends declared previous to the declaration thereof since the 1932 taxation year plus the tax paid by the corporation under Part I on its income for taxation years since 1932 for which it was not taxable under section 70 is not less than the taxes that would have been payable by its shareholders under this Part if an amount equal to the corporation's surplus determined in prescribed manner for each of the taxation years for which it was not taxable under section 70 had been distributed by way of dividends in the year in which it was earned to non-resident shareholders, or"

(2) Subsection (2) of the said section 106 is repealed and the following substituted therefor:

Motion picture films.

"(2) Every non-resident person shall pay an income tax of 10% on every amount that a person resident in Canada pays or credits, or is deemed by Part I to pay or credit, to him as, on account or in lieu of payment of, or in satisfaction of, payment for a right in or to the use of motion picture films (including films for use in connection with television) that have been or are to be used or reproduced in Canada."

(2) The higher rate is applicable to any acquisition of shares on or after the date this bill receives first reading and to any redemption of shares on or after the day which is two months after that date. This later date is set for redemptions to exclude any redemptions already under way by corporations at the time of first reading.

Clause 27.—(1) This amendment substitutes the underlined word for the words "in respect of shares in". This is done because there is some doubt whether the words "in respect of shares in" would include amounts that are deemed to be dividends.

(2) This amendment adds the underlined words and the brackets to make it clear that the tax withheld on income going to non-residents applies to payments for the use of films for use in connection with television.

The amendment also substitutes the underlined word in the last line for the word "produced" to clarify the meaning of the subsection.

28. Section 108 of the said Act is amended by adding thereto, immediately after subsection (2) thereof, the following subsection:

Application.

"(2a) Subsection (2) does not apply in respect of any redemption of a security or discharge of a capital obligation by a corporation where the security or obligation had a face value and the corporation actually received in consideration therefor

(a) Canadian currency in an amount not less than 90% of the face value, or

(b) other rights or things readily convertible, at any bank to which the *Bank Act* applies, into Canadian currency in an amount not less than 90% of the face value."

29. (1) The said Act is further amended by adding thereto, immediately after section 110 thereof, the following section:

Loan to wholly-owned subsidiary.

"**110A.** (1) For the purposes of this Act, where

(a) a non-resident corporation (hereinafter in this section referred to as the "parent corporation") has borrowed money from

(i) a person resident in Canada, or

(ii) a non-resident insurance corporation carrying on business in Canada,

(hereinafter in this section referred to as the "original lender") under an arrangement whereby the parent corporation is required to pay interest in Canadian currency, and

(b) the parent corporation has loaned the money so borrowed, or a part thereof, to a subsidiary wholly-owned corporation resident in Canada whose principal business is the making of loans (hereinafter in this section referred to as the "subsidiary corporation") under an arrangement whereby the subsidiary corporation is required to repay the loan to the parent corporation with interest at the same rate as is payable by the parent corporation to the original lender,

the amount so loaned by the parent corporation to the subsidiary corporation shall be deemed to have been borrowed from the original lender by the parent corporation as agent of the subsidiary corporation and interest paid by the subsidiary corporation to the parent corporation that has been paid over by the parent corporation to the original lender shall be deemed to have been paid by the subsidiary corporation to the original lender and not by the subsidiary corporation to the parent corporation or by the parent corporation to the original lender.

Idem.

(2) Where a parent corporation has loaned money to a subsidiary wholly-owned corporation resident in Canada whose principal business is not the making of loans and

Clause 28.—This new subsection provides that the redemption of securities or repayment of a capital obligation which is a repayment of capital in the case of bona fide borrowings shall not be regarded as payment of a dividend.

Clause 29.—This new section relates to the tax withheld on interest paid to non-resident persons. The particular situation dealt with is where money is borrowed from a Canadian resident or a non-resident insurance corporation carrying on business in Canada, referred to as the "original lender", by a non-resident corporation which in turn lends it to its wholly-owned subsidiary corporation in Canada whose principal business is the making of loans. The new section provides that in such circumstances the non-resident parent corporation and the original lender may elect that the interest paid on the money by the Canadian subsidiary shall be deemed to have been paid by the Canadian subsidiary directly to the original lender.

Subsection (2) of the new section provides for the case where the wholly-owned subsidiary in Canada is not itself principally engaged in making loans but it in turn lends the money received from the non-resident parent corporation to its wholly-owned subsidiary in Canada whose principal business is the making of loans.

the money has been loaned by that corporation to a subsidiary corporation wholly-owned by it and resident in Canada whose principal business is the making of loans, the loan by the parent corporation shall be deemed, for the purpose of subsection (1), to have been a loan to a subsidiary wholly-owned corporation whose principal business is the making of loans.

Election.

(3) This section does not apply in respect of any payment of interest unless the parent corporation and the original lender have executed, and filed with the Minister, an election in prescribed form.

Application of election.

(4) An election filed under subsection (3) does not apply in respect of any payment of interest made more than 12 months before the date on which the election was filed with the Minister."

(2) This section is applicable in respect of payments of interest made on or after January 1, 1954.

30. (1) Subsection (1) of section 117 of the said Act is amended by deleting the word "and" at the end of paragraph *(i)* thereof and by adding thereto, immediately after paragraph *(i)* thereof, the following paragraph:

"*(ia)* defining the classes of non-resident persons who may be regarded for the purposes of this Act

(i) as a spouse supported by a taxpayer, or

(ii) as a person dependent or wholly dependent upon a taxpayer for support;

and specifying the evidence required to establish that a person belongs to any such class, and"

(2) This section is applicable to the 1954 and subsequent taxation years.

31. (1) Subsection (5) of section 139 of the said Act is repealed and the following substituted therefor:

Arm's length.

"(5) For the purposes of this Act,

(a) related persons shall be deemed not to deal with each other at arm's length; and

(b) it is a question of fact whether persons not related to each other were at a particular time dealing with each other at arm's length.

Relationship defined.

(5a) For the purpose of subsection (5), (5c) and this subsection, "related persons", or persons related to each other, are

(a) individuals connected by blood relationship, marriage or adoption;

(b) a corporation and

(i) a person who controls the corporation, if it is controlled by one person,

(ii) a person who is a member of a related group that controls the corporation, or

(iii) any person related to a person described by subparagraph (i) or (ii);

Clause 30.—This new paragraph authorizes the Governor in Council to make regulations as indicated.

Clause 31.—(1) This amendment repeals subsection (5) of section 139 of the Act and substitutes five new subsections in its place to clarify and describe in greater detail when persons shall be considered not to deal with each other at arm's length. The subsection being repealed reads as follows:

"(5) For the purposes of this Act,
(a) a corporation and a per on or one of several persons by whom it is directly or indirectly controlled,
(b) corporations controlled directly or indirectly by the same person, or
(c) persons connected by blood relationship, marriage or adoption,
shall, without extending the meaning of the expression "to deal with each other at arm's length", be deemed not to deal with each other at arm's length."

(c) any two corporations

(i) if they are controlled by the same person or group of persons,

(ii) if each of the corporations is controlled by one person and the person who controls one of the corporations is related to the person who controls the other corporation,

(iii) if one of the corporations is controlled by one person and that person is related to any member of a related group that controls the other corporation,

(iv) if one of the corporations is controlled by one person and that person is related to each member of an unrelated group that controls the other corporation,

(v) if any member of a related group that controls one of the corporations is related to each member of an unrelated group that controls the other corporation, or

(vi) if each member of an unrelated group that controls one of the corporations is related to at least one member of an unrelated group that controls the other corporation.

Corporations related to each other.

(5b) Where two corporations are related to the same corporation within the meaning of subsection (5a), they shall, for the purpose of subsection (5) or (5a), be deemed to be related to each other.

(5c) In subsection (5a), (5d) and this subsection,

"Related group."

(a) "related group" means a group of persons each member of which is related to every other member of the group; and

"Unrelated group."

(b) "unrelated group" means a group of persons that is not a related group.

Control by related group, options, etc.

(5d) For the purpose of subsection (5a)

(a) where a related group is in a position to control a corporation, it shall be deemed to be a related group that controls the corporation whether or not it is part of a larger group by whom the corporation is in fact controlled; and

(b) a person who had a right under a contract, in equity or otherwise, either immediately or in the future and either absolutely or contingently, to, or to acquire, shares in a corporation, or to control the voting rights of shares in a corporation, shall be deemed to have had the same position in relation to the control of the corporation as if he owned the shares."

(2) All that portion of subsection (6) of the said section 139 preceding paragraph *(a)* thereof is repealed and the following substituted therefor:

Persons related by blood relationship, etc.

"(6) For the purpose of paragraph *(a)* of subsection (5a),"

(3) This section is applicable to the 1954 and subsequent taxation years.

32. Subsection (3) of section 53 of chapter 25 of the statutes of 1949 (Second Session) is repealed and the following substituted therefor:

"(3) Subsection (1) is applicable in respect of expenditures incurred in the calendar years 1949 to 1952, subsection (1A) is applicable in respect of expenditures incurred in the calendar years 1953 to 1957 and subsection (2) is applicable in respect of expenditures incurred in the calendar years 1949 to 1957."

33. (1) Paragraph *(a)* of subsection (5A) of section 53 of chapter 25 of the statutes of 1949 (Second Session) is repealed and the following substituted therefor:

"*(a)* the testing of a significant geological structure by a deep test well that was spudded in during, or the deepening of which was commenced in, any of the years 1953 to 1955 and that proved unproductive, or"

(2) Subsection (5A) of the said section 53 is further amended by deleting the word "and" at the end of paragraph *(c)* thereof and by adding thereto, immediately after paragraph *(c)* thereof, the following paragraph:

"*(ca)* the geological conditions of the structure referred to in paragraph *(a)* were complicated, and"

(3) Paragraph *(ca)* of subsection (5A) of the said section 53 as enacted by this section is not applicable in a case where an application for submission of the recommendation to the Governor in Council has been received by the Department of Mines and Technical Surveys on or before April 6, 1954.

(2) This amendment is consequential upon the amendments in subclause (1) above. The portion of the subsection being repealed reads as follows:

"(6) For the purpose of paragraph *(c)* of subsection (5)"

Clause 32.—This amendment substitutes the year 1957 for 1956. This implements paragraphs 2 and 3 of the Income Tax Resolution which read as follows:

"**2.** That the special deduction from income allowed to taxpayers whose principal business is production, refining or marketing of petroleum, petroleum products or natural gas or exploring or drilling for petroleum or natural gas, for expenses of exploring or drilling for oil or natural gas in Canada, be allowed for expenses incurred in the calendar year 1957, and that in addition a similar deduction be allowed to corporations whose principal business is mining or exploring for minerals, for expenses of exploring or drilling for oil or natural gas in Canada incurred in the calendar year 1957.

3. That the special deduction from income allowed to corporations whose principal business is mining or exploring for minerals, for expenses incurred in searching for minerals in Canada be allowed for expenses incurred in the calendar year 1957; and that in addition a similar deduction be allowed to taxpayers whose principal business is production, refining or marketing of petroleum, petroleum products or natural gas or exploring or drilling for petroleum or natural gas, for expenses of searching for minerals in Canada incurred in the calendar year 1957."

Clause 33.—(1) This amendment substitutes the year 1955 for 1954. This implements paragraph 4 of the Income Tax Resolution which reads as follows:

"**4.** That the special deduction from income and taxes allowed to taxpayers whose principal business is production, refining or marketing of petroleum or drilling for petroleum and to taxpayers whose principal business is mining or exploring for minerals, for expenses incurred in respect of deep-test oil wells be allowed for expenses incurred in respect of deep-test oil wells spudded in during 1955."

(2) This new paragraph adds the condition that the geological conditions of the structure being tested by a deep-test well must be complicated.

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 468.

An Act to amend the Customs Tariff.

First reading, May 31, 1954.

THE MINISTER OF FINANCE.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

91038

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 468.

An Act to amend the Customs Tariff.

R.S., cc. 60, 316; 1952-53, c. 31.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

Schedule A amended.

1. Schedule A to the *Customs Tariff*, chapter 60 of the Revised Statutes of Canada, 1952, is amended by striking out tariff items 146, 147, 187, 189, 263b, 290, 343, 345a, 352a, 353(a), (b), (c), (d), (e), (f), (g), (h) and (i), 402, 409c(1), 409e(1), 409f, 409m(1), 410f(1), 410o(i), 418, 426, 431h, 437, 440i, 442, 443b, 443d(1) and (2), 445r, 446k, 451, 453a, 476a, 480a, 499a, 535e, 561, 569d, 618b(1) and (2), 660a, 696(1), 696a, 703(c), 704, 705a, 710(b), 848(2) and 908, the several enumerations of goods respectively, and the several rates of duties of customs, if any, set opposite each of the said items, and by inserting in Schedule A to the said Act the items, enumerations and rates of duty that are specified in Schedule A to this Act.

Idem.

2. Schedule A to the said Act is further amended by striking out the tariff item designation "402e" and substituting therefor the designation "402c".

Schedule B amended.

3. Schedule B to the said Act is amended by striking out tariff items 1004, 1008, 1010, 1013, 1019, 1021, 1022, 1024, 1032, 1033, 1037, 1038, 1039, 1048, 1049, 1052, 1061, 1066 and 1068, the enumerations of goods and the rates of drawback of customs duties set opposite to the said items, and by inserting in Schedule B to the said Act the items, enumerations and rates of drawback of customs duties that are specified in Schedule B to this Act.

Coming into force.

4. (1) Sections 1 and 3 of this Act shall be deemed to have come into force on the 7th day of April, 1954, and to have applied to all goods mentioned therein imported or taken

out of warehouse for consumption on or after that day and to have applied to goods previously imported for which no entry for consumption was made before that day.

Idem. (2) Section 2 of this Act shall be deemed to have come into force on the 15th day of September, 1953.

French version amended. **5.** Tariff item 410*d* of the French version of Schedule A to the said *Customs Tariff* is amended by inserting in the first line thereof, immediately after the words "Machines et appareils", the words "de forage de puits,".

SCHEDULE A

Tariff Item	—	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
12b	*Sausage casings, synthetic, of paper*.....	10 p.c.	15 p.c.	35 p.c.
146	Ale, beer, porter and stout, when imported in casks or otherwise than in bottle...per gallon And in addition thereto, under all tariffs, *38 cents per gallon.*	25 cts.	35 cts.	35 cts.
147	Ale, beer, porter and stout, when imported in bottles..... per gallon And in addition thereto, under all tariffs, *38 cents per gallon* Six quart bottles or twelve pint bottles shall be held to contain one gallon.	15 cts.	50 cts.	50 cts.
187	Albumenized and other papers, *textile fabrics* and films, n.o.p.; *all the foregoing* chemically prepared for photographers' use.....	Free	20 p.c.	30 p.c.
189	Paper tubes and paper cones of all sizes, *with or without metal or plastic ends*, adapted for winding yarns thereon.....	Free	Free	Free
206a	(4) *Materials and articles, except alcohol, for the manufacture of the goods specified in (1), (2) and (3) of this item*.....	Free	Free	Free
237a	*Uranium in the form of pigs, ingots, billets or bars.* *On and after July 1, 1958*	Free Free	Free 15 p.c.	25 p.c. 25 p.c.
263b	Diethyl ketone, methyl normal propyl ketone *and blends thereof*; methyl ethyl ketone, furfural and methyl isobutyl ketone; all the foregoing for use only in the refining of oils...	Free	Free	25 p.c.
290	Cement, Portland, and hydraulic or water lime, *in bulk or* in barrels, bags, or casks, the weight of the *barrel, bag, or cask* to be included in the weight for duty....per one hundred pounds	5 cts.	8 cts.	8 cts.
343	Tin, in blocks, pigs, bars, *or granular form*.....	Free	5 p.c.	5 p.c.
345a	Zinc spelter and zinc in blocks, pigs, bars, rods, *or granular form*; zinc plates, n.o.p. per pound	¾ ct.	1 ct.	1 ct.
352a	(1) Bells, when imported for use of churches only	Free	Free	Free
	(2) *Bells, electronically operated or not, including amplifiers, drivers, reproducers, transformers, keyboards, automatic control coders, pealing devices (strikes), perforated roll players and perforated rolls for such players, all specially designed for use with such bells, but not to include separate record players, control cabinets containing record playing devices nor microphones; parts thereof; the foregoing when for use in churches only*.....	Free	Free	Free
353	Aluminum and alloys thereof: *(a)* Pigs, ingots, blocks, notch bars, slabs, billets, blooms, and wire bars....per pound	Free	2 cts.	5 cts.

SCHEDULE A—*Continued*

Tariff Item	—	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
	(b) Bars, rods, plates, sheets, strips, circles, squares, discs and rectangles.....per pound	Free	3 cts.	7½ cts.
	(c) Angles, channels, beams, tees and other rolled, drawn or extruded sections and shapes	Free	22½ p.c.	30 p.c.
	(d) Wire and cable, twisted or stranded or not, and whether reinforced with steel or not.....	Free	22½ p.c.	30 p.c.
	(e) Pipes and tubes.....	Free	22½ p.c.	30 p.c.
	(f) Leaf, n.o.p., or foil, less than .005 inch in thickness, plain or embossed, with or without backing.....	Free	30 p.c.	30 p.c.
	(g) Aluminum powder.....	Free	30 p.c.	30 p.c.
	(h) Aluminum leaf, less than ·005 millimetre in thickness.....	Free	Free	Free
	(i) Aluminum scrap..... Nothing shall be deemed to be aluminum scrap except waste or refuse aluminum, fit only to be remelted.	Free	Free	Free
402	Woven or welded wire fencing, of iron or steel, *coated or not*, from wire not more than ·144 inch and not less than ·080 inch in diameter, with tolerance not to exceed ·004 inch; wire fencing, of iron or steel, coated or not, n.o.p..	Free	12½ p.c.	15 p.c.
409c	(1) Ploughs and parts thereof.....	Free	Free	Free
409e	(1) Spraying and dusting machines and attachments therefor, including hand sprayers; apparatus for the destruction of predatory animals by the discharge of poisonous cartridges *and poisonous cartridges for such apparatus;* starter cartridges for diesel engines; apparatus specially designed for sterilizing bulbs; pressure testing apparatus for determining maturity of fruit; pruning hooks; pruning shears; dehorning instruments; parts of the foregoing.....	Free	Free	Free
409f	Grain crushers; grain or hay grinders; grain or hay dryers; milk coolers; steel stanchions for confining livestock either in pens or individually, including complete equipment for milking parlors; automatic stock watering bowls; barn litter carriers and track; sprinkler irrigation systems; barn hay forks, carriage, pulleys and track; hydraulic hoists for unloading vehicles; *hitches and couplings; plough bolts*; all the foregoing for use on the farm for farm purposes only; hay loaders; hay tedders; potato planters; potato diggers; fodder or feed cutters; ensilage cutters; post hole diggers; snaths; stumping machines; grain loaders or elevators with a capacity not exceeding 40 bushels per minute and all other agricultural implements or agricultural machinery, n.o.p.; parts of all the foregoing.....	Free	Free	Free

SCHEDULE A—*Continued*

Tariff Item	—	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
409m	(1) Internal combustion tractors other than highway truck-tractors; accessories for such tractors *(not to include machines and tools for operation by tractors)*; parts of all the foregoing.	Free	Free	Free
410f	(1) Machinery and appliances of iron or steel, of a class or kind not made in Canada, and elevators, and machinery of floating dredges, for use exclusively in alluvial gold mining; *parts of all the foregoing*	Free	Free	Free
410o	(i) Coal heading machines, electric or magnetic machines for concentrating or separating iron ores, automatic scales for use with conveyors, and parts of all the foregoing, for use exclusively in mining or metallurgical operations	Free	Free	Free
418	Machinery and *apparatus and* parts thereof, imported by manufacturers for use exclusively in the manufacture of fish meal, *liquid fish and fish solubles*, stock and poultry food and fertilizers from fish and waste thereof, in their own factories	Free	15 p.c.	20 p.c.
418a	*Devices for the automatic control of the composition of sterilizing and cleaning solutions used for sterilizing and cleaning purposes in food and beverage industries and in hospitals; parts of the foregoing*	5 p.c.	12½ p.c.	30 p.c.
426	Ozone generators or *ozone* airifiers and parts thereof, of a class or kind not made in Canada	Free	5 p.c.	10 p.c.
427k	(1) *Machinery, of a class or kind made in Canada, for working metal by turning, milling, grinding, drilling, boring, planing, shaping, shearing or pressing, and accessories and attachments therefor; parts of the foregoing*	10 p.c.	22½ p.c.	35 p.c.
	(2) *Machinery, of a class or kind not made in Canada, for working metal by turning, milling, grinding, drilling, boring, planing, shaping, shearing or pressing, and accessories and attachments therefor; parts of the foregoing*	Free	7½ p.c.	35 p.c.
428i	*Governors and parts thereof for use in the manufacture of diesel locomotives*	Free	7½ p.c.	30 p.c.
431h	Geophysical surveying precision instruments and equipment for use exclusively in prospecting for, or in the exploration and development of, petroleum, natural gas, water wells and minerals, or for geophysical studies for engineering projects, including the following: Magnetometers; gravity meters and other instruments designed to measure the elements, variations and distortions of the natural gravitational force; field potentiometers, meggers, non-polarizing electrodes, and electrical equipment for making measurements in drill holes; instruments and equipment for seismic prospecting; geiger muller counters and other instruments for radioactive methods of geophysical prospecting; electrical and electronic amplifying devices and electrical thermostats designed to be used with any of the foregoing;			

