



CHAPTER 71.

An Act to Incorporate the Comox and Cape Scott Railway Company.

[May 11th, 1901.]

WHEREAS a petition has been presented praying for the incorporation of a company to construct and operate railways as hereinafter set forth, and it is expedient to grant the prayer of their petition: Preamble.

Therefore, His Majesty, by and with the advice and consent of the Legislative Assembly of the Province of British Columbia, enacts as follows:—

1. James Dunsmuir, James Albert Lindsay, Leonard Hollis Solly, and Henry Kendell Prior, all of the City of Victoria, in the Province of British Columbia, together with such persons as become shareholders in the Company hereby incorporated, are hereby constituted a body corporate under the name of “The Comox and Cape Scott Railway Company,” hereinafter called “the Company.” Incorporation.

2. The head office of the Company shall be in the City of Victoria, in the Province of British Columbia, but may be changed to such other place in Canada as is fixed by by-law passed at an annual general meeting or at any special meeting. Head office.

3. The Company may lay out, construct and operate a railway of the gauge of four feet eight and one-half inches from a point in Wellington District; thence northerly to a point in Comox District, Vancouver Island, situate on or near the 50th parallel of latitude, on or near to the east coast of Vancouver Island; thence northerly through Sayward and Rupert Districts to Cape Scott, Vancouver Island, or to some other point at or near to the north end of Vancouver Island, with power to construct, operate and maintain branch Line of railway.

lines to the coast on either side of Vancouver Island, and to other points not exceeding twenty miles from the main line.

Powers.

4. The Company may, for the purposes of its business, and in connection with its railway and branches—

- (a.) Build, equip, own and maintain steam and other vessels and boats, and operate the same between ports in British Columbia and on the lakes and navigable rivers in Comox, Rupert and Sayward Districts, and carry and convey passengers and freight and charge and collect tolls therefor and carry on a general transportation and express business, and may dispose of such vessels :
- (b.) Construct, acquire and maintain wharves, docks, elevators, warehouses and coal bunkers on the line of the said railway and branches, and in connection with the operations of the Company, and may collect wharfage and storage charges for the use thereof :
- (c.) Acquire, provide and utilize water and steam power for the purpose of generating electricity, and may also sell or otherwise dispose of surplus electricity not required for its undertaking :
- (d.) Subject to such regulations as are imposed by the Lieutenant-Governor in Council, acquire and dispose of lands and buildings and other erections and plant for the purpose of supplying water for the use of its works, railways and branches :
- (e.) Acquire by lease, purchase or otherwise, any rights in letters patent, franchise or patent rights for the purposes of the works hereby authorised, and dispose of such rights.

Capital stock.

5. The capital stock of the Company shall be six million dollars, divided into sixty thousand shares of one hundred dollars each, and may be called up by the Directors from time to time as they deem necessary, but no one call shall exceed ten per cent. on the shares subscribed.

First general meeting.

6. So soon as one hundred thousand dollars of the capital stock shall have been subscribed and allotted, and ten per cent. of the amount shall have been paid into some chartered bank in Canada, the Provisional Directors shall call a meeting of the shareholders of the Company at the place where the head office is situate, at such time as they shall think proper, giving the notice prescribed by section 7 of this Act, at which meeting the shareholders who have paid ten per cent. on the amount of stock subscribed by them shall, from the shareholders possessing the qualifications hereinafter mentioned, elect five Directors (of whom three shall form a quorum for the transaction of business), who shall hold office until others are elected.

7. At least thirty days' public notice of the first meeting of the shareholders of the Company shall be given by advertisement published in the British Columbia Gazette, and at least for thirty days in one newspaper published in the place where the head office is situate, and by a twenty days' notice in writing to each shareholder, delivered to him personally or mailed properly directed to him at his last known place of abode, in which notice shall be specified the place and the day and the hour of meeting. All such notices shall be published at least weekly, and a copy of such Gazette and newspaper containing such notice shall, on production thereof, be evidence of the sufficiency of such notice. Notice of first general meeting.

8. The first annual general meeting of the Company shall be held at such time as the Directors of the Company may determine, and all subsequent annual general meetings shall be held at such time as may be prescribed by the Company in general meeting; and if no other time is prescribed, the annual general meeting shall be held on the first Wednesday of September in each year, at which annual general meetings a Board of five Directors (of whom three shall form a quorum for the transaction of business) for the management of the Company's affairs, shall be elected. Annual general meetings.

9. The persons named in the first section of this Act shall be and are hereby constituted Provisional Directors of the Company, of whom three shall form a quorum for the transaction of business, and they shall hold office until the first election of Directors under this Act. Provisional Directors.

10. The Company may issue bonds, debentures or other securities to the extent of thirty-five thousand dollars per mile of the railway and branches, and such bonds, debentures or other securities may be issued only in proportion to the length of railway constructed or under contract to be constructed: Provided, however, that no such bonds, debentures or other securities shall be issued unless the Directors have been authorised so to do by a resolution passed by a two-thirds majority at any general or special meeting for that purpose among others called, at which meeting shareholders representing at least two-thirds in value of the subscribed stock of the Company are present or are represented by proxy. Bonding powers. Proviso.

