



NATIONAL ASSEMBLY

SECOND SESSION

THIRTY-THIRD LEGISLATURE

Bill 79

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

Introduction

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**Introduced by
Mr Pierre MacDonald
Minister of Industry, Commerce and Technology**

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EXPLANATORY NOTES

The object of this bill is to reduce the authorized capital stock of Sidbec to 800 million dollars and convert the deferred-dividend shares of Sidbec into an equal number of common shares of a par value of ten dollars each.

The bill provides that the shares of Sidbec are allotted to the Minister of Finance but the Government will designate a person to represent the Minister of Finance at meetings of the shareholders of the company.

This bill also provides that the advances of the Minister of Finance in the amount of 800 million dollars will serve to pay in full common shares of Sidbec. In addition, Sidbec is authorized to acquire shares of the capital stock of Sidbec-Dosco Inc. for an amount equal to the sums advanced by the Minister, plus accrued interest.

Finally, the bill provides that the Minister of Finance may acquire by subscription, common shares of the capital stock of Sidbec.

Bill 79

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

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

1. Sections 1 to 9 of the Act respecting the establishment of a steel complex by Sidbec (R.S.Q., chapter E-14) are replaced by the following sections:

“1. The authorized capital stock of Sidbec, a corporation incorporated under Part I of the Companies Act (R.S.Q., chapter C-38), shall be \$800 000 000, divided into 80 000 000 common shares of a par value of ten dollars each.

“2. The shares of the company shall be part of the public domain and are allotted to the Minister of Finance.”

2. Section 9.3 of the said Act is amended by replacing the first paragraph by the following paragraph:

“9.3 The Minister of Industry, Commerce and Technology may issue directives on the objectives and the orientation of the company in the exercise of the functions conferred on him by this Act.”

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

“11. The Government shall, on the recommendation of the Minister of Finance, designate a person to represent him, as a shareholder, at any meeting of the company.”

4. Section 12 of the said Act is replaced by the following section:

“12. In no case may the company, except with the authorization of the Government,

(a) contract any loan which brings the total of its outstanding loans to an amount greater than the amount determined by the Government;

(b) make financial commitments above the limits fixed by regulation of the Government;

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

(d) with a view to the establishment of a steel complex, purchase or erect a plant or purchase shares or stocks in an enterprise."

5. Section 14 of the said Act is amended by striking out the words " , for a term not exceeding two years in each case, " in the first and second lines of subparagraph *b*.

[[**6.** The said Act is amended by inserting, after section 14, the following section:

"14.1 The Minister of Finance may, with the authorization of the Government, subscribe any number of common shares of a par value of ten dollars each of the capital stock of the company.

The sums required for the payment of the shares subscribed by the Minister of Finance shall be taken out of the consolidated revenue fund."]]

7. Section 16 of the said Act is replaced by the following section:

"16. The thirty-five issued and fully paid deferred-dividend shares are converted into thirty-five common shares of a par value of ten dollars each."

8. The said Act is amended by inserting, after section 17, the following section:

"17.1 The Minister of Industry, Commerce and Technology is responsible for the administration of this Act."

9. The 56 433 400 deferred-dividend shares of a par value of ten dollars each are converted into 56 433 400 issued and fully-paid common shares of a par value of ten dollars each.

10. The sums that the Minister of Finance advances to Sidbec until 31 December 1988 and the capital interest generated thereby shall be applied to the payment in full of the common shares allotted to the Minister of Finance at the price of ten dollars each.

11. The company is authorized to acquire shares from the capital stock of Sidbec-Dosco Inc. at an overall price corresponding to the amount of the advances and accrued interest referred to in section 10.

12. This Act comes into force on 31 December 1988.