SCHEDULE A—*Continued*

Tariff Item	—	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
	sodium iodide crystals, thallium activated, in rough cut blanks, when imported to be manufactured into parts for use in instruments for prospecting; all the foregoing of a class or kind not made in Canada, and repair parts, tripods and fitted carrying cases for any of the foregoing	Free	Free	30 p.c.
437	Locomotives, cars and coaches and repair equipment, belonging to railroads, brought temporarily into Canada for clearing obstructions, fighting fires, or making emergency repairs on railway lines within Canada; detector cars and *rail flaw detector apparatus* when imported to test rail in tracks in Canada	Free	Free	Free
437a	(1) *Materials, including all parts, of a class or kind not made in Canada, used in the construction or repair of railway signal systems*	Free	Free	30 p.c.
	(2) *Copper oxide, zinc, alkaline electrolyte, primary (wet) cell batteries, of a class or kind not made in Canada, for railway signal systems; parts of the foregoing*	Free	Free	27½ p.c.
	(3) *Insulated rail joints and connections for use therewith, used in the construction or repair of railway signal systems; parts of the foregoing*	Free	Free	25 p.c.
437b	*Motor rail cars or units and chassis for same, of a class or kind not made in Canada, for use on railways for the carriage of passenger, baggage, mail or express traffic; engines and transmissions for such motor rail cars or units; parts of the foregoing*	Free	Free	25 p.c.
	On and after July 1, 1956	Free	20 p.c.	35 p.c.
440i	The following articles and materials when imported for use only in the manufacture, maintenance or repair of buoys and beacons for the Government of Canada, viz.: Flanged and dished steel boiler plate heads over five feet in diameter; lanterns and electric flashing lights; *fog horn and other warning equipment; marine radio beacon timing equipment; actuating equipment, including low discharge storage batteries and motors; parts of all the foregoing*	Free	Free	Free
441g	*Grenades, cartridges and projectiles containing tear gas or sickening gas, imported for sale to federal, provincial or municipal law enforcement authorities*	Free	7½ p.c.	30 p.c.
442	Articles and materials which enter into the cost of manufacture of the goods enumerated in tariff items 409, 409a, 409b, 409c, 409d, 409e, 409f, 409g, 409h, 409i, 409j, 409k, 409l, 409m, 409n, 409o, 409q, 427b(1), 439c and *618b (1)*, when imported for use in the manufacture of the goods enumerated in the aforesaid tariff items, or in the manufacture of parts therefor, under such regulations as the Minister may prescribe	Free	Free	Free

SCHEDULE A—*Continued*

Tariff Item	—	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
443b	Oven thermostats, automatic oven lighters and dual valves, for use in the manufacture of apparatus designed for cooking with gas.....	Free	10 p.c.	30 p.c.
443d	(1) Gas control devices, n.o.p., of a class or kind not made in Canada, for use on, or for the manufacture or repair of, or for conversion to, gas-fired apparatus for cooking, *or for heating buildings, or for heating water, or for refrigeration;* including such devices when for use in the gas line between such apparatus and the meter, *or in the gas line between such apparatus and the consumer's gas storage device;* parts of the foregoing.....	Free	5 p.c.	30 p.c.
	(2) *Gas pressure regulators for use on, or for the manufacture or repair of, or for conversion to, gas-fired apparatus for cooking, or for heating buildings, or for heating water, or for refrigeration; including such devices when for use in the gas line between such apparatus and the meter, or in the gas line between such apparatus and the consumer's gas storage device; and parts thereof:*			
	(a) When of a class or kind not made in Canada....	Free	5 p.c.	30 p.c.
	(b) When of a class or kind made in Canada.....	Free	10 p.c.	30 p.c.
445r	Apparatus for the receiving and transmitting of photographs, *weather maps and charts,* by wire; *parts of the foregoing*.....	Free	Free	30 p.c.
446k	Tools, *wholly or in part* of iron or steel, n.o.p., of a class or kind not made in Canada, for use in machines.....	Free	7½ p.c.	35 p.c.
451	Buckles, clasps, eyelets, hooks and eyes, dome, snap or other fasteners of iron, steel, brass or other metal, coated or not, n.o.p. (not being jewellery); *parts of all the foregoing*.....	15 p.c.	22½ p.c.	30 p.c.
453a	Metal parts, n.o.p., in any degree of manufacture but not coated, plated nor covered in any manner, for use in the manufacture of spectacle cases and jewellery boxes; *hinges of any material, finished or not, for use in the manufacture of spectacle cases and jewellery boxes*.....	Free	12½ p.c.	35 p.c.
476a	Glassware and other scientific apparatus for laboratory work in public hospitals; chairs and tables for surgical operating purposes and parts thereof; infant incubators and parts thereof; *infant and patient identification tapes and ribbons of any material;* infant identification bead sets including cases, and parts thereof; electrocardiographs and parts thereof, and sensitized film and paper for use therein; electroencephalographic paper; apparatus for sterilizing purposes, including bedpan washers and sterilizers but not including washing nor laundry machines; all for the use of any public hospital, under such regulations as the Minister may prescribe.....	Free	Free	Free
480a	Invalid chairs, with wheels; *invalid chairs, designed to be used with wheels;* parts of the foregoing including motive power *and wheel assemblies* and parts thereof.....	Free	10 p.c.	15 p.c.

SCHEDULE A—*Continued*

Tariff Item	—	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
499a	Nut shells; nut shell flour, wood flour, bark flour, and mixtures thereof; *corn cob granules or flour*	Free	Free	20 p.c.
535e	Vegetable fibres, *horse hair, and mixtures of vegetable fibres and horse hair*, for use exclusively in the manufacture of brooms and brushes	Free	Free	7½ p.c.
546a	*Woven jute fabric, impregnated, imported in lengths not more than three feet each*	Free	5 p.c.	15 p.c.
561	Woven fabrics wholly or in part of synthetic textile fibres or filaments, not containing wool, not including fabrics in chief part by weight of silk, n.o.p. and, per pound	27½ p.c.	40 p.c. 40 cts.	45 p.c. 40 cts.
	Woven fabrics containing five per cent or less, by weight, of synthetic textile *fibres* or filaments are not dutiable under this item, but are dutiable as though such fabrics were composed only of the remaining constituents.			
569d	(1) Woven fabrics, not exceeding *three* inches in width, made with unserrated selvages, generally known as single, double or four shot corded ribbon, imported by the manufacturers of men's hats for use exclusively in their own factories in making the bands for, or in binding the edges of, men's hats only	Free	Free	Free
	(2) *Woven fabrics, pleated or folded, sewn or not, in widths not exceeding three inches after pleating or folding, imported by manufacturers of men's hats for use in their own factories in making bands for men's hats only*	Free	Free	Free
579	*Buffing and polishing wheels or discs;* (1) *The component of chief value being cotton* *and, per pound*	25 p.c.	25 p.c.	35 p.c. 4 cts.
	(2) *The component of chief value being woven wool fabric weighing over twenty-five ounces per square yard*	10 p.c.	12½ p.c.	35 p.c.
618b	Tires and tubes, wholly or in part of rubber: (1) For *equipment* of the agricultural implements and agricultural machinery specified in tariff items 409b, 409c, 409d, 409e, 409f, 409h, 409j, 409l, and the tractors provided for in tariff item 409m	Free	Free	Free
	(2) N.o.p.	20 p.c.	22½ p.c.	35 p.c.
660a	*Synthetic resin* or cellulose plastic sheets *or plates, coated or not*, with *or without* turned edges, for the production of engravings for use by printers	Free	7½ p.c.	30 p.c
696	(1) Philosophical and scientific apparatus (and ancillary equipment thereto), utensils, instruments, and preparations, including boxes and bottles containing the same; maps, charts, photographic reproductions and other pictoral illustrations, casts as models, animals as research or experimental subjects; living plants, seeds, cuttings, buds, scions, tubers,			

SCHEDULE A—*Continued*

Tariff Item	—	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
	bulbs and root-stock; mechanical equipment of a class or kind not made in Canada; parts of the foregoing. All articles in this item, when for the use and by order of any society or institution incorporated or established solely for religious, philosophical, educational, scientific or literary purposes, or for the encouragement of the fine arts, or for the use and by order of any public hospital, college, academy, school, or seminary of learning in Canada, and not for sale *or for rental*, under such regulations as the Minister may prescribe.....	Free	Free	Free
696a	Moving picture films, sound or silent, separate sound film track, slides and slide films, positive or negative; sound discs, records and transcriptions; models, static and moving; wall charts, maps and posters; *when certified by a recognized representative authority of the Government of Canada* or when certified by the Government or by a recognized representative authority of the Government of the country of production or by an appropriate representative of the United Nations Educational, Scientific and Cultural Organization as being of an international educational, scientific or cultural character; subject to such regulations as the Minister may prescribe.....	Free	Free	Free
703	*(c)* Goods (not including alcholic beverages, cigars, cigarettes or manufactured tobacco) imported by *employees of the Canadian Government or* by members of the Canadian Armed Forces after an absence from Canada of not less than one year and acquired by them for personal or household use and actually owned abroad by them for at least six months before their return to Canada, under such regulations as the Minister may prescribe.....	Free	Free	Free
	Any such goods that are sold or otherwise disposed of within twelve months after importation are subject to the duties and taxes otherwise prescribed.			
704	*(a)* Apparel, wearing and other personal and household effects not merchandise, of British subjects dying abroad, but domiciled in Canada; books, pictures, family plate or furniture, personal effects and heirlooms left by bequest to any resident of Canada, or acquired by any resident of Canada, as a result of the death of any person resident abroad, or as a gift in anticipation of the death of any such person; all such goods or articles when given as a free gift by anyone resident abroad to a resident of Canada; the Minister to be the sole judge as to whether any goods or any article imported is to be classified as entitled to the benefit of this item or not.....	Free	Free	Free
	(b) Personal gifts, not exceeding twenty-five dollars in value and not including cigarettes, tobacco and alcoholic beverages, from members of the Canadian Forces serving abroad, to relatives or friends in Canada.....	Free	Free	Free

SCHEDULE A—*Concluded*

Tariff Item	—	British Preferential Tariff	Most-Favoured-Nation Tariff	General Tariff
705a	Settlers' effects, viz.: Machines and implements for agricultural purposes, moved by mechanical power, and motor vehicles valued at not more than *twenty-five hundred dollars*, and boats for fishing purposes, if actually owned abroad by the settler for at least six months before his removal to Canada, and subject to regulations prescribed by the Minister of National Revenue.....	Free	Free	Free
	In respect to motor vehicles valued in excess of *twenty-five hundred dollars* duty shall be payable only on the amount in excess of *twenty-five hundred dollars*.			
	The said machines, vehicles, implements and boats may not be so entered unless brought by the settler on his first arrival and if sold or otherwise disposed of within twelve months after importation are subject to the duties and taxes otherwise prescribed.			
708b	*Arms, military stores and munitions of war imported by the Government of Canada in replacement of or in anticipation or actual exchange for similar goods loaned to or exchanged or to be exchanged with the governments of a British Commonwealth country or a foreign country designated by the Governor in Council under tariff item 708, under such regulations as the Minister may prescribe*.....	Free	Free	Free
710	*(b)* Usual coverings containing goods subject to any ad valorem duty, when not included in the invoice value of the goods they contain...	Free	7½ p.c.	20 p.c.
	If, in the case of sales of like goods by the exporter in the ordinary course of trade in the country of export, the value of the usual coverings is included in the invoice value of the goods they contain, then for the purposes of this item the value of the usual coverings shall be added to and be deemed to be included in the invoice value of the goods they contain and be deemed not to be charged separately on the invoice;			
848	(2) *Machinery and apparatus and parts thereof (including motive power) of a class or kind not made in Canada and drilling mud, for use in the exploration, discovery, development and operation of potash and rock salt mines or for use in the production of muriate of potash, or for use in the production of crushed and screened rock salt*....	Free	Free	Free
	(3) *Seamless, lapwelded and electric welded iron or steel casing, tubing and drill pipe, of a class or kind not made in Canada, for use in the exploration, discovery, development and operation of potash and rock salt mines or for use in the production of muriate of potash, or for use in the production of crushed and screened rock salt*....	Free	Free	Free
	(4) Materials for use in the manufacture of the goods enumerated in (*1*), (*2*) and (*3*) of this item.....	Free	Free	Free
908	Manufactures of synthetic resins *including floor and wall tile containing synthetic resin*, n.o.p...	15 p.c.	20 p.c.	30 p.c.

SCHEDULE B

Item No.	Goods	When Subject to Drawback	Portion of Duty (not including Special Duty or Dumping Duty) Payable as Drawback
1044	*Fire clay fire brick*.....	*When used by producers of iron or steel in the construction or repair of blast furnaces, open hearth furnaces (including checker chambers), electric furnaces, blast furnace stoves, soaking pit furnaces and rolling mill furnaces or in the construction or repair of ladles used with any of the foregoing furnaces*.....	99 p.c.
1052	Machinery; *precision instruments and apparatus for heat treating, welding, sorting, testing, inspecting or correcting; all of the foregoing, either new or used, of a class or kind not made in Canada; accessories and attachments, including control panels, for use with the aforementioned machinery and precision instruments and apparatus; parts of all the foregoing, not including consumable tools.*	When for use in the plants of manufacturers of automobiles and motor vehicles or of automobile or motor vehicle parts for the manufacture of automobiles and motor vehicles or of automobile or motor vehicle parts.....	99 p.c.

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 469.

An Act to authorize the provision of moneys to meet certain capital expenditures of the Canadian National Railways System during the calendar year 1954, and to authorize the guarantee by Her Majesty of certain securities to be issued by the Canadian National Railway Company.

First reading, June 2, 1954.

THE MINISTER OF FINANCE.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

91530

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 469.

An Act to authorize the provision of moneys to meet certain capital expenditures of the Canadian National Railways System during the calendar year 1954, and to authorize the guarantee by Her Majesty of certain securities to be issued by the Canadian National Railway Company.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

Short Title.

Short title.

1. This Act may be cited as *Canadian National Railways Financing and Guarantee Act, 1954.*

Interpretation.

Definitions.

2. In this Act

"National Company."

(a) "National Company" means the Canadian National Railway Company;

"National System."

(b) "National System" means the National System as defined in the *Canadian National Railways Capital Revision Act* and any companies controlled by the National Company through stock ownership; and

"Securities."

(c) "securities" means the notes, equipment trust certificates, bonds, debentures and other securities described in subsection (1) of section 4.

Capital expenditures authorized.

3. (1) The National System is authorized,

(a) to make capital expenditures in the calendar year 1954 in the following amounts and for the following purposes:

Explanatory Note.

The amount of $234,623,695 appearing in clauses 4 (3) and 6 (2) is computed as follows:

Additions and Betterments (excluding new equipment)	$ 44,700,000
Branch Line Construction	6,200,000
New Equipment	147,032,195
Acquisition of Securities	11,236,500
Capital expenditures, January 1, 1955 to June 30, 1955, incurred prior to January 1, 1955	45,000,000
	$254,168,695
Less amount available from Depreciation Reserves	19,545,000
	$234,623,695

Additions and Betterments (excluding new equipment)—		
Obligations incurred prior to 1954 that become due and payable in 1954	$ 31,473,730	
Obligations incurred in 1954 that become due and payable in 1954	$ 13,226,270	
		$ 44,700,000
Branch Line Construction—		
Terrace-Kitimat		6,200,000
New Equipment—		
Obligations incurred prior to 1954 that become due and payable in 1954	107,700,000	
Obligations incurred in 1954 that become due and payable in 1954	39,332,195	
		147,032,195
Acquisition of Securities		11,236,500
Total		$209,168,695;

Additional working capital.

(b) to make capital expenditures not exceeding in the aggregate forty-five million dollars in the calendar year 1955 prior to the first day of July of that year in discharge of obligations incurred for new equipment and for general additions and betterments prior to that year that have become due and payable before that day; and

Capital expenditures in 1955.

(c) to enter into contracts prior to the first day of July, 1955, for the acquisition of new equipment and for general additions and betterments that will come in course of payment after the calendar year 1954, in amounts not exceeding in the aggregate $36,555,931.

Power to borrow money.

(2) The National Company, with the approval of the Governor in Council, is authorized

(a) at any time prior to the first day of July, 1955, to borrow money by the issue and sale of securities or by way of loan from the Minister of Finance to provide the amounts required for the purposes of paragraphs *(a)* and *(b)* of subsection (1); and

(b) by the issue and sale of securities, to borrow money to repay loans made under section 6.

Statement of amounts borrowed.

(3) A statement of the amounts borrowed by the National Company pursuant to this section shall be included in the annual report of the Company.

Estimate of amounts required.

(4) An estimate of the amounts required for the purposes of paragraph *(b)* of subsection (1) shall be included in the annual budget of the National System for the calendar year 1955.

Amount payable included in budget.

(5) Any amount payable under a contract entered into pursuant to paragraph *(c)* of subsection (1) shall be included in the annual budget of the National System for the year in which it will become due and payable.

Limitation.

(6) No amount shall be spent for a purpose mentioned in this section in excess of the amount authorized by this section in respect of that purpose and for the purposes of this subsection any expenditure made under paragraph *(c)* of subsection (1) of section 3 of the *Canadian National Railways Financing and Guarantee Act, 1953*, shall be deemed to be an expenditure under paragraph *(a)* of subsection (1) of this section.

Issue of securities.

4. (1) Subject to the provisions of this Act and with the approval of the Governor in Council, the National Company may issue notes, equipment trust certificates, bonds, debentures or other securities, bearing such rates of interest and subject to such other terms and conditions as the Governor in Council may approve, to provide amounts required for the purposes of section 3.

Application of amounts available.

(2) Amounts available from reserves for depreciation and debt discount amortization shall be applied towards meeting the expenditures authorized by section 3.

Maximum amount of securities.

(3) The aggregate principal amount of securities issued under this section outstanding at any one time shall not exceed the amount necessary to provide the National Company with the net amount of $234,623,695 less the amount that the National Company receives in respect of the whole calendar year 1954 from the sale to the Minister of Finance of preferred stock of the National Company, and for the purposes of this subsection any securities issued under paragraph *(b)* of subsection (2) of section 3 of the *Canadian National Railways Financing and Guarantee Act, 1953*, shall be deemed to have been issued under this section.

Guarantee.

5. (1) The Governor in Council may authorize the guarantee by Her Majesty in right of Canada of the principal and interest of the securities and may approve or decide the form, manner and conditions of such guarantees.

Signature of guarantee.

(2) A guarantee under this Act may be signed on behalf of Her Majesty by the Minister of Finance or by such other person as the Governor in Council may designate,

and such signature is conclusive evidence for all purposes of the validity of the guarantee and that the relative provisions of the Act have been complied with.

Minister may make loans to National Company.

6. (1) The Minister of Finance, upon application by the National Company approved by the Minister of Transport, may, with the approval of the Governor in Council, make loans to the National Company out of the Consolidated Revenue Fund of amounts required for the purposes of section 3 at such rates of interest and subject to such other terms and conditions as the Minister of Finance, with the approval of the Governor in Council, may determine, and secured by securities that the National Company is authorized to issue pursuant to this Act.

Maximum aggregate principal amount of loans.

(2) The aggregate principal amount of loans made pursuant to subsection (1) shall not exceed $234,623,695 less the amount that the National Company receives in respect of the whole calendar year 1954 from the sale to the Minister of Finance of preferred stock of the National Company.

Securities for repayment.

(3) Securities issued to secure a loan made by the Minister of Finance under this section are deemed not to be included in the amount specified in subsection (3) of section 4 if securities have been issued and sold to repay that loan.

Power to aid other companies.

7. The National Company may aid and assist, in any manner not inconsistent with section 3, any others of the companies and railways comprised in the National System and, without limiting the generality of the foregoing, may for its own requirements and also for the requirements of any others of the said companies and railways

(a) apply the proceeds of any issue of securities towards meeting expenditures authorized by section 3 on its own account or on account of any others of the said companies and railways, and

(b) make advances of amounts required for meeting expenditures authorized by section 3 to any others of the said companies and railways upon or without any security, at discretion.

Proceeds paid to credit of Minister of Finance in trust.

8. The proceeds of any sale, pledge or other disposition of any guaranteed securities shall, in the first instance, be paid into the Consolidated Revenue Fund or shall be deposited to the credit of the Minister of Finance, in trust for the National Company, in one or more banks designated by him, and upon application to the Minister of Finance by the National Company approved by the Minister of Transport, shall be paid to the National Company by the

Minister of Finance out of the Consolidated Revenue Fund, or on instructions from the Minister of Finance by the banks in which they are deposited, as the case may be, for the purposes stated in such application.

