



CHAPTER 54.

An Act to Incorporate the Kitimaat Railway Company, Limited.

[May 20th, 1898]

WHEREAS a petition has been presented, praying for the passage Preamble.
of an Act to incorporate a company to construct and operate a railway from a point at or near Kitimaat Inlet, Douglas Channel, thence to a point at or near Germansen Creek, Omineca, and to a point at or near Telegraph Creek, Stickine River, and branch lines in connection therewith, as hereinafter specified, with all necessary and proper powers, rights, and privileges incidental thereto :

And whereas it is expedient to grant the prayer of the said petition :

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

1. Edward George Villiers Stanley, Lord Stanley; Lord Charles Incorporation.
Montagu; H. Maitland Kersey; Alexander John Campbell; and William Edgar Oliver, together with such other persons and corporations as shall hereafter, in pursuance of this Act, become shareholders of the Company hereby incorporated, are hereby constituted a body corporate and politic, under the name of the “Kitimaat Railway Company, Limited” (hereinafter called the “Company”), or such other name as the Lieutenant-Governor in Council, with the consent of the Company, may approve of.

2. The capital stock of the Company shall be one million dollars, Capitalization.
divided into two hundred thousand shares of five dollars each, which shall be applied first to the payment of all costs and expenses incurred in the passing of this Act, and the remainder for the purposes of the Company’s undertaking; but the capital stock of the Company may be increased from time to time to any amount if such increase be

sanctioned by a vote, in person or by proxy, of shareholders representing not less than two-thirds in value of the subscribed capital of the Company, such sanction to be given at a meeting called expressly by the Directors for that purpose by a notice published in the British Columbia Gazette for thirty days, and a notice in writing to each shareholder, delivered to him personally or properly addressed to him at his last known place of abode and deposited in the post office at least thirty days previously to such meeting, stating the time and place and object of such meeting, and the amount of the proposed increase; and the proceedings of such meeting shall be entered in the minutes of the proceedings of the Company, and thereupon the capital stock may be increased to the amount sanctioned by such vote.

Shares.

3. The shares in the Company shall be transferable in such manner and upon such conditions and subject to such restrictions as the by-laws of the Company may provide, and if no such by-laws or regulations are provided, then in manner prescribed by the "British Columbia Railway Act," and such shares may be granted and issued as paid-up shares for value received or services rendered to the Company by engineers, contractors, and other persons or corporations who have been or are engaged in promoting the undertaking, or for any other purposes in connection with the interests of the Company, and such shares shall be fully paid up and unassessable thereafter for any purpose.

Head office.

4. The head office of the Company shall be at the City of Victoria, or at such other place in the Province of British Columbia as the Company may from time to time appoint.

First meeting and election of Directors.

5. So soon as two hundred and fifty 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 6 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.

Publication of notices.

6. 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 notice in writing to each shareholder, delivered to him personally or 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.

7. 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, and shall have power to open stock books and procure subscriptions of stock for the undertaking, and to allot the stock and to receive payments on account of stock subscribed, and to make calls upon subscribers in respect to their stock, and to sue for and recover the same, and to cause plans and surveys to be made, and to receive for the Company any grant, loan, bonus, or gift made to it, and to enter into any agreement respecting the conditions or disposition of any gifts or bonus in aid of the railway, and with all such powers as under the "British Columbia Railway Act" are vested in ordinary Directors to be elected as hereinafter mentioned, may, in their discretion, exclude anyone from subscribing for stock who, in their judgment, would hinder, delay, or prevent the Company from proceeding with and completing their undertaking under the provisions of this Act; and if at any time a portion or more than the whole stock shall have been subscribed, the said Provisional Directors or Board of Directors shall allocate and apportion it among the subscribers as they shall deem most advantageous and conducive to the furtherance of the undertaking, and in such allocation the said Directors may, in their discretion, exclude any one or more of the said subscribers.

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 third Wednesday of October 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.

9. It shall be lawful for the Company from time to time to make such by-laws as they may think fit for the purpose of regulating the conduct of the officers and servants of the Company, the remuneration of Directors, and for providing for the due management of the affairs of the Company in all respects whatsoever, and from time to time alter and repeal any such by-laws and make others: Provided such by-laws be not repugnant to the provisions of this Act or of the "British Columbia Railway Act."

Acquisition, etc., of land. **10** The Company may purchase, hold, receive, or acquire land or other property, and also alienate, sell, or dispose of the same.

Borrowing power. **11.** The Company shall be entitled to borrow money on mortgage and bond, or either.

12. The Company shall have (in addition to the powers conferred by the "British Columbia Railway Act") the following powers, viz.:—

Telegraph and telephone lines. (a.) To construct and operate telegraph and telephone lines for the purposes of its undertaking, and the Company may construct, or acquire by purchase, lease, or otherwise, any other line or lines of telegraph connecting with the line so to be constructed along the line of said railway. No Act of this Legislature requiring the Company, in case efficient means are devised for carrying telegraph, telephone, or electric wires underground, to adopt such means, and abrogating the right given by this Act to continue carrying lines on poles, shall be deemed an infringement of the privileges granted by this Act :

Wharves, etc. (b.) To construct wharves, docks, elevators, dockyards, slips and piers, warehouses, station-houses, offices, and such other buildings as may be found requisite in carrying on the business of the Company :

Vessels. (c.) To build, acquire, own, charter, equip, and maintain steam or other vessels for the purpose of carrying cars, freight, and passengers, or for such other purposes as the Company may determine.

