

FOURTH SESSION
THIRTY-FIRST LEGISLATURE

ASSEMBLÉE NATIONALE DU QUÉBEC

Bill 73

**An Act to amend the Act respecting the establishment
of an integrated steel complex by Sidbec**

First reading
Second reading
Third reading

M. YVES DUHAIME

Ministre de l'industrie, du commerce et du tourisme

L'ÉDITEUR OFFICIEL DU QUÉBEC

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EXPLANATORY NOTES

The object of this bill is to increase the authorized capital stock of Sidbec by \$300 000 000 and to authorize the Ministre des finances to pay \$150 000 000 to Sidbec for the payment in full of fifteen million deferred-dividend shares.

Its object is also to redefine the object of Sidbec as being the pursuit of the operation of a steel complex, alone or with partners, to ensure, as a profitable enterprise, the consolidation and expansion of its operations, while allowing the development of steel consuming industrial undertakings in Québec.

A further object of this bill is to require the company to have its development programme approved by the Government.

Finally, it authorizes the Minister designated by the Government to issue directives on the objectives and the orientation of the company in the exercise of the functions conferred on it by the act.

Sec. 1. *The object of the proposed amendment is to replace the title of the act amended.*

Sec. 2. *Section 1 of the act presently reads as follows:*

“1. The authorized capital stock of Sidbec, a corporation incorporated under Part I of the Québec Companies Act by letters patent issued on 18 November 1964, hereinafter called “the company”, shall be 830 million dollars. It is divided into 41,500,000 common shares of a par value of ten dollars each and 41,500,000 deferred-dividend shares of a par value of ten dollars each.”

Sec. 3 and 4. *These provisions are new law.*

Bill 73

An Act to amend the Act respecting the establishment
of an integrated steel complex by Sidbec

HER MAJESTY, with the advice and consent of the Assemblée
nationale du Québec, enacts as follows:

1. The title of the Act respecting the establishment of an
integrated steel complex by Sidbec (R.S.Q., c. E-14) is replaced
by the following title:

“Act respecting the establishment of a steel complex by
Sidbec”.

[[**2.** Section 1 of the said act is replaced by the following
section:

“**1.** The authorized capital stock of Sidbec, a corporation
incorporated under Part I of the Companies Act by letters patent
issued on 18 November 1964, hereinafter called “the company”,
shall be \$1 130 000 000. It is divided into 56 500 000 common
shares of a par value of ten dollars each and 56 500 000 deferred-
dividend shares of a par value of ten dollars each.”]]

[[**3.** The said act is amended by inserting after section 5 the
following section:

“**5.1** Fifteen million additional deferred-dividend shares
shall be allotted to Her Majesty in right of the Province at the
price of \$150 000 000.”]]

[[**4.** The said act is amended by inserting after section 8 the
following section:

“**8.1** As payment of the price of the shares allotted under
section 5.1, the Ministre des finances is authorized to pay to Sid-

Sec. 5. *The proposed amendment is for concordance with section 3 of the bill.*

Sec. 6. *This provision is new law.*

bec, out of the consolidated revenue fund, an amount of \$150 000 000 for 15 000 000 fully paid shares of its capital stock for which the company will remit to it certificates in return for these payments.

The payment referred to in the first paragraph may be made in one or more instalments.”}}

5. Section 9 of the said act is replaced by the following section:

“**9.** Sections 66 to 70 of the Companies Act do not apply to the company as regards the shares contemplated in sections 3, 4, 5 and 5.1.”

6. The said act is amended by inserting after section 9 the following sections:

“**9.1** The object of the company is to pursue the operation of a steel complex, alone or with partners, to ensure, as a profitable enterprise, the consolidation and expansion of its operations, while allowing the development of steel consuming industrial undertakings in Québec.

“**9.2** The company must have its development programme approved by the Government.

The Government shall determine the form and tenor of the development programme and the time when it must be presented.

“**9.3** The Minister designated in accordance with section 11 may issue directives on the objectives and the orientation of the company in the exercise of the functions conferred on it by the act.

The directives referred to in the first paragraph must be submitted to the Government for approval. When they are so approved, they are binding on the company, which must comply with them.

Every directive issued under this section must be tabled before the Assemblée nationale within fifteen days of its approval by the Government. If the directive is issued while the Assemblée nationale is not sitting, the directive must be tabled before it within fifteen days of the opening of the next session or resumption, as the case may be.

Third persons are not bound to see to the carrying out of this section, which cannot be invoked by them or set up against them.”

Sec. 7. *Section 12 of the act presently reads as follows:*

"12. The directors shall not, without the approval of the shareholders given by resolution adopted by the vote of the majority in value of the shares represented by the shareholders present at a general meeting duly called for such purpose:

(a) allot shares of the capital stock of the company;

(b) declare or pay dividends on the shares of the company;

(c) with a view to the establishment of an integrated steel complex, purchase or erect workshops or acquire shares of other companies, except however to the extent to which such resolution provides therefor."

Sec. 8. *The proposed amendment is for concordance with sections 1 and 7 of the bill.*

7. Section 12 of the said act is amended by replacing paragraph *c* by the following paragraph:

“(c) with a view to the establishment of a steel complex, purchase or erect workshops or acquire shares of other companies, except however to the extent to which such resolution provides therefor.”

8. The preamble of the Act respecting the establishment of an integrated steel complex by Sidbec (1968, c. 77) is repealed.

9. This act comes into force on the day of its sanction.