Minister may place amounts at disposal of Company.

9. (1) Where, at any time before the first day of July, 1955, the available revenues of the National System are not sufficient to pay all the operating and income charges of the National System as and when due, the Minister of Finance, upon application by the National Company approved by the Minister of Transport, may, with the approval of the Governor in Council, place at the disposal of the National Company such amounts as may be required to enable the National Company to meet all such charges.

Amounts reimbursed to Minister from annual revenues.

(2) All amounts placed at the disposal of the National Company pursuant to subsection (1) shall be reimbursed to the Minister of Finance from the annual revenues of the National System in so far as such revenues are sufficient and any insufficiency shall be provided for by subsequent deficit appropriation by Parliament.

Trans-Canada Air Lines.

10. (1) Where, at any time before the first day of July, 1955, the available revenues of Trans-Canada Air Lines are not sufficient to pay all the operating and income charges thereof as and when due, the Minister of Finance, upon application by Trans-Canada Air Lines approved by the Minister of Trade and Commerce, may, with the approval of the Governor in Council, place at the disposal of Trans-Canada Air Lines such amounts as may be required to enable Trans-Canada Air Lines to meet all such charges.

Amounts reimbursed from annual revenues.

(2) All amounts placed at the disposal of Trans-Canada Air Lines pursuant to subsection (1) shall be reimbursed to the Minister of Finance from the annual revenues of Trans-Canada Air Lines in so far as such revenues are sufficient and any insufficiency shall be provided for by subsequent deficit appropriation by Parliament.

Signatures of officers.

11. (1) Any equipment trust certificates, bonds or debentures in interim or definitive forms heretofore or hereafter issued by the National Company pursuant to this or any other Act relating to the National Company, may be executed on behalf of the National Company by being signed by the President or a Vice-President and countersigned by the Secretary or an Assistant Secretary, and any coupons attached to such equipment trust certificates, bonds or debentures shall bear the signature of the President, a Vice-President, the Secretary, an Assistant Secretary or the Treasurer.

Facsimile signatures.

(2) The signatures of the officers referred to in subsection (1) may be engraved, lithographed, or otherwise mechanically reproduced facsimiles of such signatures, and such reproduced and other signatures of such officers, made before or after the coming into force of this Act, are for all purposes valid and binding upon the National Company, whether at the date of the issue of the equipment trust certificates, bonds, debentures or coupons the persons whose signatures so appear were or were not the President, a Vice-President, Secretary, an Assistant Secretary or Treasurer of the National Company, as the case may be.

Signature of guarantee by Her Majesty.

12. Where the principal and interest of securities are guaranteed by Her Majesty in right of Canada pursuant to this or any other Act relating to the National Company, an endorsement on the face of such securities certifying to such guarantee and bearing the engraved, lithographed or otherwise mechanically reproduced facsimile of the signature of a person designated by the Governor in Council is for all purposes valid and binding upon Her Majesty as to the existence and validity of such guarantee.

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 470.

An Act to provide for the Jurisdiction of the Exchequer Court of Canada in Matters of Divorce.

First reading, June 4, 1954.

MR. KNOWLES.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

92278

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 470.

An Act to provide for the Jurisdiction of the Exchequer Court of Canada in Matters of Divorce.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Short title.

1. This Act may be cited as the *Exchequer Court Divorce Jurisdiction Act.*

Jurisdiction of Exchequer Court.

2. The Exchequer Court of Canada (hereinafter referred to as "the Court") shall have jurisdiction to entertain an action for dissolution of marriage from a person domiciled in the province of Quebec or Newfoundland and shall have power and authority to grant a divorce *a vinculo matrimoni* to such a person on the ground that the defendant has since the celebration of his or her marriage been guilty of adultery.

Conditions upon which decree be pronounced.

3. If the Court is satisfied by the evidence that the case of the plaintiff has been proved, and does not find that the plaintiff has been in any manner accessory to or has connived at the adultery of the defendant, or that the plaintiff has condoned the adultery complained of, or that the action was commenced and is proceeded with in collusion with the defendant or the co-respondent, then the Court may give judgment declaring such marriage to be dissolved:

Proviso.

Provided always that the Court shall not be bound to give such judgment if it finds that the plaintiff since his marriage to the defendant has been guilty of adultery, or if the plaintiff has, in the opinion of the Court, been guilty of unreasonable delay in commencing or proceeding with the action or has been guilty of mental or physical cruelty to the defendant, or has, without just cause, deserted the defendant or separated *a mensa et thoro* from the defendant, before the adultery complained of or has otherwise conduced to the commission of adultery by the defendant.

Explanatory Notes.

There are at present courts for divorce and matrimonial causes in all the provinces except Quebec and Newfoundland. In these provinces, a plaintiff can obtain dissolution of marriage only by a private Act of the Federal Parliament. As the number of divorce cases has considerably increased in the last ten years, this procedure for that and various other reasons is becoming more and more objectionable. The purpose of this Bill is therefore to provide that the Exchequer Court of Canada will in future have jurisdiction in divorce in the case of actions originating from Quebec and Newfoundland. The jurisdiction as to alimony, care of the children and other matrimonial causes will remain in the provincial courts of those two provinces.

This Bill does not change the grounds for divorce. It does not establish divorce courts in Quebec or Newfoundland. It does not make available to persons residing in Quebec or Newfoundland anything not now available to them. It merely transfers the hearing of divorce petitions, in the case of persons residing in these two provinces, from Parliament to the Exchequer Court of Canada.

The Bill provides further that the said Court shall hear such divorce cases only at Ottawa.

Jurisdiction to be exercised at Ottawa.

4. The jurisdiction conferred upon the Exchequer Court of Canada by this Act shall be exercised only at the city of Ottawa.

471

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE SENATE OF CANADA

BILL O[15].

471

An Act to amend the Navigable Waters Protection Act.

AS PASSED BY THE SENATE, 2nd JUNE, 1954.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

91706

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE SENATE OF CANADA

BILL O[15].

An Act to amend the Navigable Waters Protection Act.

R.S., c. 193.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1. Subsection (1) of section 16 of the *Navigable Waters Protection Act*, chapter 193 of the Revised Statutes of Canada, 1952, is repealed and the following substituted therefor:

Recovery by Her Majesty from owner, etc., of costs of placing signals, removing wreck, etc.

"**16.** (1) When, pursuant to this Part, the Minister has caused

(a) any signal or light to be placed and maintained to indicate the position of a vessel or part thereof or any other thing that, because of its wreck, sinking, lying ashore or grounding, caused or was likely to cause the navigation of any navigable water over which the Parliament of Canada has jurisdiction to become obstructed, impeded or rendered more difficult or dangerous,

(b) to be removed or destroyed any vessel or part thereof, wreck or any other thing that, because of its wreck, sinking, lying ashore or grounding, caused or was likely to cause the navigation of any such navigable water to become obstructed, impeded or rendered more difficult or dangerous, or

(c) to be removed or destroyed any vessel or part thereof, wreck or any other thing cast ashore, stranded or left upon any public property belonging to Her Majesty in right of Canada,

and the cost thereof has been defrayed out of public moneys of Canada, the amount of such cost, whether or not a sale has been held under section 15, constitutes a debt due to and recoverable by Her Majesty in right of Canada

Explanatory Notes.

Subsection (1) of section 16 of the *Navigable Waters Protection Act* reads as follows:

"**16.** (1) Whenever, under the provisions of this Part, the Minister has caused

(a) any signal or light to be placed and maintained to indicate the position of any obstruction or obstacle,

(b) to be removed or destroyed any wreck, vessel or part thereof, or any other thing by reason whereof the navigation of any such navigable waters was or was likely to become obstructed, impeded or rendered more difficult or dangerous, or

(c) to be removed any vessel or part thereof, wreck or other thing cast ashore, stranded or left upon any public property belonging to Her Majesty in right of Canada,

and the cost of maintaining such signal or light or of removing or destroying such vessel or part thereof, wreck or other thing has been defrayed out of the public moneys of Canada, and the net proceeds of the sale under this Part of such vessel or its cargo, or the thing that caused or formed part of such obstruction are not sufficient to make good the cost so defrayed out of the public moneys of Canada, the amount by which such net proceeds falls short of the cost so defrayed as aforesaid, or the whole amount of such cost, if there is nothing that can be sold as aforesaid, is recoverable with costs by the Crown

(i) from the owner of such vessel or other thing, or from the managing owner or from the master or person in charge thereof at the time such obstruction or obstacle was occasioned, or

(ii) from any person through whose act or fault, or through the act or fault of whose servants such obstruction or obstacle was occasioned or continued."

The purpose of this bill is to provide,—

(a) that the Minister may recover the cost of marking, removing or destroying any wreck, vessel or other thing causing an obstruction to navigation from the owner or person responsible for the obstruction without the necessity of having the wreck vessel or cargo sold; and

(b) that the Great Lakes Seamen's Security Regulations made under the *Emergency Powers Act* by Order in Council P.C. 2306 of May 2nd, 1952, may be continued in force for a period of three years.

(d) from the owner, managing owner, master or person in charge of the vessel or other thing at the time of the wreck, sinking, partial sinking, lying ashore or grounding thereof, or

(e) from any person through whose act or fault or through the act or fault of whose servant the sinking, partial sinking, lying ashore or grounding of the vessel or other thing was occasioned or continued."

2. The said Act is further amended by adding thereto the following Part:

"PART IV

INTERPRETATION.

Definitions. "Canadian ship."

33. In this Part,

(a) "Canadian ship" means a ship registered in Canada, and includes a ship owned, or operated under charter or lease, by a person who resides in Canada;

"Great Lakes."

(b) "Great Lakes" means Lakes Ontario, Erie, Huron (including Georgian Bay), Michigan and Superior and their connecting waters and includes the St. Lawrence River as far east as the lowest exit of the Lachine Canal and the Victoria Bridge at Montreal; and

"Seaman."

(c) "seaman" means a person employed in any capacity on board a ship and includes the master of a ship.

GREAT LAKES NAVIGATION.

Regulations.

34. The Governor in Council may make such regulations as he considers necessary or desirable in the interests of the safety or security of Canada respecting the employment of seamen on board Canadian ships in the Great Lakes, and may prescribe the penalties to be imposed on summary conviction for violation of any regulation made under this section, but such penalties shall not exceed a fine of five hundred dollars or imprisonment for a term of three months or both fine and imprisonment.

Duration.

35. This Part shall continue in force for a period of three years from the day on which it came into force, and no longer."

472

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE SENATE OF CANADA

BILL ~~N15~~ 472.

An Act to incorporate Canadian Slovak League.

AS PASSED BY THE SENATE, 3rd JUNE, 1954.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

91620

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE SENATE OF CANADA

BILL N[15].

An Act to incorporate Canadian Slovak League.

Preamble.

WHEREAS the persons hereinafter named have by their petition prayed that they may be incorporated as a fraternal benefit society under the name of Canadian Slovak League, and it is expedient to grant the prayer of the petition: Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Incorporation.

1. Andrew Kucera, section foreman, George Rondos, rooming house operator, Anna Reznik, housewife; all of the city of Winnipeg, in the province of Manitoba; Andrew Potocky, checker, Joseph Siksa, pipe-fitter, Edward Bukovy, lift-operator, Michael Cano, train inspector; all of the city of Fort William, in the province of Ontario; John Lucas, bus operator, of the city of Hamilton, in the province of Ontario; John Lukachko, laborer, of the city of Toronto, in the province of Ontario; Steve Jesenak, foundryman, of the city of Oshawa, in the province of Ontario; Frank Kvetan, department manager, Paul Blaho, caretaker, Hermine Kralovich, housewife, Andrew Matusky, mason; all of the city of Montreal, in the province of Quebec, together with such persons as become members of the society hereby incorporated, are incorporated under the name of Canadian Slovak League, hereinafter called "the Society".

Corporate name.

Head office.

2. The head office of the Society shall be at the city of Fort William, in the province of Ontario.

Fraternal benefit society.

3. The Society shall be a fraternal benefit society, carrying on its benefit and insurance work solely for the protection of its members, their families and beneficiaries and not for profit.

Objects of the Society.

4. (1) The Society may,

(a) organize, establish and carry on local branches of the Society, which may be composed of adults and others;

(b) promote, on the basis of Christian and democratic principles, good citizenship and loyalty to the free institutions of Canada, by educating and instructing the members of the Society in the history, constitution and government of Canada;

(c) propagate and develop among the members of the Society a spirit of mutual co-operation, assistance and friendship;

(d) promote and cultivate among the members of the Society sports, hygienic, cultural and dramatic activities, as a means of better understanding and relationship among the members and the Canadian people generally, and with a view of perpetuating their own native cultural heritage and enriching the cultural heritage of Canada;

(e) establish and maintain homes for old, poor and infirm persons and establish orphanages and otherwise take care of and maintain the orphans of deceased members.

(2) The Society may establish, maintain and administer,

(a) a mortuary insurance fund for providing death, endowment and other benefits within the powers in that behalf conferred on fraternal benefit societies under the *Canadian and British Insurance Companies Act;*

(b) a personal accident and sickness insurance fund for providing benefits in the event of the death of, or injury to, a member by accident, and for providing indemnity during the incapacity of a member arising out of accident or sickness;

(c) a juvenile insurance fund for providing death or endowment benefits in respect of any child, or any child under the guardianship, of any member.

(3) The Society may secure for its members such other advantages and establish, maintain and administer such other fund or funds as may be provided by the by-laws of the Society and as may be necessary to the attainment of the foregoing objects and, generally, to act as a fraternal, charitable and benevolent society.

Members.

5. Only persons deemed by the Society to be loyal to the free institutions of Canada and to the Christian and democratic traditions of the Slovak nation, or the wife or husband of a person already a member, shall be admitted as members

Proviso.

of the Society: Provided that all persons, who are members in good standing of the Letters Patent Association hereinafter referred to at the date on which an agreement such as provided for in section 14 hereof becomes effective, shall be eligible to be admitted as members of the Society.

Convention of the Society.

6. (1) The Society shall be governed by the Convention which shall constitute the final legislative and governing body of the Society.

(2) The Convention shall consist of

(a) the members of the Central Assembly;

(b) delegates representing the various branches and appointed or elected in accordance with the by-laws of the Society.

Management.

7. (1) The affairs of the Society shall be managed by a board of directors which shall be known as the Central Assembly and which shall consist of the President, the Vice President, the Secretary, the Treasurer, the Recording Secretary, the Elder Junior Branch and five auditors or overseers.

(2) The members of the Central Assembly shall be elected by the Convention and shall hold office until their successors are elected.

Temporary directors.

8. The persons named in section 1 of this Act shall constitute the Central Assembly of the Society until their successors are elected pursuant to the provisions of this Act and the constitution and by-laws of the Society.

Constitution and by-laws.

9. The Society may from time to time make, amend and repeal by-laws and regulations for governing the election of officers, directors and trustees and defining their duties and powers, the holding of meetings, the admission of members and the termination of membership, the fixing of the amounts or premiums, dues and assessments to be paid by the members and, generally, all matters relating to the activities, business or affairs of the Society.

General fund.

10. (1) The Society may maintain a general fund, to which shall be credited all dues and other sums intended according to the constitution and by-laws, to be used for the payment of administrative and all other expenses of the Society, and all expenses of the Society including those arising from the exercise of the powers conferred by sub-sections (1), (2) and (3) of section 4 of this Act, shall be payable out of such fund.

Provision for deficieny in general fund.

(2) The Society may make provision in its by-laws whereby, in the event of there being a deficiency in the general fund and a surplus above all liabilities in any one or more of the benefit funds, the Convention may, in any year, provide for the allocation to the general fund of such portion as the actuary of the Society may recommend of the premiums or assessments falling due during the succeeding twelve

months in any benefit fund or funds in which there is a surplus: Provided that the amount so allocated to the general fund during the said period does not exceed two months' premiums in the said benefit fund or funds.

Proviso.

Notice of allocation of premiums.

(3) Notice of intention to make an allocation to the general fund of any premiums or assessments or portions thereof, as provided in the last preceding subsection, shall be given by mail to the members of the Society at least one month before such allocation is made.

Special assessment when fund exhausted.

(4) If at any time the general fund or the surplus in any other fund becomes exhausted or is in danger of becoming exhausted, the Convention of the Society may, on the recommendation of the actuary of the Society, levy upon each member in the fund such assessment as is necessary to remove any deficit therein or the danger of it becoming exhausted and such assessment shall thereupon be paid by each such member.

Disposition of surplus of benefit fund.

11. The Society may make provision in its constitution and by-laws whereby such portion of the surplus above all liabilities in any benefit fund as shall be approved by the actuary of the Society may be applied to grant new or additional benefits to the members of the Society, or to the remission of premiums or portions thereof, or to the allotment of bonuses.

Acquisition of real estate.

12. The funds necessary for procuring any properties required by the Society for the carrying on of its activities may be expended out of the general fund, or raised through special assessments or donations, or in any other way that the Convention may direct.

Ownership, control and non-disposition of property.

13. (1) All property purchased with the funds of the Society shall be the property of and shall be vested in the Society, and shall be administered, managed and controlled by the Central Assembly.

(2) No property of the Society shall, under any circumstances, pass into the private ownership of any member or members of the Society as an individual or individuals, but all such property shall be and always remain the property and estate of the Society as a whole and shall be used exclusively for the work of the Society and to promote its objects.

Acquisition of Letters Patent Association.

14. (1) The Society may acquire the whole or any part of the rights and property of any kind whatsoever of the Canadian Slovak League incorporated by Letters Patent issued under the *Companies Act*, chapter 27 of the Revised Statutes of Canada, 1927, on the 24th day of February, 1934,

hereinafter called "the Letters Patent Association", and in the event of such acquisition, the Society shall assume, perform and discharge all unperformed obligations and undischarged liabilities of the Letters Patent Association in respect to the rights and property acquired and may give any receipt or discharge in connection with any right, obligation or liability thereof.

Approval of Treasury Board.

(2) No agreement between the Society and the Letters Patent Association providing for such acquisition and assumption shall become effective until such agreement has been submitted to and approved by the Treasury Board of Canada, and the Board shall not approve the agreement if it appears to the Board that more than one-third of the members of the Letters Patent Association, present and voting at a meeting called for the purpose of considering such agreement, are opposed to it.

Coming into force.

15. This Act shall come into force on a date to be specified by the Superintendent of Insurance in a notice published in the *Canada Gazette*, and such notice shall not be given until this Act has been approved by a resolution adopted by at least two-thirds of the votes of the members of the Letters Patent Association, present and voting at a meeting called for the purpose of considering such resolution, nor until the Superintendent of Insurance has been satisfied by such evidence as he may require, that such approval has been given and that the Letters Patent Association has ceased to do business, or will cease to do business forthwith upon a certificate of registry being issued to the Society, except such business as is necessary for the fulfilment of the terms of any agreement made under the provisions of section 14 of this Act, and will forthwith upon the issue of the said certificate surrender its charter.

R.S. 1952, c. 31, to apply.

16. The *Canadian and British Insurance Companies Act* shall apply to the Society.

473

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE SENATE OF CANADA

BILL P15.

An Act to amend the Post Office Act.

AS PASSED BY THE SENATE, 3rd JUNE, 1954.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

91991

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE SENATE OF CANADA

BILL P15.

An Act to amend the Post Office Act.

R.S., c. 212, 1953-54, c. 20.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1. Paragraph *(d)* of subsection (1) of section 11 of the *Post Office Act*, chapter 212 of the Revised Statutes of Canada, 1952, is repealed and the following substituted therefor:

"*(d)* is posted by the publisher within

(i) the postal area in which the place of its office of publication is situated, or

(ii) some other postal area approved by the Postmaster General upon his being satisfied that the posting of the newspaper or periodical within such other postal area will promote greater convenience in the distribution thereof and that the application of this section to the newspaper or periodical when so posted will not adversely affect the postal revenues; and"

Explanatory Note.

Paragraph *(d)* of subsection (1) of section 11 of the *Post Office Act* at present reads as follows:

"*(d)* is posted by the publisher within the postal area in which the place of its office of publication is situated; and"

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 474.

An Act respecting Extra-Provincial Motor Vehicle Transport.

First reading, June 7, 1954.

THE MINISTER OF TRANSPORT.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

92343

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 474.

An Act respecting Extra-Provincial Motor Vehicle Transport.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

Short Title.

Short title.

1. This Act may be cited as the *Motor Vehicle Transport Act.*

Interpretation.

Definitions. "Extra-provincial transport."

2. In this Act,

(a) "extra-provincial transport" means the transport of passengers or goods by means of an extra-provincial undertaking;

"Extra-provincial under-taking."

(b) "extra-provincial undertaking" means a work or undertaking for the transport of passengers or goods by motor vehicle, connecting a province with any other or others of the provinces, or extending beyond the limits of a province;

"Federal carrier."

(c) "federal carrier" means a person who operates an extra-provincial undertaking;

"Law of the province."

(d) "law of the province" means a law of a province or municipality not repugnant to or inconsistent with this Act;

"Local carrier."