11. The Company shall have power to promote any other company or incorporation or association of persons for any purposes which may seem directly or indirectly calculated to benefit the Company, and for that purpose to obtain any Act of Parliament which may seem expedient, and to oppose any proceedings or applications which may seem calculated, directly or indirectly, to prejudice the Company's interests. Power to promote other companies.

Pledges of stock,
etc.

12. The Company may, from time to time, for advances of money, pledge any stock, debentures or bonds which under the powers of this Act can be issued for the construction of the railway, or other purposes of the Company hereby authorised.

Stone, timber, etc.,
required for con-
struction.

13. It shall be lawful for the Company, with the consent of the Chief Commissioner of Lands and Works, to take from any public lands adjacent to or near the line of the said railway, its branches or extensions, all stone, timber or gravel and other material which may be necessary or useful for the construction of the railway, and also to fill in upon any public lands.

Collection of charges
on goods.

14. The said Company shall have power to collect and receive all charges subject to which goods or commodities may come into their possession, and on payment of such charges, and without any formal transfer, shall have the same lien for the amount thereof upon such goods and commodities as the person to whom such charges were originally due, and shall be subrogated by such payment in all the rights and remedies of such persons for such charges.

"B. C. Railway
Act" to apply.

15. The clauses or sections of the "British Columbia Railway Act," and all future amendments thereto, shall apply to this Company in the same manner and to the extent as if the same had been set forth clause by clause in this Act.

Deposit to secure
expenditure.

16. The Company shall, within six months after the coming into force of this Act, deposit with the Minister of Finance and Agriculture the sum of five thousand dollars, either in cash or securities approved by said Minister, as security that the Company will expend not less than ten thousand dollars in surveys or construction of the railway hereby authorised to be built, before the first day of October, 1902, and in default of such expenditure the aforesaid deposit of money or securities shall be forfeited to and become the property of the Government; and should such security not be deposited as aforesaid, all the rights and privileges conferred by this Act shall be null and void.

Future legislation
to apply.

17. Any Act hereafter passed for the purpose of controlling, regulating or affecting railway companies incorporated by the Legislature of British Columbia with regard to any matter or thing shall apply to the Company from the time such Act goes into effect, and this section shall not be construed to imply that such Act would not apply to the Company without the enactment of this section.

Power to receive
subsidies.

18. The Company may, from time to time, receive by grant from any government or person as aid in the construction of the railway, vessels and works provided for in this Act, any real or personal property, sum of money, debentures or subsidies, either as gifts by way of bonus, or guarantees, or in payment or as subventions for

services, and may dispose of the same, and may alienate such property as is not required for the undertaking of the Company.

19. The Company may enter into any agreement or agreements for conveying or leasing to any other railway, steamship, transportation, telegraph or telephone company, in whole or in part, the lines of railway or branches, telegraph or telephone lines, which the Company by this Act is empowered to construct and operate, or for an amalgamation with any other such company if lawfully empowered to enter into such agreement, or for forming any traffic or other arrangements with any railway or steamboat or transportation company, the whole upon such terms and conditions as may be agreed upon by the contracting parties: Provided that each such agreement has been first sanctioned by two-thirds of the votes at a special general meeting of the shareholders duly called for the purpose of considering the same, at which meeting shareholders representing at least two-thirds in value of the stock are present in person or represented by proxy; and provided also that each such agreement shall be assented to by the Lieutenant-Governor in Council.

Company may enter into agreements.

(1.) Such assent shall not be signified until after notice of the proposed application therefor has been published for thirty days in the Provincial Gazette, and also in one newspaper circulating in the district in which the railway of the Company runs.

(2.) A duplicate of each agreement referred to in this section shall within thirty days after its execution be filed in the office of the Provincial Secretary, and notice thereof shall be given by the Company in the Provincial Gazette, and the production of the Provincial Gazette containing such notice shall be *prima facie* evidence of the requirements of this Act having been complied with.

20. No Director shall be disqualified from holding office by reason of or on account of his being concerned directly or indirectly in any other company, association or partnership, or in any contracts with the Company, or on account of his receiving any pay or remuneration from the Company as Director or otherwise.

Directors not disqualified by holding office.

21. No aliens shall be employed on the railway during construction unless it is demonstrated to the satisfaction of the Lieutenant-Governor in Council that the work cannot be proceeded with without the employment of such aliens.

As to employment of aliens.

22. This Act shall not come into force or effect until such time as the Company shall give security to the satisfaction of the Lieutenant-Governor in Council—

When Act takes effect.

(1.) That the Lieutenant-Governor in Council shall have the right from time to time to fix maximum rates for freight and pas-

senger traffic, and the Company shall not charge rates higher than those so fixed :

- (2.) That in the event of Dominion legislation bringing this Railway Company under the exclusive jurisdiction of the Parliament of Canada, the foregoing conditions shall be carried out by the Company so incorporated, as a contract and obligation of said Company prior to any other charge thereon.

Short title.

23. This Act may be cited as the “Comox and Cape Scott Railway Act, 1901.”

VICTORIA, B. C. :

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