



CHAPTER 68.

An Act to Incorporate the Chilkat and Klehini
Railway and Navigation Company.

[May 11th, 1901.]

WHEREAS a petition has been presented praying for the incor- Preamble.
poration of a company to construct and operate a railway,
telegraph and telephone lines, electric power and light supply, and for
navigation purposes, and for carrying on a general transportation
business, with power to collect tolls as hereinafter set forth, and with
all necessary and proper powers, rights and privileges incidental
thereto, and it is expedient to grant the prayer of their petition:

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

1. John Irving and Harold B. Robertson, together with such other Incorporation.
persons as shall hereafter in pursuance of this Act become shareholders
in the Company hereby incorporated, are hereby constituted a body
corporate and politic under the name of the “Chilkat and Klehini
Railway and Navigation Company” (hereinafter called “the Company,”
which expression shall be deemed to include and comprehend the suc-
cessors and assigns of the said Company), or such other name as the
Lieutenant-Governor in Council, upon request of the Company, may
approve of.

2. The head office of the Company shall be in the City of Victoria, Head office.
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.

Line of railway.

3. The Company may lay out, construct, equip, operate by steam, electricity or any other kind of motive power, and maintain a single or double track standard or narrow gauge railway for the purpose of conveying passengers and freight, including all kinds of merchandise, beginning from a point at or near the junction of the Chilkat and Klehini Rivers; thence westerly along the Klehini River, and northerly in the general direction of the Dalton Trail, to some point not less than five miles from the Provincial Boundary in the District of Cassiar, in the Province of British Columbia; and may build and operate tramways in connection therewith; and shall have power to construct, equip, maintain and operate branch lines in connection with the said railway, not exceeding twenty miles in length, to be operated by any kind of motive power; and shall have power to construct, equip, maintain and operate all necessary roads, bridges, ways, ferries, steamboats, wharves, docks, elevators, warehouses and coal bunkers, and shall have power to build, own, equip, operate and maintain telegraph and telephone lines in connection with the said railway or its branches, and to construct, equip, operate and maintain branch lines in connection with the said telegraph and telephone lines; and shall have power to carry on a general transportation business, and to build and operate all kinds of plant for the purpose of supplying light, heat, electricity or any kind of motive power; and to build and own sawmills, and to acquire lands, bonuses, privileges, or other aids from any government, municipalities, persons, or other bodies corporate; and to levy and collect tolls from all parties using, and on all freight passing over any of such railways, tramways, ferries, wharves and vessels owned or operated by the Company; and with all other usual, necessary, or incidental rights, powers or privileges as may be necessary, or incidental, or conducive to the attainment of the above objects or any of them.

Capital stock.

4. The capital stock of the Company shall be one million dollars, divided into ten thousand shares of one hundred dollars each, and may be called up by the Directors from time to time as they deem necessary.

5. Such shares, or any part thereof, may be granted and issued as paid-up shares by the Company, either in money at par, or at such price and upon such conditions as the Directors may fix, or as part or all of the consideration for any contract or services rendered by or on behalf of or for the benefit of the Company. The said capital stock shall be applied first to the payment of all costs and expenses incurred in the passing of this Act and the remainder for the Company's undertakings.

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 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. 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, with power to add to their number, of whom two 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 gift 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, Provisional Directors.

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 the Board of Directors shall allocate and apportion 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 subscribers.

Disqualification of Directors.

10. No Director shall be disqualified from holding office by reason of or on account of his being concerned, directly or indirectly, as partner or shareholder in any other Company or Association having any contract with the Company, or on account of his receiving any pay or remuneration from the Company.

Failure to elect Directors.

11. No failure to elect Directors or to hold the first or any annual meeting shall operate as a dissolution of the Company, but anything omitted to be done may afterwards be performed at a meeting called in conformity with the by-laws, specially for the purpose.

Bonding powers.

12. 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.

Proviso.

Power to promote other companies.

13. 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.

Pledges of stock, etc.

14. 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.

15. 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.

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

16. 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.

Collection of charges
on goods.

17. The Company may receive, take and hold, enjoy, sell, lease or otherwise dispose of, either conditionally or absolutely, or for any limited estate or interest therein, from any Government, person, corporation, municipal or otherwise, any land, bonus, or interest guarantees, exemption from taxes or other impost, or any or all of the same, and generally any benefit or advantage to the Company, or in aid of the same, of any nature or kind whatsoever; and the generality of the latter part of this clause is not to be held to be restricted by the specific mention of the foregoing ways and means.

Bonuses.

18. The Company may purchase, build, charter or otherwise acquire, maintain, sell and dispose of, navigate and work steamers, barges, ferries, and other vessels in connection with the said undertaking on any navigable waters in the Province of British Columbia.

Steamers.

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

Telegraph and tele-
phone.

20. The Company may carry on a general express business for reward, and generally do all things necessary for, or incidental to the carrying on of such business.

Express.

21. 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 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

Company may enter
into agreements.

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.

(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.

Calls.

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

Power company.

23. The Company shall be deemed to be a "Power Company" within the meaning of Part IV. of the "Water Clauses Consolidation Act, 1897," incorporated for the purposes mentioned in sections 80, 81, 82 and 83 in the said Act, and shall have all the rights and privileges granted to such "Power Company" thereunder, and be subject to the restriction placed on the same where not inconsistent with this Act, but only when and so long as the Company shall exercise such powers, rights and privileges thereunder.

"B. C. Railway Act" to apply.

24. 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 of \$10,000 on construction before 1st October, 1903.

25. 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 twenty thousand dollars in surveys or construction of the railway hereby authorised to be built, before the first day of October, 1903, 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.

26. The provisions of the "Companies Clauses Consolidation Act, 1897," shall apply to the Company and to the undertaking authorised hereby, save so far as they are expressly varied or excepted by this Act, or as any of such provisions are repugnant to or inconsistent with the provisions of this Act or the said "British Columbia Railway Act," as incorporated into this Act, in which case the provisions of this Act or of the said Railway Act as so incorporated herein, as the case may be, shall to the extent of such repugnancy or inconsistency govern.

27. 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.

28. 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—

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

29. This Act may be cited as the "Chilkat and Klehini Railway and Navigation Company Act, 1901."