(e) "local carrier" means a person who operates a work or undertaking, not being an extra-provincial undertaking, for the transport of passengers or goods by motor vehicle;

"Local transport."

(f) "local transport" means the transport of passengers or goods by motor vehicle otherwise than by means of an extra-provincial undertaking;

Explanatory Note.

The purpose of this Bill is to provide for the control and regulation of interprovincial and international highway transport.

"Local undertaking."

(g) "local undertaking" means a work or undertaking for the transport of passengers or goods by motor vehicle, not being an extra-provincial undertaking; and

"Provincial transport board."

(h) "provincial transport board" means a board, commission or other body or person having under the law of a province authority to control or regulate the operation of a local undertaking.

Operation of Undertaking.

Operating licence.

3. (1) Where in any province a licence is by the law of the province required for the operation of a local undertaking, no person shall operate an extra-provincial undertaking in that province unless he holds a licence issued under the authority of this Act.

Issue of licence.

(2) The provincial transport board in each province may in its discretion issue a licence to a person to operate an extra-provincial undertaking into or through the province upon the like terms and conditions and in the like manner as if the extra-provincial undertaking operated in the province were a local undertaking.

Tariffs and Tolls.

Tariffs and tolls.

4. Where in any province tariffs and tolls to be charged by a local carrier for local transport are determined or regulated by the provincial transport board, the tariffs and tolls to be charged by a federal carrier for extra-provincial transport in that province may in the discretion of the provincial transport board be determined and regulated by the provincial transport board in the like manner and subject to the like terms and conditions as if the extra-provincial transport in that province were local transport.

General.

Exemption.

5. The Governor in Council may exempt any person or the whole or any part of an extra-provincial undertaking or any extra-provincial transport from all or any of the provisions of this Act.

Penalties.

6. (1) Every person who violates any provision of this Act or who fails to comply with any order or direction made by a provincial transport board under the authority of this Act is guilty of an offence and is liable on summary

conviction to a fine of one thousand dollars or to imprisonment for a term of one year or to both fine and imprisonment.

Disposition of fines.

(2) A fine imposed under subsection (1) shall be paid over by the magistrate or officer receiving it to the treasurer of the province in which it was imposed.

Proclamation in a province.

7. This Act shall come into force in a province only upon the issue of a proclamation of the Governor in Council declaring it to be in force in that province.

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 475.

An Act to repeal the National Physical Fitness Act.

First reading, June 9, 1954.

THE MINISTER OF NATIONAL
HEALTH AND WELFARE.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

92415

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 475.

An Act to repeal the National Physical Fitness Act.

R.S., c. 190.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

Repeal.

1. The *National Physical Fitness Act*, chapter 190 of the Revised Statutes of Canada, 1952, is repealed.

Transitional.

2. Notwithstanding section 1, the said Act continues in force for the purpose of carrying out and giving effect to any agreement made with a province under section 7 of the said Act and in effect at the coming into force of this Act.

476

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE SENATE OF CANADA

476

BILL Q15.

An Act to amend the Criminal Code.
(Race Meetings.)

AS PASSED BY THE SENATE, 10th JUNE, 1954.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY.
OTTAWA, 1954

92584

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE SENATE OF CANADA

BILL Q[15].

An Act to amend the Criminal Code.
(Race Meetings.)

HER Majesty, by and with the advice and consent the Senate and House of Commons of Canada, enacts as follows:

1951, c. 25.

1. Section 235 of the *Criminal Code*, chapter 36 of the Revised Statutes of Canada, 1927, is amended by adding thereto, immediately after subsection (2) thereof, the following subsection:

Operation of pari-mutuel system.

"(2a) Subsection (2) does not apply in respect of a race meeting conducted by an association mentioned in subparagraph (i) of paragraph *(c)* of that subsection in a province other than a province in which the association, before the 1st day of May, 1954, conducted a race meeting with pari-mutuel betting under the supervision of an officer appointed by the Minister of Agriculture."

Explanatory Note.

Section 235 of the *Criminal Code* relates to the circumstances in which pari-mutuel betting may be lawfully conducted in connection with race meetings. The purpose of this amendment is to ensure that a racing association that has been incorporated in one province shall not be entitled to conduct race meetings, with pari-mutuel betting, on race tracks that it acquires in another province.

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 478.

An Act to amend the Judges Act.

First reading, June 17, 1954.

THE MINISTER OF JUSTICE.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

92769

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 478.

An Act to amend the Judges Act.

R.S. c. 159, 1952-53, c. 4.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

Salaries of judges of Court of Appeal.

1. Paragraph *(b)* of section 13 of the *Judges Act*, chapter 159 of the Revised Statutes of Canada, 1952, is repealed and the following substituted therefor:

"*(b)* Five Justices of Appeal, each..... 14,400.00"

Salaries of judges of Supreme Court of Alberta.

2. Paragraph *(d)* of section 16 of the said Act is repealed and the following substituted therefor:

"*(d)* Six Justices of the Supreme Court of Alberta, each..... 14,400.00"

Explanatory Note.

The purpose of this Bill is to provide salaries for one additional judge of the Court of Appeal for British Columbia and one additional judge for the Trial Division of the Supreme Court of Alberta.

First Session, Twenty-Second Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 479.

An Act for granting to Her Majesty certain sums of money for the public service of the financial year ending the 31st March, 1955.

AS PASSED BY THE HOUSE OF COMMONS
26th JUNE, 1954.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954

87440

1st Session, 22nd Parliament, 2-3 Elizabeth II, 1953-54.

THE HOUSE OF COMMONS OF CANADA.

BILL 479.

An Act for granting to Her Majesty certain sums of money for the public service of the financial year ending the 31st March, 1955.

MOST GRACIOUS SOVEREIGN,

Preamble.

WHEREAS it appears by messages from His Excellency, the Right Honourable Vincent Massey, etc., etc., Governor General of Canada, and the estimates accompanying the said messages, that the sums hereinafter mentioned are required to defray certain expenses of the public service of Canada, not otherwise provided for, for the financial year ending the 31st day of March, 1955, and for other purposes connected with the Public Service: May it therefore please Your Majesty, that it may be enacted, and be it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, that:

Short title.

1. This Act may be cited as the *Appropriation Act, No. 4, 1954.*

$2,360,-432,364.67 Main Estimates granted for 1954-55.

2. From and out of the Consolidated Revenue Fund, there may be paid and applied a sum not exceeding in the whole two billion, three hundred and sixty million, four hundred and thirty-two thousand, three hundred and sixty-four dollars and sixty-seven cents, towards defraying the several charges and expenses of the public service, from the 1st day of April, 1954, to the 31st day of March, 1955, not otherwise provided for, and being the amount of each of the items voted, set forth in Schedule A to this Act, less the amounts voted on account of the said items by the *Appropriation Act, No. 1, 1954*, and the *Appropriation Act, No. 3, 1954.*

$42,314,738 Supplementary Estimates granted for 1954-55.

3. From and out of the Consolidated Revenue Fund there may be paid and applied a sum not exceeding in the whole forty-two million, three hundred and fourteen thousand, seven hundred and thirty-eight dollars, towards defraying the several charges and expenses of the public service, from the 1st day of April, 1954, to the 31st day of March, 1955, not otherwise provided for, and being the amount of each of the items voted, set forth in Schedule B to this Act.

Power to raise loan of $500,000,000 for public works and general purposes. R.S., c. 116.

4. (1) The Governor in Council may, in addition to the sums now remaining unborrowed and negotiable of the loans authorized by Parliament, by any Act heretofore passed, raise by way of loan, under the provisions of the *Financial Administration Act*, by the issue and sale or pledge of securities of Canada, in such form, for such separate sums, at such rate of interest and upon such other terms and conditions as the Governor in Council may approve, such sum or sums of money, not to exceed in the whole, the sum of five hundred million dollars, as may be required for public works and general purposes.

Lapse of prior borrowing powers.

(2) All borrowing powers authorized by section 4 of chapter 54 of the statutes of 1952-53 which are outstanding and unused shall expire on the date of the coming into force of this Act.

Account to be rendered. R.S., c. 116.

5. Sums expended under the authority of this Act shall be accounted for in the Public Accounts in conformity with section 64 of the *Financial Administration Act*.

SCHEDULE A.

Based on the Main Estimates, 1954-55. The amount hereby granted is $2,360,432,364.67, being the amount of each of the items in the Estimates (less reduction of $250,000 in Resolution No. 535) as contained in this Schedule, less the amounts voted on account of the said items by the *Appropriation Act, No. 1, 1954*, and the *Appropriation Act, No. 3, 1954*.

SUMS granted to Her Majesty, by this Act for the financial year ending 31st March, 1955, and the purposes for which they are granted.

No. of Vote	Service	Amount	Total
		$	$
	AGRICULTURE		
	ADMINISTRATION SERVICE		
1	Departmental Administration	432,490	
2	Information Service	403,628	
3	Advisory Committee on Agricultural Services	5,000	
4	Contributions to Commonwealth Agricultural Bureaux in a total amount of £43,959, notwithstanding that payments may exceed or fall short of the equivalent in Canadian dollars, estimated as of January, 1954, which is	120,393	
	SCIENCE SERVICE		
	Science Service Administration—		
5	Operation and Maintenance	719,060	
6	Construction or Acquisition of Buildings, Works, Land and New Equipment	1,514,806	
7	Bacteriology and Dairy Research	213,395	
	Botany and Plant Pathology—		
8	Operation and Maintenance	1,403,534	
9	Construction or Acquisition of Buildings, Works, Land and New Equipment	198,450	
10	Chemistry	757,251	
	Entomology—		
11	Operation and Maintenance	2,086,123	
12	Construction or Acquisition of Buildings, Works, Land and New Equipment	88,741	
	Forest Biology—		
13	Operation and Maintenance	1,923,859	
14	Construction or Acquisition of Buildings, Works, Land and New Equipment	230,093	
15	Plant Protection	838,448	
	EXPERIMENTAL FARMS SERVICE		
16	Experimental Farms Service Administration	181,201	
	Central Experimental Farm including Research and Co-ordinating Divisions for the Experimental Farms Service—		
17	Operation and Maintenance	2,242,455	
18	Construction or Acquisition of Buildings, Works, Land and New Equipment	307,330	
	Branch Experimental Farms, Sub-Stations and Illustration Stations—		
19	Operation and Maintenance	6,351,995	
20	Construction or Acquisition of Buildings, Works, Land and New Equipment	1,250,000	

SCHEDULE A—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	AGRICULTURE—*Continued*		
	PRODUCTION SERVICE		
21	Production Service Administration	84,843	
	Animal Pathology—		
22	Operation and Maintenance	554,721	
23	Construction or Acquisition of Buildings, Works, Land and New Equipment	101,770	
	Health of Animals—		
24	Administration of Animal Contagious Diseases Act, and Meat and Canned Foods Act	5,540,940	
25	Compensation for animals slaughtered, including compensation for eggs destroyed from infected premises under terms and conditions approved by the Governor in Council	482,550	
26	Live Stock and Poultry	1,644,413	
27	Plant Products—Seeds, Feeds, Fertilizers, Insecticides and Fungicides Control, including Grant of $40,000 to Canadian Seed Growers' Association	1,483,598	
28	To provide for Grants to Fairs and Exhibitions in accordance with the regulations established by Order in Council of December 22, 1952, P.C. 4602; for payments on account of agreements in force on December 31, 1953, with Exhibition Associations covering the construction of buildings and other major undertakings; and for a Grant of $50,000 to the Royal Agricultural Winter Fair, Toronto, and Freight Assistance on Livestock Shipments for exhibition thereat	856,957	
29	Grants to Agricultural Organizations, as detailed in the Estimates	160,400	
	MARKETING SERVICE		
30	Marketing Service Administration	287,343	
31	Agricultural Economics	630,153	
32	Dairy Products	753,903	
33	Subsidies for Cold Storage Warehouses under the Cold Storage Act, in the amounts detailed in the Estimates	450,538	
34	Fruit, Vegetables and Maple Products, and Honey, including Grant of $5,000 to the Canadian Horticultural Council	1,328,444	
35	Live Stock and Live Stock Products	1,470,981	
36	Marketing of Agricultural Products, including temporary appointments that may be required to be made notwithstanding anything contained in the Civil Service Act, the amount available for such appointments not to exceed $6,000	100,000	
	TERMINABLE SERVICES		
37	Freight Assistance on Western Feed Grains	17,000,000	
38	Agricultural Lime Assistance	500,000	
39	To provide for Quality Premiums on High Grade Hog Carcasses and Administration Costs	6,000,000	
	SPECIAL		
40	Agricultural Products Board Administration	10,000	
41	To provide for assistance to encourage the improvement of cheese and cheese factories	875,000	
42	To provide assistance for the replacement of maple production equipment	100,000	
43	For assistance in construction of potato warehouses under terms and conditions to be approved by the Governor in Council	25,000	
44	Prairie Farm Rehabilitation Act and Water Storage	3,899,245	
45	Major Irrigation and Reclamation Projects in the Prairie Provinces	7,077,747	
46	Prairie Farm Assistance Act Administration	361,500	

SCHEDULE A—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	AGRICULTURE—*Concluded*		
	SPECIAL—*Concluded*		
47	Land Protection, Reclamation and Development in British Columbia under such terms and conditions as may be approved by the Governor in Council	143,000	
48	Land Protection and Reclamation; Clearing and Settlement of New Lands under such terms and conditions as may be approved by the Governor in Council	795,000	
49	Maritime Marshland Rehabilitation Act	2,097,180	
50	Assiniboine River—Dyking and Cut-off	100,000	
51	To provide for Administrative Expenses, Agricultural Prices Support Act	104,615	
			76,288,093
	AUDITOR GENERAL'S OFFICE		
52	Salaries and Expenses of Office	.....	673,990
	CANADIAN BROADCASTING CORPORATION		
	INTERNATIONAL SHORTWAVE BROADCASTING SERVICE		
53	Maintenance and Operation including authority to credit to the Appropriation revenue from the rental of facilities in Radio-Canada Building to an amount of $160,000 and to re-expend it for the purposes of the International Service	2,199,150	
54	Construction or Acquisition of Buildings, Works, Land and New Equipment, including Supervision	195,300	
			2,394,450
	OFFICE OF THE CHIEF ELECTORAL OFFICER		
55	Salaries and Expenses of Office	.....	59,442
	CITIZENSHIP AND IMMIGRATION		
	A—DEPARTMENT		
56	Departmental Administration	340,230	
	CITIZENSHIP		
57	Citizenship Registration Branch	221,654	
58	Citizenship Branch	697,031	
	IMMIGRATION BRANCH		
59	Administration of the Immigration Act	968,610	
60	Field and Inspectional Service, Canada, including $10,000 for Grants to Immigrant Welfare Organizations	5,691,266	
61	Field and Inspectional Service, Abroad	1,835,259	
62	To provide, subject to the approval of Treasury Board, for Trans-Oceanic and Inland Transportation Assistance for Immigrants, including care en route and while awaiting employment	500,000	

SCHEDULE A—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	CITIZENSHIP AND IMMIGRATION—*Concluded*		
	A—Department—*Concluded*		
	Indian Affairs Branch		
63	Administration	427,964	
	Indian Agencies—		
64	Operation and Maintenance	2,239,261	
65	Construction or Acquisition of Buildings, Works, Land and New Equipment	647,309	
	Reserves and Trusts—		
66	Operation and Maintenance	228,050	
67	Acquisition of Land	10,000	
	Welfare of Indians—		
68	Operation and Maintenance	1,936,950	
69	Construction or Acquisition of Buildings, Works, Land and New Equipment	962,524	
70	Grants to Agricultural Exhibitions and Indian Fairs	7,350	
71	Fur Conservation	318,030	
	Education—		
72	Administration, Operation and Maintenance	7,401,323	
73	Construction or Acquisition of Buildings, Works, Land and New Equipment	3,824,200	
74	Grant to provide Additional Services to Indians of British Columbia	100,000	
	B—National Gallery of Canada		
75	Administration, Operation and Maintenance, including Industrial Design Division	252,185	
76	Payment to the National Gallery Purchase Account for the purpose of acquiring works of art, in conformity with Section 8 of the National Gallery Act	130,000	
			28,739,196
	CIVIL SERVICE COMMISSION		
77	Salaries and Contingencies of the Commission	.....	2,300,379
	DEFENCE PRODUCTION		
	A—Department		
78	Departmental Administration and payments to Canadian Commercial Corporation and other corporate agencies for services provided in connection with defence purchasing and production	6,446,812	
79	To provide capital assistance for the construction, acquisition, extension or improvement of capital equipment or works by private contractors engaged in defence contracts, or by Crown Plants operated on a management-fee basis, or by Crown Companies under direction of the Minister of Defence Production, subject to approval of Treasury Board	25,000,000	
80	To provide for payment of grants to municipalities in lieu of taxes on Crown-owned defence plants operated by private contractors	400,000	
	B—Crown Companies		
81	To provide for expenses incurred by Defence Construction (1951) Limited in procuring the construction of defence projects on behalf of the Department of National Defence	3,693,000	
	Canadian Arsenals Limited—		
82	Administration and Operation	1	
83	Construction, Improvements and New Equipment	4,777,000	
			40,316,813

SCHEDULE A—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	EXTERNAL AFFAIRS		
	A—Department and Missions Abroad		
84	Departmental Administration	3,333,583	
85	Passport Office Administration	256,649	
86	Representation Abroad—Operational—including payment of salaries of High Commissioners, Ambassadors, Ministers Plenipotentiary, Consuls, Secretaries and staff appointed as directed by the Governor General in Council, notwithstanding anything to the contrary in the Civil Service Act or any of its amendments	6,301,835	
87	Representation Abroad—Construction, acquisition or improvement of buildings, works, land, new equipment and furnishings, and to the extent that blocked funds are available for these expenditures, to provide for payment from these foreign currencies owned by Canada and provided only for governmental or other limited purposes	1,945,480	
88	To provide for official hospitality	20,000	
89	To provide for relief of distressed Canadian citizens abroad and their dependents and for the reimbursement of the United Kingdom for relief expenditures incurred by its Diplomatic and Consular Posts on Canadian account (part recoverable)	15,000	
90	Canadian Representation at International Conferences	175,000	
91	Grant to the United Nations Association in Canada	11,000	
92	Grant to the International Committee of the Red Cross	15,000	
93	To authorize and provide for the payment from foreign currencies owned by Canada and available only for governmental or other limited purposes, in France, The Netherlands and Italy, of fellowships and scholarships and travelling expenses to enable Canadians to study in those countries, and for payment to the Royal Society of Canada of amounts not to exceed $10,000 in all to meet travelling and other administrative costs incurred by the Society for those it may designate to act on its behalf in selecting persons to receive fellowships and scholarships	125,000	
	B—General		
94	To provide for the Canadian Government's Assessment for Membership in International and Commonwealth Organizations, as detailed in the Estimates, including authority to pay the amounts specified in the currencies of the countries indicated, notwithstanding that the payments may exceed or fall short of the equivalent in Canadian dollars, estimated as of January, 1954, which is	2,893,012	
95	To provide for the Canadian Government's Contribution to the United Nations Expanded Program for Technical Assistance to Under-Developed Countries in an amount of $872,354 U.S., notwithstanding that payment may exceed or fall short of the equivalent in Canadian dollars, estimated as of January, 1954, which is	850,000	
96	Contribution to the United Nations Children's Fund	500,000	
	North Atlantic Treaty Organization		
97	To provide, subject to the approval of the Governor General in Council and notwithstanding anything to the contrary in the Civil Service Act, for special administrative expenses, including payment of remuneration, in connection with the assignment by the Canadian Government of Canadians to the international staff of the North Atlantic Treaty Organization (part recoverable from the North Atlantic Treaty Organization)	51,000	
	International Civil Aviation Organization		
98	To provide the International Civil Aviation Organization with office accommodation at less than commercial rates	200,218	

