

The Saskatchewan Loans Act

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Chapter 27 of *The Revised Statutes of Saskatchewan, 1920*
(assented to November 10, 1920).

FOR HISTORICAL REFERENCE ONLY

NOTE:

This consolidation is not official. Amendments have been incorporated for convenience of reference and the original statutes and regulations should be consulted for all purposes of interpretation and application of the law. In order to preserve the integrity of the original statutes and regulations, errors that may have appeared are reproduced in this consolidation.

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CHAPTER 27

An Act respecting the Raising of Loans authorised by the Legislature.

Short title

1 This Act may be cited as *The Saskatchewan Loans Act*.

1919-20, c.3, s.1; R.S.S. 1920, c.27, s.1.

Objects of loans

2 The Lieutenant Governor in Council may authorise the Provincial Treasurer to raise by way of loan upon the credit of the province such sums of money, for capital expenditure upon all or any of the following objects, as may be deemed expedient and as may be from time to time appropriated by the Legislature, namely:

- (a) public works, including the purchase or construction of public buildings, permanent improvements thereof, their furnishing and equipment, and the acquisition of lands;
- (b) public improvements, including the construction and improvement of public highways under *The Highways Act*;
- (c) the construction and extension of telephone systems and telegraph systems;
- (d) purchase of drainage district debentures and advances for the execution of work of any description under *The Drainage Act*;
- (e) agricultural, industrial and commercial undertakings, and advances for such undertakings;
- (f) any purpose for which authority to raise money by way of loan is given by an Act of the Legislature;

and, if considered expedient, such sums may be borrowed in advance of the fiscal year for which the appropriation has been made.

1919-20, c.3, s.2; R.S.S. 1920, c.27, s.2.

Manner of raising money

3(1) The Lieutenant Governor in Council may authorise the Provincial Treasurer to raise money by way of loan upon the credit of the province, in such manner and at such times as may be deemed expedient, by the issue and sale of securities of one or more of the classes hereinafter specified, in such amounts as will realise the net sum authorised or required for any or all of the following purposes:

- (a) capital expenditure appropriated by the Legislature for any of the purposes mentioned in section 2;
- (b) any object or purpose authorised by any Act where the authority to borrow the amount required is not subject to appropriation by the Legislature;
- (c) payment of the principal or interest of any loan or of any bonds, debentures or other securities, guaranteed by the Province of Saskatchewan;
- (d) repayment, renewal or refunding, from time to time, of the whole or any part of any loan made or securities issued under the provisions of this or any other Act notwithstanding that the issue of securities for such purpose may have the effect of increasing the amount of the public debt.

(2) A recital or declaration in the order of the Lieutenant Governor in Council authorising the issue and sale of securities to the effect that the amount of the securities so authorised is necessary to realise the net sum authorised or required to be raised by way of loan shall be conclusive evidence of that fact.

1919-20, c.3, s.3; R.S.S. 1920, c.27, s.3.

Forms of securities

4 The securities referred to in section 3 are as follows:

(a) Saskatchewan Government stock, bearing such rate of interest not exceeding 6 per cent. per annum as may be deemed expedient, payable half-yearly, principal and interest to be made payable at such times and places as the Lieutenant Governor in Council may direct, and to be charged upon and paid out of the consolidated fund, the stock to be subject to these conditions:

(i) the stock may be redeemed at any time at the option of the Lieutenant Governor in Council provided six months' previous notice has been given by registered letter to the registered holder of the stock at his address as it appears on the register;

(ii) the stock shall be subject to such regulations as to the inscription, registration, transfer, management and redemption thereof as the Lieutenant Governor in Council may prescribe;

(iii) the Lieutenant Governor in Council may direct that the whole or any part of the stock be inscribed and transferred in a register kept in Canada, in the United Kingdom or in any foreign country at such places and by such banks, officers or persons as he may appoint;

(b) bonds or debentures of the province of Saskatchewan which shall be in such form and for such separate sums, and shall bear such rates of interest as the Lieutenant Governor in Council may direct; principal and interest to be payable at such times and places as he may approve, and to be chargeable upon and payable out of the consolidated fund; the said bonds or debentures to be subject to such regulations with respect to their inscription, registration, transfer, management and redemption as the Lieutenant Governor in Council may prescribe;

(c) treasury bills in such sums and for such rate of interest or discount as may be deemed expedient, principal and interest to be payable at such times and places as the Lieutenant Governor in Council may direct, and to be chargeable upon and payable out of the consolidated fund;

(d) temporary loans by way of a line of credit to be obtained under agreement from any chartered bank or from any person, corporation or government, in such sums, upon such terms, for such periods and upon such conditions as may be approved by the Lieutenant Governor in Council.