Directors, qualification of, etc. **13.** No person shall be eligible as a Director of the Company unless he is the owner and holder of at least twenty-five shares in the capital stock of the Company, and qualified to vote for Directors at the election at which he is chosen, but no Director shall be disqualified from being elected or holding office by reason of his being connected directly or indirectly with any other company, or on account of his receiving any pay or remuneration for attending to the affairs of the Company in any capacity.

Proxy. **14.** Directors may vote and act by proxy, such proxy to be held by a Director only, and no meeting of Directors shall be competent to transact business unless two Directors are present thereat in person and the remaining number of Directors required to form a quorum are represented by proxy.

Bonds. **15.** The Directors of the Company, by authority of the shareholders to them given by resolution 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, may issue bonds

under the seal of the Company for any sum not exceeding twenty-five thousand dollars per mile of railway, signed by the President or other presiding officer and countersigned by the Secretary or Treasurer, and such bonds may be payable at such time and in such manner, and at such place or places in Canada or elsewhere, and shall bear such rate of interest, not exceeding eight per cent. per annum, as the Directors may think proper; and the Directors shall have power to issue and sell all or any part of the said bonds at the best price and upon the best terms and conditions which at the time they are able to obtain for the purpose of raising money for prosecuting the said undertaking.

16. The Company may from time to time, for advances of money, Pledging of stock, etc. 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.

17. No calls shall be made at any one time for more than twenty Calls. per cent. of the whole amount of subscribed stock, nor shall a greater amount than fifty per cent. of the amount subscribed be called up in one year.

18. The Company may lay out, construct, equip, maintain and Construction, route, etc. operate a line of railway of standard or narrow gauge, as the Company may determine, from a point at or near the head of steamboat navigation on Kitimaat Inlet, Douglas Channel, by the most feasible route along the Kitimaat Valley to a point at or near Kitselass Canyon on the Skeena River, thence by the most feasible route to a point at or near Germansen Creek, Omineca, and from a point on the Skeena River at or west of Hazelton to a point at or near Telegraph Creek, on the Stickine River, with power to construct, equip, maintain and operate branch lines from any point or points on the said line of railway to any point or points distant in a direct line not more than twenty miles from the said line of railway, and the said line of railway, with its branches and extensions, shall constitute the line of railway herein called the "Kitimaat Railway."

19. The Company may undertake to transmit for profit any mes- Transmission of messages. sages for the public by any of its line or lines of telegraph or telephone, or any portion thereof.

20. It shall be lawful for the Company, with the consent of the Taking of timber, stone, etc. 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 public lands.

Traffic and other arrangements.

21. The Company may make traffic or other arrangements with any other railroad, steamboat or navigation company or companies whose line of railway or undertaking communicates with or is contiguous to that of the Company, and which may be of mutual benefit to each other, and may enter into an agreement with such other company or companies for conveying or leasing to such company the line of railway of the Company hereby incorporated, in whole or in part, or any rights or powers acquired hereunder, and any assets of the Company, or for amalgamating with such company, upon any such terms and conditions as may be agreed upon.

Deposit of security with Government.

22. The Company shall, within six months after the passage of this Act, deposit with the Provincial Government the sum of five thousand dollars, either in cash or approved bonds, 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 30th June, 1899; and shall commence construction of the main line of the said railway within two years from the date hereof, and complete the same within five years from the date hereof; but failure to complete any portion of the said railway within the time limited in this section shall not prejudice the rights and privileges of the Company in respect of so much of the said railway as is constructed within the time hereinbefore limited. In default of such expenditure, the aforesaid sum of five thousand dollars shall be forfeited to and become the property of the Government, as liquidated and ascertained damages, and not as a penalty; and should such security not be deposited with the Government within the aforesaid time, all the rights and privileges conferred by this Act shall be null and void.

Power to collect charges.

23. 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 back 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.

Application of "B.C. Railway Act."

24. The clauses or sections of the "British Columbia Railway Act" shall, in so far as the Legislature of the Province has power to enact same, 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, save and except that in case of any conflict, inconsistency or repugnancy between the clauses of this Act and the clauses or sections of the said "Railway Act" so made a part of this Act, the clauses of this Act shall prevail and override any clauses or sections of the "Railway Act" so incorporated herewith to the extent of such conflict, inconsistency or repugnancy.

25. No Chinese or Japanese person shall be employed in the construction of the undertaking hereby authorised, under a penalty of five dollars per day for each and every Chinese or Japanese person employed in contravention of this section, to be recovered upon complaint of any person under the provisions of the “Summary Convictions Act.” Chinese and Japanese.

26. This Act may be cited as the “Kitimaat Railway Act, 1898.” Short title

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