SCHEDULE A—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	EXTERNAL AFFAIRS—*Concluded*		
	B—General—*Concluded*		
	International Joint Commission		
99	Salaries and Expenses of the Commission	95,500	
100	To provide for Canada's share of the expenses of studies, surveys and investigations of the International Joint Commission	104,575	
	Terminable Services		
101	Colombo Plan	25,400,000	
102	To provide for the Canadian Government's Assessment for Membership in the Inter-governmental Committee for European Migration in an amount of $172,349 U.S., notwithstanding that payment may exceed or fall short of the equivalent in Canadian dollars, estimated as of January, 1954, which is	167,933	
103	To provide for a Gift of Canadian Fish for Relief Purposes in Korea	300,000	
			42,760,785
	FINANCE		
	General Administration		
104	Departmental Administration	1,843,627	
105	Comptroller of the Treasury—Central Office and Branch Offices Administration	15,028,392	
	Administration of Various Acts and Costs of Special Functions		
106	Superannuation and Retirement Acts, Administration	451,557	
107	The Bank Act—Salaries and expenses of the Inspector General of Banks' Office	35,670	
108	Administration of the Farm Improvement Loans Act and the Veterans' Business and Professional Loans Act	86,465	
109	Expenses of the Tariff Board	101,993	
	Expenses of the Royal Canadian Mint and the Assay Office, Vancouver, B.C.—		
110	Administration, Operation and Maintenance	1,145,465	
111	Construction or Acquisition of New Equipment	341,535	
112	Administration of Employees' Instalment Purchase Plan, including sale and delivery of Canada Savings Bonds to Government employees, and of Employees' Group Insurance Plans	133,451	
	Payments to Municipalities		
113	Grants to Municipalities in lieu of taxes on Federal Property—To provide for payments to municipalities in accordance with the Municipal Grants Act, and the Rural Municipal Grants Regulations established by Order in Council of August 6, 1952, P.C. 3729; and to provide for payments to municipalities under Order in Council of July 19, 1950, P.C. 3456, in respect of the cost of medical and hospital services and supplies furnished to federal employees and other persons specified therein	3,190,000	
	Contingencies and Miscellaneous		
114	To provide, subject to the approval of the Treasury Board, for miscellaneous minor and unforeseen expenses including authority to re-use any sums repaid to this appropriation from other appropriations, and special compensation or other rewards for inventions or practical suggestions for improvements	1,000,000	
115	Cost of Telephone Service at Ottawa for all Departments	987,400	
116	Amount required to cover losses incurred on foreign exchange tendered in payment of accounts receivable	5,000	

SCHEDULE A—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	FINANCE—*Concluded*		
	GENERAL ITEMS OF PAYROLL COSTS INCLUDING SUPERANNUATION PAYMENTS		
117	To provide, subject to the approval of the Treasury Board, for supplementing other votes for the payment of salaries, wages and other paylist charges	1,500,000	
118	To provide for the Government's contribution, as an Employer, to the Unemployment Insurance Fund in respect of Government Employees paid through the Central Pay Office	1,000,000	
	GRANTS TO UNIVERSITIES		
119	To provide grants to institutions of higher learning recognized in each province by the Government of Canada and the government of the province as being universities or institutions of equivalent standing equal to an amount, for each province, not exceeding 50 cents per head of its population as certified by the Dominion Bureau of Statistics divided among the recognized institutions of the province proportionately to their enrolment of full time intramural students in personal attendance at the recognized institution or at an institution in the same province affiliated with it who are registered in courses of university level recognized as leading to and counting year for year toward a university degree awarded by a university in Canada and the Minister of Finance may for this purpose more particularly define the terms "university level" and "university degree"	7,567,000	
	MISCELLANEOUS GRANTS		
120	Canadian General Council of the Boy Scouts Association	15,000	
121	Canadian Council of the Girl Guides Association	12,000	
122	Royal Astronomical Society of Canada	3,000	
123	Royal Canadian Academy of Arts	4,025	
124	Canadian Writers Foundation	4,000	
125	Boys' Clubs of Canada	10,000	
126	Canadian Association of Consumers	6,000	
127	Grant to the British Empire and Commonwealth Games Canada (1954) Society to help defray the anticipated operating deficit from the holding of the British Empire and Commonwealth Games in Vancouver in the summer of 1954	100,000	
128	Grant to the Canadian General Council of the Boy Scouts Association towards defraying a portion of the operating costs of the Eighth World Jamboree and International Conference to be held in Canada in the summer of 1955	50,000	
			34,621,580
	FISHERIES		
	GENERAL SERVICES		
129	Departmental Administration	315,090	
130	Information and Educational Service, including Grant of $3,000 to Nova Scotia Fisheries Exhibition	185,500	
131	Markets and Economics Service	239,500	
132	Administrative expenses of the Newfoundland Fisheries Board	25,450	
133	Industrial Development Service	1,000,000	
	FIELD SERVICES		
134	Field Services Administration	701,900	
	Protection Branch—		
135	Operation and Maintenance	3,136,000	
136	Construction or Acquisition of Buildings, Works, Land and New Equipment	490,000	

SCHEDULE A—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	FISHERIES—*Concluded*		
	FIELD SERVICES—*Concluded*		
	Inspection Branch—		
137	Operation and Maintenance	1,031,000	
138	Construction or Acquisition of Buildings, Works, Land and New Equipment	15,400	
	Fish Culture and Development Branch—		
139	Operation and Maintenance	733,515	
140	Construction or Acquisition of Buildings, Works, Land and New Equipment	223,800	
141	Consumer Branch	75,600	
142	Fishermen's Indemnity and Loan Plan — Administrative Expenses	209,565	
143	To provide for the destruction of Harbour and Gray Seals	40,000	
	FISHERIES RESEARCH BOARD OF CANADA		
144	Headquarters Administration	131,090	
145	Operation and Maintenance	1,995,939	
146	Construction or Acquisition of Buildings, Works, Land and New Equipment	220,020	
147	To provide for Federal share of administrative expenses of the Great Lakes Fisheries Research Committee established jointly with the Province of Ontario; and to provide for a programme designed to eliminate lampreys in the Great Lakes	165,000	
	INTERNATIONAL COMMISSIONS		
148	To provide for Canadian share of expenses of the International Fisheries Commission appointed under Treaty dated March 2, 1953, between Canada and the United States for the preservation of the North Pacific Halibut Fisheries	77,900	
149	To provide for Canadian share of expenses of the International Pacific Salmon Fisheries Commission appointed under Treaty dated May 26, 1930, between Canada and the United States for the protection, preservation and extension of the Sockeye Salmon Fisheries of the Fraser River System	155,000	
150	To provide for Canadian share of expenses of the International Whaling Commission, appointed pursuant to the International Convention for the Regulation of Whaling, dated at Washington, December 2, 1946	2,500	
151	To provide for Canadian share of expenses of the International Commission for the Northwest Atlantic Fisheries appointed pursuant to International Conventions for the investigation, protection and conservation of the fisheries of the Northwest Atlantic Ocean, dated at Washington, February 8, 1949.	12,500	
152	To provide for Canadian share of expenses of the International North Pacific Fisheries Commission appointed pursuant to the International Convention for the High Seas Fisheries of the North Pacific Ocean, dated May 9, 1952	15,000	
	SPECIAL		
153	To provide for operation and maintenance of Newfoundland Bait Service	293,890	
154	To provide for the extension of educational work in co-operative producing and selling among fishermen	80,000	
155	To provide for administration expenses of the Fisheries Prices Support Act	85,875	
156	To provide for assistance in the construction of vessels of the dragger and/or long liner type, subject to such terms and conditions as may be approved by the Governor in Council.	200,000	
157	To provide for assistance in the construction of bait freezing and storage facilities, subject to the regulations established by the Governor in Council	30,000	
			11,887,034

SCHEDULE A—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	GOVERNOR GENERAL AND LIEUTENANT-GOVERNORS		
158	Office of the Secretary to the Governor General	185,168	
159	To authorize and provide for the reimbursement to the Lieutenant-Governors of the Provinces of Canada of the costs of travelling and hospitality incurred in the exercise of their duties up to a maximum per annum for each as follows: *(a)* where the population of the province at the last decennial census did not exceed 500,000, $5,000; *(b)* where the population of the province at the last decennial census exceeded 500,000, $5,000 plus $1,000 per each 100,000 or fraction of 100,000 of population over 500,000, but not exceeding $12,000 in any case	86,000	271,168
	INSURANCE		
160	Departmental Administration	497,820	
161	Expenses of work in the interests of Fire Prevention	90,288	588,108
	JUSTICE		
	A—Department		
162	Departmental Administration (including the Former Administration of Justice—Miscellaneous Expenditure, including expenses of litigated matters)	427,600	
163	Remission Service, including $10,000 for Grants to Recognized Prisoners' Aid Societies, as may be approved by Treasury Board	137,276	
	Supreme Court of Canada—		
164	Administration	195,485	
	Exchequer Court of Canada—		
165	Administration	106,063	
	Yukon Territorial Court—		
166	Administration	16,242	
167	Payments of gratuities to the widows or other dependents of judges who die while in office	20,000	
	Combines Investigation Act—		
168	Restrictive Trade Practices Commission	71,668	
169	Office of Investigation and Research	334,580	
170	Bankruptcy Act Administration	42,836	
171	Northwest Territories—Administration of Justice	66,530	
172	Yukon Territory—Administration of Justice	49,080	
	General		
173	Expenses of Committee appointed to advise on principles and procedures relating to Remission Service	10,000	
	B—Penitentiaries		
174	Administration of the Office of the Commissioner of Penitentiaries, including $40,000 for Grants to Recognized Prisoners' Aid Societies, as may be approved by the Treasury Board	375,296	
175	Operation and Maintenance of Penitentiaries, including supplies and services relating thereto; administration, operation, repair and upkeep of buildings, works and equipment; maintenance, discharge and transfer of inmates; compensation to discharged inmates permanently disabled while in penitentiaries	8,497,572	
176	Construction, Improvements and New Equipment, including provision for the establishment and construction of a new institution in the Province of Quebec for the confinement and reformation of Federal prisoners	1,362,830	11,713,058

SCHEDULE A—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	LABOUR		
	A—Department		
	General Administration		
177	Departmental Administration	683,551	
178	To provide for expenses of the Economics and Research Branch	528,366	
179	Annuities Act—Administration	997,528	
180	Fair Wages, Conciliation, Industrial Relations, Industrial Disputes Investigations, including the administration of legislation relating thereto, and for activities *re* promotion of co-operation in industry between Labour and Management	468,714	
181	Canada Labour Relations Board	5,275	
182	Administration of the Canada Fair Employment Practices Act	9,200	
183	International Labour Conferences	62,120	
184	Labour Gazette, authorized by Labour Department Act	136,043	
185	To provide for the effective organization and use of agricultural manpower, including recruiting, transporting and placing workers on farms and related industries and assistance to the Provinces pursuant to agreements that may be entered into by the Minister of Labour with the Provinces and approved by the Governor in Council	335,000	
186	To provide for expenses of a Women's Bureau	24,090	
187	To provide for payments to implement a program for the rehabilitation of disabled persons, in accordance with terms and conditions approved by the Governor in Council, and administrative expenses connected therewith	197,513	
	Vocational Training Co-ordination		
188	Administration	67,795	
	To provide for carrying out the purposes of the Vocational Training Co-ordination Act and agreements made thereunder; to authorize the Minister of Labour to enter into agreements with any Province on terms approved by the Governor in Council for the training of persons to fit them for defence industries, the training of members of Her Majesty's Forces and other persons to fit them for skilled armed services occupations; for training of personnel for the merchant marine and training under youth training projects and to provide for the expenditures thereunder and under vocational training agreements entered into in previous years—		
189	Training Payments to the Provinces	4,290,000	
190	Payments to the Provinces for Capital Expenditures for vocational schools, buildings and equipment	300,000	
	Government Employees Compensation		
191	Administration of the Government Employees Compensation Act	67,259	
	Terminable Services		
192	To provide for expenditures incurred in implementing recommendations of the National Advisory Council on Manpower, and for the administrative costs of the Council	11,700	
193	To provide for payment to the National Film Board for educational films for exhibition	24,000	
194	To provide for expenses that may be incurred in the arranging for and the movement of workers from outside Canada to work on farms and other essential industry in Canada when Canadian labour is not available to meet the need, including costs connected with the supervision and welfare of persons already immigrated to Canada; administrative expenses connected therewith and to provide for expenditures under agreements with the Provinces authorized by the Governor in Council	878,258	

SCHEDULE A—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	LABOUR—*Concluded*		
	B—Unemployment Insurance Commission		
195	Administration of the Unemployment Insurance Act, including expenditures incurred in connection with the activities of the National Employment Service as delegated by the Minister of Labour in accordance with Section 97 of the Act	28,122,859	
196	Government's Contribution to the Unemployment Insurance Fund	33,750,000	
197	To provide for the transfer of labour to and from places where employment is available and expenses incidental thereto, in accordance with regulations of the Governor in Council.	75,000	
			71,034,271
	LEGISLATION		
	The Senate		
	The Speaker of the Senate—		
198	Allowance in lieu of Residence	3,000	
199	General Administration	453,249	
	House of Commons		
	The Speaker of the House of Commons—		
200	Allowance in lieu of Residence	3,000	
	Deputy Speaker of the House of Commons—		
201	Allowance in lieu of Apartments	1,500	
202	General Administration—Estimates of the Clerk	1,250,777	
203	Estimates of the Sergeant-at-Arms	726,540	
204	Subscriptions to Publications of the Commonwealth Parliamentary Association to be distributed to Members of the House of Commons, and to provide for the Canadian share of expenses of the Commonwealth Parliamentary Association	10,000	
205	To provide hereby, notwithstanding anything contained in the Financial Administration Act or the provisions of the Senate and House of Commons Act respecting the independence of Parliament, for the payment out of the Consolidated Revenue Fund to each Member of the House of Commons appointed by the Governor in Council to be a Parliamentary Assistant (which appointment shall not render such Member ineligible or disqualify him as a Member of the House of Commons) to assist a Minister of the Crown in such manner and to such extent as the Minister may determine and to represent his Department in the House of Commons in the absence of the Minister therefrom, a salary of four thousand dollars per annum and pro rata for any period less than a year	56,000	
206	To provide for an allowance to the Deputy Chairman of Committees	2,000	
	General		
207	Printing of Parliament, including salaries of staff of the Joint Distribution Office	313,054	
	Library of Parliament		
208	General Administration	222,836	
	Pensions and Other Benefits		
209	Pension to the unmarried sister of the late Colonel Harry Baker, M.P.	700	
			3,042,656

SCHEDULE A—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	MINES AND TECHNICAL SURVEYS		
	A—Department		
	Administration Services		
210	Departmental Administration	470,422	
	Explosives Act		
211	Explosives Act—Administration, Operation and Maintenance	97,988	
	Mines Branch		
212	Mines Branch Administration	81,158	
	Mineral Resources Investigations—		
213	Administration, Operation and Maintenance	2,322,462	
214	Construction or Acquisition of New Equipment	203,000	
	Investigations of Radioactive Ores—		
215	Administration, Operation and Maintenance	308,720	
216	Construction or Acquisition of New Equipment	41,000	
217	To provide for payments to McGill University in connection with the development of a Coal-Fired Gas Turbine	100,000	
	Geological Survey of Canada		
	Geological Surveys—		
218	Administration, Operation and Maintenance, including the expenses of the National Advisory Committee on Research in the Geological Sciences, an amount of $1,500 for Canada's share of the cost of the Committee on Mineral Resources and Geology, London, England, and an amount of $25,000 for Grants in aid of Geological Research in Canadian Universities	2,235,425	
219	Construction or Acquisition of New Equipment	104,000	
	Surveys and Mapping Branch		
220	Surveys and Mapping Branch Administration	53,012	
	Topographical Surveys, including expenses of the Canadian Board on Geographical Names—		
221	Administration, Operation and Maintenance	1,580,845	
222	Construction or Acquisition of New Equipment	94,000	
	Canadian Hydrographic Service—		
223	Administration, Operation and Maintenance, including Canada's Annual Contribution of $5,300 to the International Hydrographic Bureau	2,617,873	
224	Construction or Acquisition of New Equipment	1,612,945	
	Geodetic Survey of Canada—		
225	Administration, Operation and Maintenance	527,613	
226	Construction or Acquisition of New Equipment	17,400	
227	International Boundary Commission	69,481	
228	Legal Surveys and Aeronautical Charts, including a Grant of $350 to the Canadian Institute of Surveying and Photogrammetry and the expenses of the Board of Examiners for Dominion Land Surveyors as provided by the Canada Land Surveys Act	686,033	
	Map Compilation and Reproduction—		
229	Administration, Operation and Maintenance	834,889	
230	Construction or Acquisition of New Equipment	71,300	
	Geographical Branch		
231	Geographical Branch—Administration, Operation and Maintenance, including a Grant of $250 to the Canadian Association of Geographers	283,385	

SCHEDULE A—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	MINES AND TECHNICAL SURVEYS—*Concluded*		
	DOMINION OBSERVATORIES		
	Dominion Observatory, Ottawa and Field Stations—		
232	Administration, Operation and Maintenance, including membership fee of $500 to the International Astronomical Union	471,621	
233	Construction or Acquisition of Buildings, Works, Land and New Equipment	89,800	
234	Dominion Astrophysical Observatory, Victoria, B.C.	120,353	
	GENERAL		
235	Payments to Royal Canadian Air Force and Commercial Companies for Air Photography, and to defray the expenses of and the purchase of equipment by the Interdepartmental Committee on Air Surveys	1,100,000	
236	Provincial and Territorial Boundary Surveys	91,000	
	B—DOMINION COAL BOARD		
237	Administration and Investigations of the Dominion Coal Board	114,380	
238	Payments in connection with the movements of coal under conditions prescribed by the Governor in Council	9,850,634	
			26,250,739
	NATIONAL DEFENCE		
	DEFENCE SERVICES		
239	To provide for the Canadian Forces, the Defence Research Board and other expenditures relating to defence, including contributions toward the military costs of the North Atlantic Treaty Organization; to authorize expenditures in the current year out of the amount hereby provided, not exceeding $300,000,000, under the provisions of Section 3 of the Defence Appropriation Act, 1950, and to provide that, notwithstanding subsection (3) of that Section, where equipment or supplies acquired by the Canadian Forces after March 31, 1950, are transferred, the estimated present value thereof shall, if the Governor in Council so directs, be credited to this vote instead of being paid into the special account mentioned in the said subsection (3), and when so credited may be expended for the purposes of the Canadian Forces; and notwithstanding Section 30 of the Financial Administration Act to authorize total commitments for the foregoing purposes of $4,577,641,724 regardless of the year in which such commitments will come in course of payment (of which it is estimated that $2,711,822,159 will come due for payment in future years)	1,865,819,565	
	GENERAL SERVICES		
240	Grants to Military Associations, Institutes and Others, as detailed in the Estimates	237,725	
241	War Museum	24,690	

SCHEDULE A—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	NATIONAL DEFENCE—*Concluded*		
	PENSIONS AND OTHER BENEFITS		
242	Civil Pensions, as detailed in the Estimates	2,977	
243	To authorize in respect of members of the Royal Canadian Air Force on leave without pay and serving as instructors with civilian training organizations operating under the British Commonwealth Air Training Plan who were killed, payment to their dependents of amounts equal to the amounts such dependents would have received under the Pension Act, as amended, had such service as instructors been military service in the armed forces of Canada, less the value of any benefits received by such dependents under insurance contracts which were effected on the lives of such members of the Royal Canadian Air Force by or at the expense of the civilian organizations	4,356	
	Defence Services Pension Act—		
244	Government's contribution to the Permanent Services Pension Account	36,734,187	
			1,902,823,500
	NATIONAL FILM BOARD		
245	Administration, Production and Distribution of Films and Other Visual Materials	3,211,060	
246	Construction or Acquisition of Equipment	220,223	
			3,431,283
	NATIONAL HEALTH AND WELFARE		
	A—DEPARTMENT		
247	Departmental Administration	1,150,272	
	NATIONAL HEALTH BRANCH		
	Health Services		
248	National Health Branch—Administration	162,430	
249	Administration of the Quarantine and Leprosy Acts	385,837	
250	Immigration Medical Services	1,081,677	
251	Sick Mariners Treatment Services	684,508	
252	Grants to Institutions Assisting Sailors, in the amounts detailed in the Estimates	2,400	
	Laboratory of Hygiene—		
253	Operation and Maintenance	500,716	
254	Construction or Acquisition of Buildings, Works, Land and New Equipment	580,000	
255	Public Health Engineering	189,723	
256	Occupational Health	279,433	
257	Civil Service Health	300,499	
258	Epidemiology	78,497	
259	Administration of the Food and Drugs and the Proprietary or Patent Medicine Acts	1,170,416	
260	Administration of the Opium and Narcotic Drugs Act	163,879	
	Indians and Eskimos Health Services—		
261	Operation and Maintenance	15,440,038	
262	Construction or Acquisition of Buildings, Works, Land and New Equipment	1,470,500	
263	Special Technical Services	483,202	
264	Health Insurance Studies and Administration of the General Health Grants	99,337	

