
NATIONAL ASSEMBLY

THIRTY-SECOND LEGISLATURE

FOURTH SESSION

Bill 10

An Act to amend the Act respecting the Société générale de financement du Québec

First reading



Introduced by
Mr Rodrigue Biron
Minister of Industry, Commerce and Tourism

EXPLANATORY NOTES

The object of this bill is to amend the Act respecting the Société générale de financement du Québec, with a view particularly to authorizing that company to invest in the aluminum sector and in the fields of business activity directly related to that sector.

In addition, the bill increases the authorized capital of the company from \$265 000 000 to \$415 000 000 and authorizes the Minister of Finance to subscribe shares for an amount not in excess of \$150 000 000 to assure the company's participation in the establishment and financing of an aluminum plant in the Bécancour area.

Furthermore, the bill allows the Government to give guarantees and undertakings to the company as required to carry out the aluminum plant project.

Lastly, the bill enacts special rules on the company's ownership of an undivided portion of the aluminum plant and the property useful for its operation.

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the Société générale de financement
du Québec

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

1. The Act respecting the Société générale de financement du Québec (R.S.Q., chapter S-17) is amended by replacing section 4.1 by the following sections:

“4.1 The company may invest in the industrial sector of aluminum and in fields of business activity directly related to that sector.

“4.2 The company, to the extent provided for in the directives issued under the fourth paragraph of section 15, may also invest in fields of business activity directly related to its industrial activities and in industrial sectors other than those in which it was involved on 31 December 1978 or other than that contemplated in section 4.1.”

[[**2.** Section 6 of the said Act is replaced by the following section:

“6. The authorized capital of the company is \$415 000 000.

It is divided into 41 500 000 common shares of a par value of \$10 each, 20 566 502 of which are issued and paid up on (*insert here the date of tabling of Bill 10*).”]]

3. Section 7 of the said Act is amended by striking out the second, third and fourth paragraphs.

[[**4.** Section 8 of the said Act is replaced by the following sections:

“8. The Minister of Finance shall before 31 December 1983 subscribe and pay the sum of \$10 000 000 to the company out of the consolidated revenue fund for 1 000 000 common shares of the company.

“8.1 The Minister of Finance shall during the calendar year 1984 subscribe and pay the sum of \$10 000 000 to the company out of the consolidated revenue fund for 1 000 000 common shares of the company.

“8.2 The Minister of Finance is authorized to subscribe up to the sum of \$39 334 980 to the company before 31 December 1985, payable out of the consolidated revenue fund in one or more instalments, for a total of 3 933 498 common shares of the company.

“8.3 In no case may the company use an amount paid to it under section 8.2 for purposes other than those approved by the Government.

Third persons are not bound to see that this section is observed and it cannot be invoked by or against them.

“8.4 The Minister of Finance is also authorized to subscribe up to the sum of \$150 000 000, payable out of the consolidated revenue fund in one or more instalments, for a total of 15 000 000 common shares of the company.

“8.5 The amounts paid to the company under section 8.4 must be used for the purposes of the participation of the company in the establishment and financing of an aluminum plant in the Bécancour area.

Third persons are not bound to see that this section is observed and it cannot be invoked by or against them.”]]

5. Section 9 of the said Act is repealed.

6. Section 11 of the said Act is replaced by the following section:

“11. Each payment following a subscription for capital stock of the company is allocated to the full payment of a proportional number of shares; upon such a payment, a certificate shall be issued for a corresponding number of paid-up shares.”

7. Section 12 of the said Act is amended

(1) by inserting, after subparagraph *b* of the first paragraph, the following subparagraphs:

“(c) guarantee the payment of the sums relating to the financial undertakings contracted by the company or by a subsidiary of which the company holds more than 50% of the shares, for the establishment or financing of an aluminum plant in the Bécancour area;

“(d) give any other guarantee or undertaking in connection with the establishment or financing of the aluminum plant.”;

(2) by replacing the second paragraph by the following paragraph:

“Sums which the Government may be called upon to pay under this section are taken out of the consolidated revenue fund.”

8. The said Act is amended by inserting, after section 12, the following sections:

“12.1 The aluminum plant contemplated in subparagraph *c* of section 12, any property relating to the plant and any property useful for its operation may belong to several owners in undivided ownership.

The owners may enter into agreements respecting the exercise of their rights, the administration of the undivided property and their enjoyment of it or the operations carried on by them on it. The agreements do not result in transforming the undivided ownership into a partnership.

“12.2 The undivided owners may also agree to defer the partition for a fixed term not exceeding thirty years; they may renew this agreement unanimously.

The agreement deferring the partition must be registered against the undivided immovable property. Subject to its registration, the agreement binds third persons, including creditors of the undivided owners.”

9. Section 15 of the said Act is amended by replacing the fourth paragraph by the following paragraph:

“Any directive to authorize investment by the company in a field contemplated in section 4.2 as well as the relevant documents must be submitted for discussion to the parliamentary Committee on industry, commerce and tourism convened for that purpose within thirty days of being tabled.”

10. This Act shall operate notwithstanding the provisions of sections 2 and 7 to 15 of the Constitution Act, 1982 (Schedule B of the Canada Act, chapter 11 in the 1982 volume of the Acts of the Parliament of the United Kingdom).

11. This Act comes into force on the day of its sanction.