

SECOND SESSION
THIRTY-FIRST LEGISLATURE

ASSEMBLÉE NATIONALE DU QUÉBEC

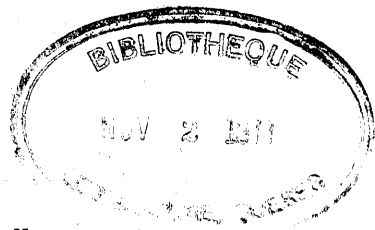
Bill 70

An Act to establish the Société nationale de l'amiante

First reading

M. YVES BÉRUBÉ

Ministre des richesses naturelles



Bill 70

An Act to establish the Société nationale de l'amiante

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

DIVISION I

ESTABLISHMENT OF THE SOCIÉTÉ

1. A joint-stock company, hereinafter called “the Société”, is established under the name of “Société nationale de l'amiante”.

2. The head office of the Société shall be at the place determined by the Government; notice of the location or of any change of location of the head office shall be published in the *Gazette officielle du Québec*.

3. The Société has the rights and privileges of a mandatary of the Government.

The property of the Société forms part of the public domain, but the obligations of the Société may be levied on its property.

The Société binds none but itself when it acts in its own name.

4. The objects of the Société are

(a) exploration for and the development and exploitation of asbestos deposits, including the marketing of production;

(b) any activity of an industrial, manufacturing or commercial nature directly or indirectly relating to the processing of asbestos fibre.

To that end, the Société, as well as any subsidiary of the Société, may associate with or make agreements with any person or company, subject to the other provisions of this act.

EXPLANATORY NOTES

This bill provides for the establishment and organization of the Société nationale de l'amiante.

The objects of the Société will be exploration for and the development and exploitation of asbestos deposits, including the marketing of production, as well as any industrial, manufacturing or commercial activity relating to the processing of asbestos fibre.

The authorized capital of the Société will be \$250,000,000. The Ministre des finances will be authorized to pay that amount to the Société in one or several instalments, with the approval of the Government; each such approval must be tabled in the Assemblée nationale.

The Government will also be enabled to guarantee the payment of the obligations of the Société or of any of its subsidiaries and to authorize the Ministre des finances to advance to them the amounts necessary for the exercise of their powers.

The Ministre des richesses naturelles, with the approval of the Government, will have power to issue directives regarding the objectives and the orientation of the Société in carrying out the functions entrusted to it by the act.

DIVISION II

BOARD OF DIRECTORS

5. The affairs of the Société shall be administered by a board of directors having at least seven and at most eleven members.

These members are the directors of the Société within the meaning of the Companies Act, but they need not be stock-holders.

6. The members of the board of directors, including the chairman, may be elected for a term of over two years but not over five years; they shall not, however, in such a case, carry out their duties or be compensated except under the conditions of a contract binding them to the Société for their whole term of office. Such a contract is void unless ratified by the Government.

7. During a vacancy or while a member is unable to act, a person may be appointed for the interim by the Government, which shall fix his indemnities and allowances.

[[**8.** If the directors are elected to the board for two years or less, the Government shall fix the salary of the president as well as the indemnities and allowances to which the chairman and the other directors are entitled. Once fixed, the president's salary cannot be reduced.]]

9. The president of the Société, who may also be chairman of the board of directors, is responsible for the management and direction of the Société within the scope of its by-laws.

10. The board of directors shall adopt the general by-laws of the Société. These by-laws are subject to approval by the Government, and shall be published in the *Gazette officielle du Québec*.

DIVISION III

FINANCING

11. The authorized capital of the Société is \$250,000,000. It is divided into 250,000 shares of a par value of \$1,000 each.

12. The shares of the Société form part of the public domain and are allotted to the Ministre des finances.

[[**13.** The Ministre des finances is authorized to pay to the Société, out of the consolidated revenue fund, with the prior ap-

proval of the Government, an amount of \$250,000,000 for 250,000 fully paid-up shares of its capital stock, for which certificates shall be issued to him by the Société.

Such payment may be made in one or in several instalments; if it is made in several instalments, each of them must be approved as provided in the first paragraph.]]

14. Every order of the Government approving a payment contemplated in section 13 must be tabled without delay before the Assemblée nationale if it is in session or, if it is not, within fifteen days after the opening of the next session or after resumption, as the case may be.

[[**15.** The Government, on such conditions as it may determine, may

(a) guarantee the payment in principal and interest of any loan made by the Société or by any subsidiary in which it holds more than fifty per cent of the shares, and the payment of the amounts of money payable by the Société or by any such subsidiary pursuant to the inexecution of its contracts;

(b) authorize the Ministre des finances to advance to the Société or a subsidiary contemplated in subparagraph *a* any amount considered necessary for the exercise of the powers of the Société or of such subsidiary, at such rate of interest, for such time and on such other conditions as the Government may determine.

The amounts that the Government may be called on to pay under such guarantees or to advance to the Société or a subsidiary shall be taken out of the consolidated revenue fund.]]

DIVISION IV

SPECIAL POWERS AND CONDITIONS OF EXERCISE

16. The Société shall not, without the authorization of the Government, subject to the exceptions and conditions provided for by regulation of the Government,

(a) exercise its powers relating to the objects contemplated in the second paragraph of section 4;

(b) acquire undertakings pursuing the same or similar purposes or shares forming the joint-stock of any such undertakings;

(c) contract a loan that raises to more than \$1,000,000 the total of the sums borrowed by it and not yet reimbursed;

(d) dispose of a part or of the whole of its mining property.

Any regulation of the Government provided for in this section comes into force on the date of its publication in the *Gazette officielle du Québec*.

17. The dividends paid by the Société shall be fixed by the Government and not by the directors.

18. The Ministre des richesses naturelles, within the scope of the responsibilities and powers entrusted to him, may issue directives regarding the objectives and the orientation of the Société in carrying out the functions entrusted to it by the act.

Such directives must be submitted to the Government for approval. If they are so approved, they are binding on the Société and it must comply with them.

Any directive issued under this section must be tabled before the Assemblée nationale, if it is in session, within fifteen days of its approval by the Government. If the directive is issued while the Assemblée is not in session, or, if it is in session, between the time of adjournment and the date of resumption when such date is later than the twentieth day following the date of adjournment, the directive must be tabled before the Assemblée within fifteen days of the opening of the next session or, as the case may be, of resumption.

DIVISION V

ACCOUNTS AND REPORTS

19. The financial year of the Société terminates on the date fixed by government regulation, which shall be published in the *Gazette officielle du Québec*.

20. Each year, on the expiry of four months following the end of its financial year, the Société shall make a report of its activities for its preceding financial year to the Ministre des richesses naturelles.

This report must also contain any and all information the Minister may prescribe.

This report shall be tabled in the Assemblée nationale if it is sitting, or, if it is not, within thirty days after the opening of the next session or after resumption, as the case may be.

21. Every year, the Société must have its development plan and that of its subsidiaries approved by the Government.

The Government shall determine the form and tenor of the development plan, as well as the time at which it must be filed.

22. The books and accounts of the Société shall be audited annually, as well as every time the Government orders them audited, by such auditors as the Government may designate; the auditors' report must accompany the annual report of the Société.

23. Sections 155 to 158 of the Companies Act do not apply to the Société.

24. The Ministre des richesses naturelles is responsible for the application of this act.

25. This act shall come into force on the day of its sanction.