87440—3

SCHEDULE A—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	NATIONAL HEALTH AND WELFARE—*Concluded*		
	A—Department—*Concluded*		
	National Health Branch—*Concluded*		
	General Health Grants		
265	To authorize and provide for General Health Grants to the Provinces, the Northwest Territories and the Yukon Territory upon the terms and in the amounts detailed in the Estimates and under terms and conditions approved by the Governor in Council including authority, notwithstanding Section 30 of the Financial Administration Act, to make commitments for the current year not to exceed a total amount of $48,433,939	31,750,000	
	Grants to Health Organizations		
266	Canadian Mental Health Association	10,000	
267	Health League of Canada	10,000	
268	Canadian Public Health Association	5,000	
269	Canadian National Institute for the Blind	45,000	
270	L'Association Canadienne Francaise des Aveugles	6,000	
271	L'Institut Nazareth de Montreal	4,050	
272	Montreal Association for the Blind	4,050	
273	Canadian Tuberculosis Association	20,250	
274	Victorian Order of Nurses	13,100	
275	St. John Ambulance Association	10,000	
276	Canadian Red Cross	10,000	
277	Canadian Paraplegic Association	15,000	
278	Canadian Opthalmological Society	2,000	
279	World Federation for Mental Health	10,000	
	Welfare Branch		
280	Welfare Branch Administration	33,120	
	Family Allowances and Old Age Security—		
281	Administration	2,650,946	
	Old Age Assistance and Blind Persons Allowances—		
282	Administration of the Old Age Assistance and Blind Persons Allowances Acts	116,558	
	National Physical Fitness Act—		
283	To provide for the administration of the Act, the sum hereby provided, notwithstanding Sections 8 and 9 of the said Act, to be credited to a separate account in the Consolidated Revenue Fund, to be subject to Section 35 of the Financial Administration Act and to be paid out by the Minister of Finance upon the requisition of the Minister of National Health and Welfare	78,141	
284	Assistance to Provinces	157,670	
285	Assistance to Schools of Social Work	32,370	
286	Grant to Canadian Welfare Council	28,000	
287	Grant to Canadian Conference on Social Work	4,000	
	B—Civil Defence		
288	To provide for the Civil Defence program	6,498,253	
			65,736,872
	NATIONAL RESEARCH COUNCIL AND ATOMIC ENERGY CONTROL BOARD		
	National Research Council		
289	Salaries and Other Expenses	14,294,367	
290	Construction or Acquisition of Buildings, Works, Land and New Equipment	1,787,265	

SCHEDULE A—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	NATIONAL RESEARCH COUNCIL AND ATOMIC ENERGY CONTROL BOARD—*Concluded*		
	ATOMIC ENERGY CONTROL BOARD		
291	Administration Expenses of the Atomic Energy Control Board	62,680	
292	Grants for Researches and Investigations with respect to Atomic Energy	300,000	
	Atomic Energy of Canada Limited (Research Program)—		
293	Current Operation and Maintenance	8,379,765	
294	Construction or Acquisition of Buildings, Works, Land and New Equipment and to authorize Central Mortgage and Housing Corporation to undertake construction of works at Deep River for Atomic Energy of Canada Limited	4,805,010	
			29,629,087
	NATIONAL REVENUE		
	CUSTOMS AND EXCISE DIVISIONS		
295	General Administration (including the former Customs Excise Seizure Expenses and Adjustments)	2,822,515	
296	Inspection, Investigation and Audit Services	3,376,797	
	Ports, Outports and Preventive Stations—		
297	Operation and Maintenance	22,553,155	
298	Construction or Acquisition of Buildings, Works, Land and New Equipment	1,050,000	
	TAXATION DIVISION		
299	General Administration	2,413,361	
300	District Offices	23,753,632	
	INCOME TAX APPEAL BOARD		
301	Administration Expenses	74,920	
			56,044,380
	NORTHERN AFFAIRS AND NATIONAL RESOURCES		
302	Departmental Administration	455,547	
	NATIONAL PARKS BRANCH		
303	Branch Administration	61,420	
	National Parks and Historic Sites Services—		
304	Administration, Operation and Maintenance	4,397,820	
305	Construction or Acquisition of Buildings, Works, Land and New Equipment	3,640,735	
306	Grant to the Jack Miner Migratory Bird Foundation	5,000	
307	Grant in aid of the development of the International Peace Garden in Manitoba	10,000	
308	National Battlefields Commission—To provide for special works at National Battlefields Park, Quebec	6,000	
309	Canadian Wildlife Service—Wildlife Resources Conservation and Development, including Administration of the Migratory Birds Convention Act	437,271	
310	National Museum of Canada	305,681	
	ENGINEERING AND WATER RESOURCES BRANCH		
311	Branch Administration	63,156	
	Water Resources Division—		
	Water Resources Division (including Federal share of expenses of the Lake of the Woods Control Board)—		
312	Administration, Operation and Maintenance, including grant of $350 to the International Executive Council, World Power Conference	669,597	
313	Construction or Acquisition of Buildings, Works, Land and New Equipment	91,500	

SCHEDULE A—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	NORTHERN AFFAIRS AND NATIONAL RESOURCES—*Continued*		
	ENGINEERING AND WATER RESOURCES BRANCH—*Concluded*		
	Water Resources Division—*Concluded*		
314	To provide for studies and surveys of the Columbia River Watershed in Canada	377,400	
315	Fraser River—50% of the cost of investigations to be carried out by the "Dominion Provincial Board Fraser River Basin" (formerly under Department of Public Works)	165,000	
316	To provide for a contribution to the cost of constructing a dam on the Conestogo River near Glen Allan, Ontario, for the purposes of flood control and water conservation, in accordance with the terms of an agreement entered into between Canada and the Province of Ontario	1,000,000	
	Engineering and Architectural Division—		
317	Administration, Operation and Maintenance	438,868	
318	To provide, subject to allocation by Treasury Board, for the design and planning of deferrable projects, the acquisition of sites and the initiation of construction	100,000	
319	To provide for general investigations by the Northwest Territories Power Commission of the electric power requirements of settlements and industries in the Northwest Territories and the Yukon Territory	1,000	
	NORTHERN ADMINISTRATION AND LANDS BRANCH		
320	Branch Administration	124,626	
321	Lands Division—Administration of Territorial and Public Lands; Seed Grain Collections	383,632	
	Northern Administration Division—		
322	Administration, including a Grant of $5,000 to the Arctic Institute of North America	212,515	
	Northwest Territories, including Wood Buffalo Park and Eskimo Affairs—		
323	Operation and Maintenance	1,031,746	
324	Construction or Acquisition of Buildings, Works, Land and New Equipment	340,032	
	Forest Conservation and Wildlife Management including Wood Buffalo Park—		
325	Operation and Maintenance	448,219	
326	Construction or Acquisition of Buildings, Works, Land and New Equipment	111,157	
	Yukon Territory, including Forest Conservation—		
327	Operation and Maintenance	517,910	
328	Construction or Acquisition of Buildings, Works, Land and New Equipment	58,395	
	FORESTRY BRANCH		
329	Branch Administration	111,646	
	Forest Research Division—		
330	Operation and Maintenance	989,491	
331	Construction or Acquisition of Buildings, Works, Land and New Equipment	65,870	
	Forestry Operations Division—		
332	Administration, Operation and Maintenance	216,100	
333	To provide for contributions to the Provinces for assistance in forest inventory and reforestation in accordance with agreements that have been or may be entered into by Canada and the Provinces	1,225,000	
334	To provide for a contribution to the Province of New Brunswick for assistance in a program designed to combat the spruce budworm infestation, in accordance with an agreement entered into by Canada and the Province	500,000	

SCHEDULE A—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	NORTHERN AFFAIRS AND NATIONAL RESOURCES—*Concluded*		
	FORESTRY BRANCH—*Concluded*		
	Forest Products Laboratories Division—		
335	Operation and Maintenance	577,589	
336	Construction or Acquisition of Buildings, Works, Land and New Equipment	35,265	
337	Grant to Canadian Forestry Association	10,000	
338	Grant to Pulp and Paper Research Institute of Canada	100,000	
	Eastern Rockies Forest Conservation Board—		
339	Remuneration and expenses of Federal members of the Board	12,350	
	CANADIAN GOVERNMENT TRAVEL BUREAU		
340	To assist in promoting the Tourist Business in Canada	1,561,407	
			20,858,945
	POST OFFICE		
341	Departmental Administration	1,316,383	
342	Operations—Including salaries and other expenses of Staff Post Offices, District Offices, Railway Mail Service Staffs, and supplies, equipment and other items for Revenue Post Offices, also including Administration; and including, notwithstanding section 16 of the Civil Service Act, payment, in such amount or amounts as may be approved from time to time by the Treasury Board, to civil servants who are hired as casual employees	76,007,630	
343	Transportation—Movement of Mail by Land, Air and Water, including Administration	48,524,258	
344	Financial Services, including audit of revenue, money order and savings bank business; and postage stamps	2,586,950	
			128,435,221
	PRIVY COUNCIL		
	PRIVY COUNCIL OFFICE		
345	General Administration	373,405	
	PRIME MINISTER'S RESIDENCE		
346	Maintenance and Operation	25,000	
	FEDERAL DISTRICT COMMISSION		
347	To provide for maintenance and improvement of grounds adjoining Government Buildings at Ottawa, and to authorize an amount not exceeding $132,000 for construction, improvements and operation of the parks, parkway system and other works under the control of the Federal District Commission which is additional to the sum of $300,000 granted by chapter 112, Revised Statutes	475,085	
348	Expenses of the National Capital Planning Committee (including expenses of the National Capital Planning Service formerly under Department of Public Works)	95,226	
349	To authorize payment of the seventh instalment to a special account in the Consolidated Revenue Fund, known as the National Capital Fund, established under Vote 809, Appropriation Act, No. 4, 1947-48	2,500,000	
			3,468,716

SCHEDULE A—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	PUBLIC ARCHIVES AND NATIONAL LIBRARY		
	A—Public Archives		
350	General Administration and Technical Services	297,020	
	B—National Library		
351	General Administration	102,998	
352	Payment to the National Library Purchase Account for the purpose of acquiring books, in conformity with Section 12 of the National Library Act	40,000	
			440,018
	PUBLIC PRINTING AND STATIONERY		
353	Departmental Administration	557,882	
354	Stationery Branch—Operation of Stationery Stores	418,145	
355	Printing and Binding the Annual Statutes	40,000	
356	Canada Gazette	120,000	
357	Plant Equipment and Replacements	341,773	
358	Distribution of Official Documents	246,986	
359	Printing and Binding of Official Publications for sale and distribution to Departments and the Public	430,000	
			2,154,786
	PUBLIC WORKS		
360	Departmental Administration	821,732	
	Architectural Branch		
361	Branch Administration	701,299	
362	Ottawa—Maintenance and Operation of Public Buildings and Grounds, including repairs and upkeep, rents, furnishings, heating, etc., and to authorize commitments against future years in the amount of $500,000	14,996,664	
363	Maintenance and Operation of Public Buildings and Grounds, other than at Ottawa, including repairs and upkeep, rents, furnishings, heating, etc., and to authorize commitments against future years in the amount of $800,000	20,843,057	
	Acquisition, Construction and Improvements of Public Buildings		
	Construction, acquisition, major repairs and improvements of, and plans and sites for, public buildings listed in the details of the Estimates, provided that Treasury Board may increase or decrease the amount within the vote to be expended on individual listed projects—		
364	Newfoundland	550,000	
365	Nova Scotia	1,330,000	
366	Prince Edward Island	550,000	
367	New Brunswick	1,250,000	
368	Quebec	10,890,000	
369	Ottawa	10,640 000	
370	Ontario (other than Ottawa)	8,415,000	
371	Manitoba	2,665,000	
372	Saskatchewan	2,720,000	
373	Alberta	3,600,000	
374	British Columbia	4,450,000	
375	Yukon and Northwest Territories	670,000	
376	Unforeseen Improvements	1,200,000	

SCHEDULE A—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	PUBLIC WORKS—*Continued*		
	ENGINEERING BRANCH		
377	Branch Administration	653,824	
	Engineering Services—		
378	Salaries, Surveys, Inspections, etc.	1,918,878	
379	Construction or Acquisition of Buildings, Works, Land and New Equipment	74,900	
	Dredging		
380	Maintenance and Operation of Plant and Contract and Day Labour Works	3,674,565	
381	New Plant and Equipment	1,464,600	
	Graving Docks		
382	Maintenance and Operation	527,026	
	Locks and Dams		
383	Maintenance and Operation	413,673	
	Roads and Bridges		
384	Maintenance and Operation	423,449	
385	Towards International Bridge over the St. Croix River between St. Stephen, New Brunswick, and Calais, Maine, the State of Maine to pay a like amount	125,000	
386	Towards construction of spans of bridge over the Interprovincial channel of the Ottawa River between Pembroke, Ontario, and Allumette Island, Quebec	200,000	
	Acquisition, Construction and Improvements of Harbour and River Works		
	Construction, acquisition, major repairs and improvements of, and plans and sites for, harbour and river works listed in the details of the Estimates, provided that Treasury Board may increase or decrease the amount within the vote to be expended upon individual listed projects—		
387	Newfoundland	2,189,800	
388	Nova Scotia	4,923,000	
389	Prince Edward Island	847,800	
390	New Brunswick	1,334,500	
391	Quebec	4,670,100	
392	Ontario	6,573,400	
393	Manitoba	103,000	
394	Saskatchewan, Alberta and Northwest Territories	180,500	
395	British Columbia and Yukon	4,998,500	
	Harbours and Rivers Generally		
396	Repairs and Upkeep for the maintenance of services, including reconstruction and replacements, and to authorize commitments against future years in the total amount of $420,000, no new works to be undertaken	3,535,000	
	Trans-Canada Highway Division (formerly under Department of Resources and Development)		
397	Administration, Operation and Maintenance	487,484	
398	To provide for surveys and construction of the Trans-Canada Highway through National Parks	2,000,000	

SCHEDULE A—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	PUBLIC WORKS—*Concluded*		
	ENGINEERING BRANCH—*Concluded*		
	Generally		
399	To provide for remedial works where damages are caused by, or endanger, navigation or Federal Government structures and to complete protection works already under way....	500,000	
	GENERAL		
400	Miscellaneous works not otherwise provided for, not more than $15,000 to be expended upon any one work.....	590,000	
401	To provide for advance planning of projects including acquisition of sites.....	500,000	
402	To supplement, on approval of Treasury Board except where less than $1,000 is required, any of the appropriations of the Department of Public Works.....	400,000	
403	To provide for balances required to complete any projects undertaken in previous fiscal years and for which no specific provision is made in the fiscal year 1954-55.....	400,000	
404	Statue of the late Sir Robert L. Borden.....	50,000	
405	Emergency Shelter Administration (formerly under Department of Resources and Development).....	25,000	
406	To provide for the expenses incurred by Central Mortgage and Housing Corporation in constructing and supervising construction of married quarters, schools and related services on behalf of the Department of National Defence (formerly under Department of Resources and Development).....	700,000	
			130,776,751
	ROYAL CANADIAN MOUNTED POLICE		
	Headquarters Administration, National Police Services and Training Establishments—		
407	Administration, Operation and Maintenance.....	7,223,936	
408	Construction or Acquisition of Buildings, Works, Land and New Equipment.....	972,918	
	Land and Air Services—		
409	Operation and Maintenance of Divisions.....	23,488,839	
410	Construction or Acquisition of Buildings, Works, Land and New Equipment.....	3,779,049	
	Marine Services—		
411	Operation and Maintenance.....	1,385,264	
412	Construction or Acquisition of Buildings, Works, Land and New Equipment.....	377,100	
413	Grant to the Chief Constables' Association of Canada.....	500	
414	Grant to the Royal North West Mounted Police Veterans' Association.....	300	
	PENSIONS AND OTHER BENEFITS		
415	Pensions to families of members of the Mounted Police who have lost their lives while on duty, as detailed in the Estimates.....	6,439	
416	Pension to Basil Burke Currie.....	685	
			37,235,030
	SECRETARY OF STATE		
417	Departmental Administration.....	262,619	
418	Companies Branch.....	81,495	
419	Trade Marks Branch, including a contribution of $2,400 to the International Office for the Protection of Industrial Property	135,727	
420	Bureau for Translations.....	1,076,997	

SCHEDULE A—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	SECRETARY OF STATE—*Concluded*		
	PATENT AND COPYRIGHT OFFICE		
421	Administration Division	84,835	
422	Patent Division	949,248	
423	Copyright and Industrial Designs Division, including a contribution of $2,100 to the Union Office for the Protection of Literary and Artistic Works	22,068	
			2,612,989
	TRADE AND COMMERCE		
	GENERAL ADMINISTRATION		
424	Departmental Administration	625,101	
425	Commodities Services, including fees as detailed in the Estimates, the expenditures for these not to exceed the amounts shown unless otherwise approved by Treasury Board	657,666	
426	Trade Commissioner Service	2,720,244	
427	Information Branch	169,323	
428	Economics Branch	174,878	
429	International Trade Relations Branch, including a fee of $6,300 to the International Customs Tariffs Bureau	142,555	
	EXHIBITIONS		
430	Exhibitions generally	325,962	
431	Canadian International Trade Fair, including authority to refund, from revenue, deposits received for contracts for space	867,600	
	STANDARDS BRANCH		
432	Administration, including the Standards Laboratory and administration of the Precious Metals Marking Act	188,922	
433	Electricity and Gas Inspection Services	683,021	
434	Weights and Measures Inspection Services	774,222	
	DOMINION BUREAU OF STATISTICS		
435	Administration	198,949	
436	Statistics, including membership fee of $3,100 to the Inter-American Statistical Institute	4,970,005	
437	Census	536,321	
	CANADA GRAIN ACT		
	Board of Grain Commissioners—		
438	Administration	179,361	
439	Operation and Maintenance Expenses	3,688,498	
	Canadian Government Elevators—		
440	Operation and Maintenance Expenses	1,380,542	
441	Construction or Acquisition of Buildings, Works, Land and New Equipment	299,000	
	SPECIAL		
442	International Economic and Technical Co-operation Branch, including the administration of the Colombo Plan and of certain United Nations co-operation plans	118,486	
			18,700,656

87440—4

SCHEDULE A—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	TRANSPORT		
	A—Department		
443	Departmental Administration	1,456,640	
444	St. Lawrence Seaway Surveys, Investigations and Design (including the former St. Lawrence Ship Canal Surveys and Investigations)	820,180	
	Canal Services		
445	Administration	141,980	
446	Operation and Maintenance	6,054,242	
447	Construction or Acquisition of Buildings, Works, Land and New Equipment, including payments to Provinces or Municipalities as contributions towards construction done by those bodies	2,085,100	
	Marine Services		
448	Marine Services Administration, including Agencies	659,259	
	Marine Service Steamers—		
449	Administration, Operation and Maintenance	6,228,000	
450	Construction or Acquisition of Vessels and Equipment	3,418,000	
	Aids to Navigation—		
451	Administration, Operation and Maintenance	5,111,800	
452	Construction or Acquisition of Buildings, Works, Land and New Equipment	1,586,720	
	Nautical Services—		
453	Administration, Operation and Maintenance, including grants and contributions for the purposes indicated in the details of the Estimates; rewards for saving life from vessels in distress; subsidies to salvage companies, and the payment of expenses, including excepted expenses, incurred in respect of Canadian distressed seamen as defined in Section 306 of the Canada Shipping Act	474,764	
454	Construction or Acquisition of Buildings, Works, Land and New Equipment	69,900	
	Pilotage Service—		
455	Administration, Operation and Maintenance, including authority for temporary recoverable advances not exceeding $20,000	540,983	
456	Construction or Acquisition of Buildings, Works, Land and Equipment	55,000	
457	Steamship Inspection, including the carrying out of the provisions of the conventions for the safety of life at sea and load lines, and a contribution of $7,000 to the Province of Nova Scotia, Department of Education	646,853	
458	Marine Reporting Service	159,760	
	River St. Lawrence Ship Channel Service—		
459	Administration, Operation and Maintenance	819,371	
460	Contract Dredging	2,500,000	
461	Surveys and Investigations	20,000	
	Railway and Steamship Services		
462	Repairs and expenses in connection with the operation and maintenance of Official Railway Cars under the jurisdiction of the Department	56,240	
	Hudson Bay Railway—		
463	To provide for the difference between the expenditures for operation and maintenance, and revenue accruing from operation during the year ending March 31, 1955, not exceeding	425,000	
464	Construction or Acquisition of Buildings, Works, Land and New Equipment	138,800	

SCHEDULE A—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	TRANSPORT—*Continued*		
	A—DEPARTMENT—*Continued*		
	RAILWAY AND STEAMSHIP SERVICES—*Concluded*		
465	Prince Edward Island Car Ferry and Terminals—To provide for the payment during the fiscal year 1954-55 to the Canadian National Railway Company (hereinafter called the National Company) upon applications approved by the Minister of Transport made from time to time by the National Company to the Minister of Finance and to be applied by the National Company in payment of the deficit (certified by the auditors of the National Company) in the operation of the Prince Edward Island Car Ferry and Terminals arising in the calendar year 1954	1,558,000	
466	Strait of Canso-Transportation improvements and facilities	9,670,000	
467	Enlargement of Dock and Terminal Facilities at North Sydney, Nova Scotia	956,600	
468	Construction of New Dock and Terminal Facilities at Port-aux-Basques, Newfoundland	2,253,600	
469	To provide for the payment during the fiscal year 1954-55 to the Canadian National Railway Company (hereinafter called the National Company) upon applications approved by the Minister of Transport made from time to time by the National Company to the Minister of Finance and to be applied by the National Company in the payment of the deficit (certified by the auditors of the National Company) in the operation of the North Sydney, Nova Scotia—Port-aux-Basques, Newfoundland, Ferry and Terminals arising in the calendar year 1954	2,600,000	
470	Construction or Acquisition of Auto-Ferry Vessels, as detailed in the Estimates	6,950,000	
471	Construction or Acquisition of Vessels for Newfoundland Coastal Services	900,000	
472	To provide towards the cost of surveys of Newfoundland Railway properties entrusted to the Canadian National Railway Company	17,500	
473	Deguassing and strengthening for armament, sea-going merchant ships of Canadian registry of 1,000 gross tons and over	300,000	
474	Maritime Freight Rates Act—For the payment to the Railway Companies operating in the select territory designated by the Act, during the fiscal year 1954-55, of the difference occurring on account of the application of the Act, between the tariff tolls and normal tolls under approved tariffs (estimated and certified to the Minister of Transport by the Canadian National Railway Company and approved by Auditors of the said Company respecting the Eastern Lines of the Canadian National Railways, and in the case of the Other Railways by the Board of Transport Commissioners for Canada) on all traffic moved during the calendar year 1954 (Chap. 174, R.S.)	10,948,000	
475	Canadian National (West Indies) Steamships, Limited—To provide for the payment from time to time to the Canadian National (West Indies) Steamships, Limited (hereinafter called "The Company") of the amount of the deficit occurring during the year ending December 31st, 1954, in the operations of the Company and the vessels under the control of the Company, as certified by the Auditors of the Company, and upon applications made by the Company to the Minister of Finance and approved by the Minister of Transport, not exceeding	581,000	
476	Ogden Point Piers, Victoria, British Columbia—Construction or Acquisition of Buildings, Works and Land	14,000	

SCHEDULE A—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	TRANSPORT—*Continued*		
	A—Department—*Continued*		
	Pensions and Other Benefits		
477	Amount required to pay pensions at the rate of $300 per annum to former pilots: Arthur Baquet; Adelard Delisle; Raoul Lachance; Jules Lamarre; Wilhelm Langlois; George Larochelle; Auguste Santerre	2,100	
478	Railway Employees' Provident Fund—To supplement pension allowances under the provisions of the Intercolonial and Prince Edward Island Railway Employees' Provident Fund Act so as to make the minimum payment during the period January 1, 1954, to March 31, 1955, the sum of $30 per month instead of $20 per month as fixed by the said Act	12,250	
479	Supplemental Pension Allowances to former employees of Newfoundland Railways, Steamships and Telecommunication Services transferred to Canadian National Railways	17,000	
	Air Services		
	Telecommunications Division		
	Airways and Airports—Radio Aviation Services—		
480	Administration, Operation and Maintenance	5,749,559	
481	Construction or Acquisition of Buildings, Works, Land and New Equipment	2,279,517	
	Radio Act and Regulations (including the former Suppression of Radio Interferences)—		
482	Administration, Operation and Maintenance, including contributions as Canada's share of the administrative costs of various international radio, telegraph and telephone conferences, as detailed in the Estimates	1,617,445	
483	Construction or Acquisition of Buildings, Works, Land and New Equipment	286,085	
	Radio Aids to Marine Navigation—		
484	Administration, Operation and Maintenance	2,456,995	
485	Construction or Acquisition of Buildings, Works, Land and New Equipment	481,400	
	Telegraph and Telephone Service—		
486	Administration, Operation and Maintenance	591,603	
487	Construction or Acquisition of Buildings, Works, Land and new Equipment, including capital assistance to local telephone systems in sparsely settled areas	325,700	
488	Northwest Communication System—Construction or Acquisition of Buildings, Works, Land and New Equipment	375,700	
	Meteorological Division		
489	Administration, Operation and Maintenance	6,963,110	
490	Construction or Acquisition of Buildings, Works, Land and New Equipment	557,500	
	Civil Aviation Division		
491	Control of Civil Aviation, including the Administration of the Aeronautics Act and Regulations issued thereunder	998,050	
	Airways and Airports—		
	Operation and Maintenance—		
492	Civil Aviation Services	9,262,302	
493	Airway and Airport Traffic Control	1,694,831	
	Construction Services—		
494	Administration	869,185	
495	Construction or Acquisition of Buildings, Works, Land and New Equipment, including Construction Work on Municipal Airports	10,737,291	

SCHEDULE A—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	TRANSPORT—*Continued*		
	A—DEPARTMENT—*Concluded*		
	AIR SERVICES—*Concluded*		
	Civil Aviation Division—*Concluded*		
496	Grants to Organizations for the development of Civil Aviation, in the amounts detailed in the Estimates	280,000	
497	Contributions to Municipalities or Public Bodies for Construction and Improvements of Airports on Land Acquired by such Organizations	93,300	
498	Contributions toward Airport Development and Other Airport Projects on Cost-Sharing Basis, in the amounts detailed in the Estimates	240,000	
499	Contributions, as specified in the Details of the Estimates, to other Governments or International Agencies for the operation and maintenance of airports, air navigation and airways facilities, including authority to pay the amounts specified in the currencies of the countries indicated, notwithstanding that the payments may exceed or fall short of the equivalent in Canadian dollars, estimated as of January, 1954, which is	259,340	
	Administrative Division		
500	Air Services Administration	255,486	
	B—GENERAL		
	AIR TRANSPORT BOARD		
501	Salaries and Other Expenses, including the Canadian Delegation to the International Civil Aviation Organization	274,089	
	BOARD OF TRANSPORT COMMISSIONERS FOR CANADA		
502	Administration, Operation and Maintenance	952,030	
	CANADIAN MARITIME COMMISSION		
503	Administration	160,520	
504	Steamship Subventions for Coastal Services, as detailed in the Estimates	4,147,725	
	NATIONAL HARBOURS BOARD		
505	Advances to National Harbours Board, subject to the provisions of Section 29 of the National Harbours Board Act, to meet expenditures applicable to the calendar year 1954 on any or all of the following accounts:		
	Reconstruction and Capital Expenditures—		
	Halifax $ 989,500		
	Saint John 1,815,000		
	Quebec 1,365,000		
	Churchill 900,000		
	Generally—		
	Unforseen and Miscellaneous 200,000		
	$5,269,500		
	Less—Amount to be expended from Replacement Funds 387,000		
		4,882,500	

SCHEDULE A—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	TRANSPORT—*Concluded*		
	B—General—*Concluded*		
	National Harbour Board—*Concluded*		
506	To provide for payment to National Harbours Board, of the amount hereinafter set forth, to be applied in payment of the deficit (exclusive of interest on Dominion Government Advances and depreciation on capital structures) arising in the calendar year 1954, in the operation of the Churchill Harbour	95,761	
			127,135,666
	VETERANS AFFAIRS		
507	Departmental Administration	2,214,867	
508	District Services—Administration	2,729,993	
509	Veterans' Welfare Services	3,291,711	
	Treatment Services—		
510	Operation of Hospitals and Administration	39,687,910	
511	Medical Research and Education	365,600	
512	Hospital Construction, Improvements, New Equipment and Acquisition of Land	5,300,000	
513	Prosthetic Services—Supply, Manufacture and Administration	1,009,024	
514	Veterans' Bureau	518,325	
515	War Veterans Allowance Board—Administration	145,860	
516	Veterans Insurance	79,406	
	War Veterans Allowances and Other Benefits		
517	War Veterans Allowances	27,365,500	
518	Assistance Fund (War Veterans Allowances)	350,000	
519	Unemployment Assistance	15,000	
520	Hospital and Other Allowances	3,200,000	
	Miscellaneous Payments		
521	To provide for payments to the Last Post Fund; for the payment under regulations of funeral and cemetery charges; for the cost and erection of headstones in Canada; for the maintenance of departmental cemeteries; for the maintenance of Canadian Battlefields Memorials in France and Belgium and for Canada's share of the expenditures of the Imperial War Graves Commission	1,503,400	
522	Grant to Canadian Legion	9,000	
	Canadian Pension Commission		
523	Administration Expenses	2,202,908	
524	Pensions for Disability and Death, including pensions granted under the authority of the Civilian Government Employees (War) Compensation Order, P.C. 45/8848 of November 22, 1944, which shall be subject to the Pension Act and including Newfoundland Special Awards	128,030,500	
525	Gallantry Awards—World War II and Special Force	19,000	
	Soldier Settlement and Veterans' Land Act		
526	To provide for the cost of administration of Veterans' Land Act; Soldier Settlement and British Family Settlement	4,907,146	
527	To provide for the upkeep of property, Veterans' Land Act, including engineering and other investigational planning expenses that do not add tangible value to real property; taxes, insurance and maintenance of public utilities	73,500	

SCHEDULE A—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	VETERANS AFFAIRS—*Concluded*		
	SOLDIER SETTLEMENT AND VETERANS' LAND ACT—*Concluded*		
528	To provide for the payment of grants to veterans settled on Provincial Lands in accordance with agreements with Provincial Governments under Section 38 of the Veterans' Land Act and payment of grants to veterans settled on Dominion Lands, in accordance with an agreement with the Minister of Northern Affairs and National Resources under Section 38 of the Veterans' Land Act	375,000	
529	To provide for the payment of grants to Indian veterans settled on Indian Reserve Lands under Section 39 of the Veterans' Land Act	175,000	
530	To provide for the reduction of indebtedness to the Director of Soldier Settlement of a settler in respect of a property in his possession, the title of which is held by the Director, or such Soldier Settler Loans which are administered by the Indian Affairs Branch of the Department of Citizenship and Immigration, by an amount which will reduce his indebtedness to an amount in keeping with the productive capacity of the property or his ability to repay his indebtedness under regulations approved by the Governor in Council	25,000	
531	To authorize and provide, subject to the approval of the Governor in Council, for necessary remedial work on properties constructed under individual firm price contracts and sold under the Veterans' Land Act to correct defects for which neither the veteran nor the contractor can be held financially responsible and for such other work on other properties as may be required to protect the interest of the Director therein	5,000	
	TERMINABLE SERVICES		
532	Rehabilitation Benefits, including the training of certain Pensioners, under regulations approved by the Governor in Council	1,856,000	
			225,454,650
	LOANS, INVESTMENTS AND ADVANCES		
	AGRICULTURE		
533	To authorize and provide for the operation of a revolving fund in accordance with the provisions of Section 58 of the Financial Administration Act for the purpose of financing the purchase of stores for use in the construction, maintenance and operation of projects under the direction of the Maritime Marshland Rehabilitation Administration; the amount to be charged to the revolving fund at any time not to exceed	150,000	
	CANADIAN BROADCASTING CORPORATION		
534	Loans to the Canadian Broadcasting Corporation repayable with interest at a rate to be fixed by the Governor in Council on such terms and conditions as the Governor in Council may determine and to be applied in payment of expenditures to cover capital costs of television installations and to support the development of the service. Such loans, with interest, shall be a charge on the revenues of the Canadian Broadcasting Corporation next after the charge imposed under the provisions of Section 17 of the Canadian Broadcasting Act	3,000,000	

SCHEDULE A—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	LOANS, INVESTMENTS AND ADVANCES—*Continued*		
	CENTRAL MORTGAGE AND HOUSING CORPORATION		
535	To provide for advances to Central Mortgage and Housing Corporation for the purposes of subsection (1) of Section 45 of the National Housing Act in respect of housing projects for veterans, for the acquisition of land for housing projects, and for housing projects at Gander, Newfoundland, for sale or rental	874,000	
	FISHERIES		
536	To authorize and provide for the establishment of one or more special accounts in the Consolidated Revenue Fund, replacing those established by Vote 766, Appropriation Act, No. 3, 1953, for the purposes of a plan to be known as the Fishermen's Indemnity and Loan Plan, to be administered in accordance with regulations of the Governor in Council, for the purpose of assisting fishermen to meet abnormal capital losses; and to authorize payment from the accounts in the current and subsequent fiscal years, in accordance with the regulations, of indemnities and loans, the accounts to be credited with all amounts received by way of premiums, recoveries and repayments, and with advances to the said accounts in accordance with the regulations, such advances not at any time to exceed	100,000	
	NATIONAL RESEARCH COUNCIL AND ATOMIC ENERGY CONTROL BOARD		
	Atomic Energy of Canada Limited		
537	To provide for advances to Atomic Energy of Canada Limited in such amounts and on such terms and conditions (including the delivery to Her Majesty, in satisfaction of the advances, of obligations or shares of the Company) as the Governor in Council may approve, to finance the construction of a new reactor and auxiliary buildings at Chalk River, works to provide services in connection therewith, and housing and other works to be constructed at Deep River, and to authorize Central Mortgage and Housing Corporation to undertake construction of the said housing and other works at Deep River for Atomic Energy of Canada Limited	9,858,000	
538	To provide for Working Capital Advances to Atomic Energy of Canada Limited, subject to such terms and conditions as the Governor in Council may approve	5,319,800	
	NORTHERN AFFAIRS AND NATIONAL RESOURCES		
539	To authorize and provide for a continuing special account in the Consolidated Revenue Fund to which shall be charged expenditures incurred by the Lake of the Woods Control Board in respect of the regulation of the waters in the Winnipeg River Watershed and expenditures incurred under the terms of the Lac Seul Conservation Act, 1928, recoverable from the Province of Manitoba and to which shall be credited amounts recovered, in the case of Lac Seul, under the terms of the agreement between the Government of Canada and the Government of the Province of Manitoba appearing in the Schedule to the British North America Act, 1930, and, in the case of the Lake of the Woods Control Board, under the terms of the agreement among the Government of Canada, the Government of the Province of Ontario and the Government of the Province of Manitoba, appearing in the Schedule to the British North America Act, 1930; the balance outstanding in the account at any time not to exceed	35,000	

SCHEDULE A—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	LOANS, INVESTMENTS AND ADVANCES—*Continued*		
	NORTHERN AFFAIRS AND NATIONAL RESOURCES—*Concluded*		
540	To provide for loans in the present and ensuing fiscal years not exceeding in the aggregate $1,000,000 to the Government of the Yukon Territory for the purpose of lending such money to the City of Whitehorse for providing adequate water distribution and sewage disposal systems, the loans to be made to the said Territory in accordance with the terms of an agreement to be entered into between the Government of the Yukon Territory and the Government of Canada; and to authorize the Commissioner in Council to make Ordinances for the borrowing and lending of such money by the Commissioner of the Yukon Territory on behalf of the Territory; amount required in the present fiscal year.....	700,000	
	POST OFFICE		
541	To authorize and provide for the operation of a revolving fund in accordance with Section 58 of the Financial Administration Act for the purpose of acquiring and managing material to be used in the manufacture of uniforms and satchels, the amount to be charged to the revolving fund at any time not to exceed.....	425,000	
	TRANSPORT		
	Railway and Steamship Services		
542	Loan to the Canadian National Railway Company, on such terms and conditions as the Governor in Council may approve, to be applied towards the construction cost of a new dock and facilities at Bar Harbour, Maine, U.S.A., a terminal of the Yarmouth, Nova Scotia—Bar Harbour, Maine, Ferry Service.....	1,000,000	
	Air Services		
543	To provide for the acquisition of land required to control properties in the vicinity of main terminal airports in order to prevent the erection of hazards to flying, and for future development of those airports.....	1,000,000	
	National Harbours Board		
544	Advances to National Harbours Board, subject to the provisions of Section 29 of the National Harbours Board Act, to meet expenditures applicable to the calendar year 1954 on any or all of the following accounts: Reconstruction and Capital Expenditures— Three Rivers.....$ 380,000 Montreal..... 3,558,200 Vancouver..... 376,000 $4,314,200 *Less*—Amount to be expended from Replacement Funds..... 175,580	4,138,620	

87440—5

SCHEDULE A—*Concluded*

No. of Vote	Service	Amount	Total
		$	$
	LOANS, INVESTMENTS AND ADVANCES—*Concluded*		
	VETERANS AFFAIRS		
	Soldier Settlement and Veterans' Land Act		
545	To provide for protection of security — Soldier Settlement, and refunds of surplus to veterans.....	15,000	
546	To provide for purchase of land and permanent improvements; cost of permanent improvements to be effected; removal of encumbrances; stock and equipment; and for protection of security under the Veterans' Land Act.....	21,300,000	
			47,915,420
			*3,155,795,732

* Net total $2,360,432,364.67

SCHEDULE B.

Based on the Supplementary Estimates, 1954-55. The amount hereby granted is $42,314,738, being the amount of each of the items in the Estimates as contained in this Schedule.

SUMS granted to Her Majesty, by this Act for the financial year ending 31st March, 1955, and the purposes for which they are granted.

No. of Vote	Service	Amount	Total
		$	$
	AGRICULTURE		
	SCIENCE SERVICE		
	Science Service Administration—		
635	Construction or Acquisition of Buildings, Works, Land and New Equipment—Further amount required.....	224,400	
	Entomology—		
636	Construction or Acquisition of Buildings, Works, Land and New Equipment—Further amount required.....	10,700	
	Forest Biology—		
637	Construction or Acquisition of Buildings, Works, Land and New Equipment—Further amount required.....	13,000	
	PRODUCTION SERVICE		
	Animal Pathology—		
638	Operation and Maintenance—Further amount required.....	26,700	
639	Construction or Acquisition of Buildings, Works, Land and New Equipment—Further amount required.....	84,716	
	Health of Animals—		
640	To provide for payment of compensation to owners of animals or poultry affected with diseases coming under the Animal Contagious Diseases Act, which have died or have been slaughtered in circumstances not covered by the above Act and Regulations made thereunder, and to provide for payment to owners for loss of turkeys while in quarantine; all as detailed in the Estimates....	19,684	
641	Live Stock and Poultry—Further amount required.....	115,400	
	MARKETING SERVICE		
642	Subsidies for Cold Storage Warehouses under the Cold Storage Act, and Grants, in the amounts detailed in the Estimates—Further amount required.....	603,678	
	SPECIAL		
643	To provide for assistance to encourage the improvement of cheese and cheese factories—Further amount required....	150,000	
644	To provide, subject to the approval of the Governor in Council, for assistance to farmers in Manitoba and Saskatchewan for crop losses that occurred between the 1st day of August, 1950, and the 14th day of May, 1953, in respect of which there is no authority under the Prairie Farm Assistance Act to make awards.....	17,000	

SCHEDULE B—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	AGRICULTURE—*Concluded*		
	SPECIAL—*Concluded*		
645	To provide, in accordance with such Order as the Governor in Council may make in the circumstances, for the purchase of an annuity under the Government Annuities Act for and on behalf of Mr. M. S. J. McMurachy, discoverer of the parent strain from which Selkirk wheat was developed, and his wife, Mrs. M. J. B. McMurachy, or in the event that one spouse predecease the other before the annuity contract is entered into, to provide for the purchase of an annuity for and on behalf of the surviving spouse	10,000	
646	To provide for a contribution to the World Championship Plowing Organization to help defray the cost of the world matches held in Canada in 1953	2,500	
			1,277,778
	CANADIAN BROADCASTING CORPORATION		
	INTERNATIONAL SHORTWAVE BROADCASTING SERVICE		
647	Construction or Acquisition of Buildings, Works, Land and New Equipment, including Supervision—Further amount required		70,394
	EXTERNAL AFFAIRS		
	B—GENERAL		
648	To provide a further amount of $627,646 U.S. for the Canadian Government's contribution to the United Nations Expanded Program for Technical Assistance to Under-developed Countries, notwithstanding that payment may exceed or fall short of the equivalent in Canadian dollars, estimated as of April, 1954, which is	615,878	
	TERMINABLE SERVICES		
649	To provide for the expenses incurred by Canada as host at the Ottawa Conference of the Consultative Committee for Co-operative Economic Development in South and South-East Asia (the Colombo Plan)	121,000	
650	To provide for a grant by the Canadian Government to the Intergovernmental Committee for European Migration for the resettlement of refugees of European origin now in China	50,000	
651	To provide for a grant by the Canadian Government to the United Nations High Commissioner for Refugees for sub-sistence relief for refugees of European origin in China	50,000	
			836,878
	FINANCE		
	GENERAL ADMINISTRATION		
652	Comptroller of the Treasury—Central Office and Branch Offices Administration—Further amount required	167,010	
	ADMINISTRATION OF VARIOUS ACTS AND COSTS OF SPECIAL FUNCTIONS		
653	Superannuation and Retirement Acts, Administration—Further amount required	13,837	

SCHEDULE B—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	FINANCE—*Concluded*		
	CONTINGENCIES AND MISCELLANEOUS		
654	To provide, subject to the approval of the Treasury Board, for miscellaneous minor and unforeseen expenses including authority to re-use any sums repaid to this appropriation from other appropriations, and special compensation or other rewards for inventions or practical suggestions for improvements—Further amount required	500,000	
655	To authorize in respect of fiscal year 1953-54: *(a)* a reduction of $99,483,323.49 in the amount owing by the Old Age Security Fund pursuant to Section 11 of the Old Age Security Act, representing the amount of temporary loans made by the Minister of Finance to the Fund during the fiscal year 1952-53 and *(b)* a charge in the amount of the said reduction to the reserve in the accounts of Canada entitled "Reserve for possible losses on ultimate realization of active assets".	1	
	MISCELLANEOUS GRANTS		
656	To authorize a grant for rehabilitation of the Maison des Etudiants Canadiens in Paris, France, payable in French Francs owned by Canada and available only for governmental or other limited purposes	50,000	
			730,848
	FISHERIES		
	FIELD SERVICES		
	Protection Branch—		
657	Construction or Acquisition of Buildings, Works, Land and New Equipment—Further amount required	75,000	
	Inspection Branch—		
658	Construction or Acquisition of Buildings, Works, Land and New Equipment—Further amount required	2,000	
	FISHERIES RESEARCH BOARD OF CANADA		
659	Construction or Acquisition of Buildings, Works, Land and New Equipment—Further amount required	15,000	
	INTERNATIONAL COMMISSIONS		
660	To provide for Canadian share of expenses of the International North Pacific Fisheries Commission appointed pursuant to the International Convention for the High Seas Fisheries of the North Pacific Ocean, dated May 9, 1952—Further amount required	7,500	
	SPECIAL		
661	To provide for operation and maintenance of Newfoundland Bait Service—Further amount required	35,000	
662	To provide for a contribution towards the cost of construction of a public aquarium at Vancouver, British Columbia, in accordance with an agreement to be entered into by the Minister of Fisheries with the approval of the Governor in Council whereby adequate facilities are to be made available to the Fisheries Research Board, the total cost to be borne in equal shares by the Government of Canada, the Government of British Columbia and the City of Vancouver, the contribution of the Government of Canada not to exceed	100,000	

SCHEDULE B—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	FISHERIES—*Concluded*		
	SPECIAL—*Concluded*		
663	Amount required to recoup the accounts of the Fishermen's Indemnity and Loan Plan, established by Vote 536, Main Estimates, 1954-55, for the cost of administrative expenses incurred during the fiscal year 1953-54	95,640	
			330,140
	JUSTICE		
	A—DEPARTMENT		
	Combines Investigation Act—		
664	Restrictive Trade Practices Commission—Further amount required	12,000	
665	Office of Investigation and Research—Further amount required	43,000	
	GENERAL		
666	Expenses of Committee appointed to advise on principles and procedures relating to Remission Service—Further amount required	7,000	
667	Expenses of the Royal Commissions on the Law of Insanity as a Defence in Criminal Cases and on the Criminal Law relating to Criminal Sexual Psychopaths	72,250	
	B—PENITENTIARIES		
668	Construction, Improvements and New Equipment, including provision for the establishment and construction of a new institution in the Province of Quebec for the confinement and reformation of Federal prisoners—Further amount required	239,848	
			374,098
	LABOUR		
	A—DEPARTMENT		
	VOCATIONAL TRAINING CO-ORDINATION		
	To provide for carrying out the purposes of the Vocational Training Co-ordination Act and agreements made thereunder; to authorize the Minister of Labour to enter into agreements with any Province on terms approved by the Governor in Council for the training of persons to fit them for defence industries, the training of members of Her Majesty's Forces and other persons to fit them for skilled armed services occupations; for training of personnel for the merchant marine and training under youth training projects and to provide for the expenditures thereunder and under vocational training agreements entered into in previous years—		
669	Training Payments to the Provinces—Further amount required	140,000	
670	Contribution to the Canadian National Institute for the Blind towards the costs of facilities for the Vocational Training and Rehabilitation of the Blind	350,000	

SCHEDULE B—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	LABOUR—*Concluded*		
	B—Unemployment Insurance Commission		
671	To provide for the transfer of labour to and from places where employment is available and expenses incidental thereto, in accordance with regulations of the Governor in Council—Further amount required	125,000	
			615,000
	LEGISLATION		
	The Senate		
672	To provide, notwithstanding anything contained in the Senate and House of Commons Act, for payment of indemnity to members of the Senate for days lost through absence caused by public or official business, by illness, or on account of death. Payments to be made as the Treasury Board may direct	21,000	
673	To provide, notwithstanding anything contained in the Senate and House of Commons Act, for the payment to each member of the Senate who attended the second part of the First Session of the Twenty-second Parliament which commenced on January 12, 1954, and ended on April 14, 1954, of an amount representing the actual transportation and living expenses of such Member while on the journey between Ottawa and his place of residence after the Easter adjournment of Parliament on April 14, 1954, and on the return journey from his place of residence to Ottawa at the end of the recess which commenced on that date, or at any other one time during that Session	5,500	
	House of Commons		
674	To provide, notwithstanding anything contained in the Senate and House of Commons Act, for the payment of indemnity to the Members of the House of Commons for days lost through absence caused by public or official business, by illness or on account of death. Payments to be made on the recommendation of the Board of Internal Economy and as Treasury Board may direct. Each such payment to be deemed for the purposes of the Members of Parliament Retiring Allowances Act, to be part of the sessional indemnity of the Member for the session in respect of which he received it	25,000	
675	To provide, notwithstanding anything contained in the Senate and House of Commons Act, for the payment to each Member of the House of Commons who attended the second part of the First Session of the Twenty-second Parliament, which commenced on January 12, 1954, and ended on April 14, 1954, of an amount representing the actual transportation and living expenses of such Member while on the journey between Ottawa and his place of residence after the Easter adjournment of Parliament on April 14, 1954, and on the return journey from his place of residence to Ottawa at the end of the recess which commenced on that date, or at any other one time during that Session	20,000	
	Library of Parliament		
676	General Administration—Further amount required	62,010	
			133,510

SCHEDULE B—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	MINES AND TECHNICAL SURVEYS		
	A—Department		
	Geological Survey of Canada		
	Geological Surveys—		
677	Administration, Operation and Maintenance—To provide for an amount of $2,000 for Canada's share of the cost of the Committee on Mineral Resources and Geology, London, England, to be charged to funds appropriated under Vote 218 of the Main Estimates, 1954-55, in lieu of the amount of $1,500 provided by that Vote.....	1	
678	Construction or Acquisition of New Equipment—Further amount required.....	13,500	
	Surveys and Mapping Branch		
	Topographical Surveys—		
679	Construction or Acquisition of New Equipment—Further amount required.....	75,000	
	Map Compilation and Reproduction—		
680	Administration, Operation and Maintenance—Further amount required.....	31,800	
	Geographical Branch		
681	Geographical Branch—Administration, Operation and Maintenance—Further amount required.....	7,000	
	Dominion Observatories		
	Dominion Observatory, Ottawa and Field Stations—		
682	Construction or Acquisition of Buildings, Works, Land and New Equipment—Further amount required.....	15,000	
			142,301
	NATIONAL HEALTH AND WELFARE		
	National Health Branch		
	Health Services		
683	Sick Mariners Treatment Services—Further amount required..	275,000	
684	Public Health Engineering—Further amount required.....	12,680	
685	Administration of the Food and Drugs and the Proprietary or Patent Medicine Acts—Further amount required.....	22,900	
	Indians and Eskimos Health Services—		
686	Grant to Tofino General Hospital, Tofino, British Columbia	10,000	
687	Special Technical Services—Further amount required.....	72,000	
	Grants to Health Organizations		
688	Grant to Canadian Psychological Association as assistance to the Fourteenth International Congress of Psychology, to be held in Montreal in 1954.....	2,000	
			394,580

SCHEDULE B—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	NATIONAL RESEARCH COUNCIL AND ATOMIC ENERGY CONTROL BOARD		
	NATIONAL RESEARCH COUNCIL		
689	Construction or Acquisition of Buildings, Works, Land and New Equipment—Further amount required	400,000	
	ATOMIC ENERGY CONTROL BOARD		
690	Atomic Energy of Canada Limited (Research Program)—Current Operation and Maintenance—Further amount required	250,000	650,000
	NATIONAL REVENUE		
	CUSTOMS AND EXCISE DIVISIONS		
691	Ports, Outports and Preventive Stations—Operation and Maintenance—Further amount required		703,710
	NORTHERN AFFAIRS AND NATIONAL RESOURCES		
	NATIONAL PARKS BRANCH		
692	National Parks and Historic Sites Services—Construction or Acquisition of Buildings, Works, Land and New Equipment—Further amount required	98,250	
	ENGINEERING AND WATER RESOURCES BRANCH		
693	To provide for advances made in the fiscal year 1953-54 by the Minister of Finance to the Northwest Territories Power Commission for power development in accordance with Section 15 (2) of the Northwest Territories Power Commission Act	3,000	
	NORTHERN ADMINISTRATION AND LANDS BRANCH		
	Northern Administration Division—		
	Northwest Territories, including Wood Buffalo Park and Eskimo Affairs—		
694	Operation and Maintenance—Further amount required	14,932	
695	Construction or Acquisition of Buildings, Works, Land and New Equipment—Further amount required	581,681	
	Forest Conservation and Wildlife Management, including Wood Buffalo Park—		
696	Operation and Maintenance—Further amount required	17,320	
	Yukon Territory, including Forest Conservation—		
697	Operation and Maintenance—Further amount required	14,000	
698	Construction or Acquisition of Buildings, Works, Land and New Equipment—Further amount required	51,980	781,163
	POST OFFICE		
699	Operations—Further amount required		1,265,904

87440—6

SCHEDULE B—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	PRIVY COUNCIL		
	PRIVY COUNCIL OFFICE		
700	General Administration—Further amount required	5,000	
	FEDERAL DISTRICT COMMISSION		
701	To provide for maintenance and improvement of grounds adjoining Government Buildings at Ottawa—Further amount required	41,715	
702	Expenses of the National Capital Planning Committee—Further amount required	10,079	
703	To authorize the Federal District Commission to expend for construction, improvements and operation of works under its control, revenues accrued or accruing to the Commission from the rental of properties under its control or from other sources	1	
			56,795
	PUBLIC WORKS		
	ARCHITECTURAL BRANCH		
	Acquisition, Construction and Improvements of Public Buildings		
	Construction, acquisition, major repairs and improvements of, and plans and sites for, public buildings listed in the details of the Estimates, provided that Treasury Board may increase or decrease the amount within the vote to be expended on individual listed projects—Further amounts required—		
704	Newfoundland	200,000	
705	New Brunswick	60,000	
706	Quebec	1	
707	Ottawa	2,050,000	
708	Ontario (other than Ottawa)	690,000	
709	Saskatchewan	1	
710	British Columbia	1	
	ENGINEERING BRANCH		
	Graving Docks		
711	Prince Rupert Dry Dock and Shipyard and appurtenant works—to provide for operating losses and essential repairs for the period January 1 to March 31, 1954	39,000	
	Roads and Bridges		
712	Maintenance and Operation—Further amount required	59,000	
	Acquisition, Construction and Improvements of Harbour and River Works		
	Construction, acquisition, major repairs and improvements of, and plans and sites for, harbour and river works listed in the details of the Estimates, provided that Treasury Board may increase or decrease the amount within the vote to be expended upon individual listed projects—Further amounts required—		
713	Newfoundland	1	
714	Nova Scotia	700,000	
715	Prince Edward Island	250,000	
716	New Brunswick	45,000	
717	Quebec	243,100	
718	Ontario	435,900	
719	British Columbia and Yukon	326,000	

SCHEDULE B—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	PUBLIC WORKS—*Concluded*		
	GENERAL		
720	To provide for balances required to complete any projects undertaken in previous fiscal years and for which no specific provision is made in the fiscal year 1954-55—Further amount required	200,000	
721	To provide for the expenses incurred by Central Mortgage and Housing Corporation in constructing and supervising construction of married quarters, schools and related services on behalf of the Department of National Defence—Further amount required, including authority for such expenses incurred in connection with rental housing for the Department of National Defence	750,000	
722	To provide for the restoration of the special account in the Consolidated Revenue Fund established by Section 36 of the National Housing Act, 1954, by the amount paid out of the special account during the fiscal year 1953-54, in respect of preliminary expenses incurred under enabling agreements with Provincial Governments	585	
			6,048,589
	ROYAL CANADIAN MOUNTED POLICE		
	Headquarters Administration, National Police Services and Training Establishments—		
723	Administration, Operation and Maintenance—Further amount required	60,000	
	Land and Air Services—		
724	Operation and Maintenance of Divisions—Further amount required	393,759	
725	Construction or Acquisition of Buildings, Works, Land and New Equipment—Further amount required	127,834	
	Marine Services—		
726	Construction or Acquisition of Buildings, Works, Land and New Equipment—Further amount required	225,000	
	PENSIONS AND OTHER BENEFITS		
727	Government's Contribution to the Royal Canadian Mounted Police Pension Account	691,648	
			1,498,241
	SECRETARY OF STATE		
728	Companies Branch—Further amount required	9,500	
	PATENT AND COPYRIGHT OFFICE		
729	Patent Division—Further amount required	43,200	
	SPECIAL		
730	To provide for special expenditure in connection with a Commission under the Inquiries Act to inquire into the working of the Patent Act, the Copyright Act, the Industrial Designs Act and other related legislation	25,000	
			77,700

SCHEDULE B—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	TRADE AND COMMERCE		
	GENERAL ADMINISTRATION		
731	Commodities Services, including fees as detailed in the Estimates, the expenditure for these not to exceed the amounts shown unless otherwise approved by Treasury Board—Further amount required	5,500	
	EXHIBITIONS		
732	Exhibitions generally—Further amount required	20,000	
	CANADA GRAIN ACT		
733	Canadian Government Elevators—Operation and Maintenance Expenses—Further amount required	49,000	
	SPECIAL		
734	To provide hereby, notwithstanding anything contained in the Financial Administration Act or any other Act or Law, for payment out of the Consolidated Revenue Fund to Julio Moreira, a former locally engaged employee, of a Pension in accordance with the terms of Argentine Law, from January 1, 1953, at an annual rate of 16,785.08 Argentine pesos, notwithstanding that payment may exceed or fall short of the equivalent in Canadian dollars, estimated as of April, 1954, which is	1,250	
			75,750
	TRANSPORT		
	A—DEPARTMENT		
735	St. Lawrence Seaway Surveys, Investigations and Design—Further amount required	846,432	
	CANAL SERVICES		
736	Operation and Maintenance—Further amount required	100,000	
737	Construction or Acquisition of Buildings, Works, Land and New Equipment, including payments to Provinces or Municipalities as contributions towards construction done by those bodies—Further amount required	367,660	
	MARINE SERVICES		
	Marine Service Steamers—		
738	Administration, Operation and Maintenance—Further amount required	350,000	
739	Construction or Acquisition of Vessels and Equipment—Further amount required	490,000	

SCHEDULE B—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	TRANSPORT—*Continued*		
	A—Department—*Continued*		
	Marine Services—*Concluded*		
	Nautical Services—		
740	Administration, Operation and Maintenance, including grants and contributions for the purposes indicated in the details of the Estimates; rewards for saving life from vessels in distress; subsidies to salvage companies, and the payment of expenses, including excepted expenses, incurred in respect of Canadian distressed seamen as defined in Section 306 of the Canada Shipping Act—Further amount required	5,000	
741	Steamship Inspection, including the carrying out of the provisions of the conventions for the safety of life at sea and load lines, and a contribution of $115,600 to the Province of Newfoundland, Department of Education—Further amount required	115,600	
	River St. Lawrence Ship Channel Service—		
742	Surveys and Investigations—Further amount required	10,000	
	Railway and Steamship Services		
743	Construction or Acquisition of Auto-Ferry Vessels, as detailed in the Estimates—Further amount required	750,000	
	Air Services		
	Telecommunications Division		
	Airways and Airports—Radio Aviation Services—		
744	Construction or Acquisition of Buildings, Works, Land and New Equipment—Further amount required	395,000	
	Radio Aids to Marine Navigation—		
745	Construction or Acquisition of Buildings, Works, Land and New Equipment—Further amount required	77,000	
	Telegraph and Telephone Service—		
746	Construction or Acquisition of Buildings, Works, Land and New Equipment, including capital assistance to local telephone systems in sparsely settled areas—Further amount required	111,060	
747	Northwest Communication System—Construction or Acquisition of Buildings, Works, Land and New Equipment—Further amount required	121,000	
	Civil Aviation Division		
748	Control of Civil Aviation, including the Administration of the Aeronautics Act and Regulations issued thereunder—Further amount required	19,700	
	Airways and Airports—		
	Construction Services—		
749	Administration—Further amount required	101,640	
750	Construction or Acquisition of Buildings, Works, Land and New Equipment, including Construction Work on Municipal Airports—Further amount required	187,984	
751	Contributions to Municipalities or Public Bodies for Construction and Improvements of Airports and Land Acquired by such Organizations—Further amount required	86,000	
752	Contributions toward Airport Development and Other Airport Projects on Cost-Sharing Basis, in the amounts detailed in the Estimates—Further amount required	2,000	

SCHEDULE B—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	TRANSPORT—*Concluded*		
	A—Department—*Concluded*		
	Air Services—*Concluded*		
	Civil Aviation Division—*Concluded*		
753	Contributions, as specified in the Details of the Estimates, to other Governments or International Agencies for the operation and maintenance of airports, air navigation and airways facilities, including authority to pay the amounts specified in the currencies of the countries indicated, notwithstanding that the payments may exceed or fall short of the equivalent in Canadian dollars, estimated as of April, 1954—Further amount required	347	
	B—General		
	Air Transport Board		
754	Subventions for Air Carriers, as detailed in the Estimates	20,000	
	Canadian Maritime Commission		
755	Steamship Subventions for Coastal Services, as detailed in the Estimates—Further amount required	8,375	
	National Harbours Board		
756	Advances to National Harbours Board, subject to the provisions of Section 29 of the National Harbours Board Act, to meet expenditures applicable to the calendar year 1954 on any or all of the following accounts: Reconstruction and Capital Expenditures— Halifax—Further amount required $ 550,000 Saint John—Further amount required 350,000	900,000	
			5,064,798
	VETERANS AFFAIRS		
	Treatment Services—		
757	Operation of Hospitals and Administration—Further amount required	100,000	
758	Prosthetic Services—Supply, Manufacture and Administration—Further amount required	42,000	
	War Veterans Allowances and Other Benefits		
759	Assistance Fund (War Veterans Allowances)—Further amount required	100,000	
	Terminable Services		
760	Rehabilitation Benefits, including the training of certain Pensioners, under regulations approved by the Governor in Council—Further amount required	670,000	
			912,000

SCHEDULE B—*Continued*

No. of Vote	Service	Amount	Total
		$	$
	LOANS, INVESTMENTS AND ADVANCES		
	CENTAL MORTGAGE AND HOUSING CORPORATION		
761	To provide for the restoration of the special account in the Consolidated Revenue Fund established by Section 36 of the National Housing Act, 1954, by the amount paid out of the special account in respect of housing and land development projects undertaken jointly with the governments of the provinces during the fiscal year 1953-54	9,000,000	
762	To provide for advances to Central Mortgage and Housing Corporation for the purposes of subsection (1) of Section 37 of the National Housing Act, 1954, in respect of housing projects for veterans, for the acquisition of land for housing projects, and for housing projects at Gander, Newfoundland, for sale or rental—Further amount required, including authority for housing at Pembroke, Ontario, for the rental or sale to employees of Atomic Energy of Canada Limited	1,110,000	
	NORTHERN AFFAIRS AND NATIONAL RESOURCES		
763	To authorize and provide for a continuing special account in the Consolidated Revenue Fund, notwithstanding Section 35 of the Financial Administration Act, to be known as the Eskimo Loan Fund, from which loans or investments may be made to or in respect of individual Eskimos or groups of Eskimos to promote the commercial activities thereof and to provide housing under conditions fixed from time to time by the Treasury Board and to authorize the crediting to this special account of repayments by or in respect of such individual Eskimo or groups of Eskimos and the re-advancing of such moneys; the excess of the amounts charged over the amounts credited to this special account at any time not to exceed $150,000, of which $50,000 has already been provided under Vote 546, Appropriation Act, No. 3, 1953	100,000	
	TRANSPORT		
	Railway and Steamship Services		
764	Loan to the Canadian National (West Indies) Steamships, Limited, on such terms and conditions as the Governor in Council may approve, for the redemption of Canadian National (West Indies) Steamships, Limited, 25-year, 5 per cent, Government Guaranteed Gold Bonds, issued March 1, 1930, and maturing March 1, 1955	3,600,000	
	Air Services		
765	To provide for recoverable advances to enable extension of the Northwest Communication System facilities between Edmonton and the Yukon-Alaska border	31,000	
766	Loan to the Canadian Overseas Telecommunication Corporation in accordance with the provisions of Section 14 of the Canadian Overseas Telecommunication Act for additions and betterments to facilities	683,561	

SCHEDULE B—*Concluded*

No. of Vote	Service	Amount	Total
		$	$
	LOANS, INVESTMENTS AND ADVANCES—*Concluded*		
	TRANSPORT—*Concluded*		
	National Harbours Board		
767	Advances to National Harbours Board, subject to the provisions of Section 29 of the National Harbours Board Act, to meet expenditures applicable to the calendar year 1954 on the following account: Reconstruction and Capital Expenditures— Montreal—Further amount required	600,000	
	VETERANS AFFAIRS		
	Soldier Settlement and Veterans' Land Act		
768	To provide for purchase of land and permanent improvements; cost of permanent improvements to be effected; removal of encumbrances; stock and equipment; and for protection of security under the Veterans' Land Act—Further amount required	5,150,000	
			20,274,561
	TOTAL		42,314,738