1919-20, c.3, s.4; R.S.S. 1920, c.27, s.4.

Hypothecation

5(1) Pending the sale of any securities or in lieu of selling or disposing of the same, the Lieutenant Governor in Council may authorise the Provincial Treasurer to raise by way of loan on such securities such sums of money, in such manner and on such terms and conditions as may be deemed expedient, and to deposit, hypothecate or charge such securities as additional security for any such loan, and to give as security for any such loan securities in any form authorised by section 4, and to enter into any agreement for the purpose of carrying out the terms and conditions of such loan as may be deemed expedient.

(2) When securities issued under this or any other Act have been pledged as security for a loan and the loan has been paid off and the pledge redeemed, the securities shall not be deemed to have been extinguished, but shall be deemed to be still alive and may be reissued and sold or pledged as if the former pledging had not taken place.

(3) The Provincial Treasurer shall make an annual report to be incorporated with the public accounts and which shall include a statement of the facts in connection with the hypothecation of provincial securities during the fiscal year.

1919-20, c.3, s.5; R.S.S. 1920, c.27, s.5.

Lieutenant Governor in Council makes regulations

6 The Lieutenant Governor in Council may:

- (a) make regulations for the issue and sale of securities of the province, the management of the public debt and the payment of principal and interest thereon in the currency of any country;
- (b) provide for the creation and management of sinking funds or other means of securing repayment of loans raised by authority of the Legislature;
- (c) appoint one or more fiscal agents in the city of London, England, or elsewhere, and arrange the rate of compensation to be allowed them for negotiating loans and paying the interest of the debt;
- (d) pay the sums necessary to provide the sinking fund or other means of repayment, and such compensation, out of the consolidated fund; and
- (e) provide for the manner of executing provincial securities and that the signature of the Provincial Treasurer upon provincial securities and the coupons attached thereto may be lithographed or engraved, the securities being in such case countersigned by the Deputy Provincial Treasurer or such other official of the treasury department as may be appointed for the purpose, and may also provide that any securities shall be countersigned for identification by any bank, corporation or firm designated for the purpose.

1919-20, c.3, s.6; R.S.S. 1920, c.27, s.6.

Protection of certain persons

7 No person employed in the inscription, registration, transfer, management or redemption of any of the aforesaid securities, or in payment of any dividend or interest thereon, shall be bound to see to the execution of any trust expressed or implied to which such securities are subject or shall be liable in any way for anything by him done in accordance with the regulations.

1919-20, c.3, s.7; R.S.S. 1920, c.27, s.7.

Proceeds go to consolidated fund

8 All money raised by the issue and sale of any of the aforesaid securities shall be paid to the Provincial Treasurer and shall form part of the consolidated fund.

1919-20, c.3, s.8; R.S.S. 1920, c.27, s.8.

Securities free from taxes

9 Securities issued under the authority of this Act and the interest thereon shall be free from provincial taxes, succession duties, charges and impositions; and moneys invested in Province of Saskatchewan securities and the interest thereon, shall be exempt from municipal and school taxation.

1919-20, c.3, s.9; R.S.S. 1920, c.27, s.9.

Recording stock

10(1) The Lieutenant Governor in Council may under the Great Seal authorise any person to make any declaration and take any steps necessary to record Saskatchewan Government stock or any portion thereof under and in accordance with the provisions of the Imperial Acts known as the *Colonial Stock Acts, 1877 to 1900*, or any amendments thereto.

(2) The Provincial Treasurer may, out of the consolidated fund, pay, satisfy and discharge any judgment, decree, rule or order of a court in the United Kingdom which, under the provisions of section 20 of *The Colonial Stock Act, 1877*, or any amendment thereto, is binding upon the registrar of Saskatchewan Government stock in England, and with which he is required to comply.

1919-20, c.3, s.10; R.S.S. 1920, c.27, s.10.

Powers of Lieutenant Governor in Council

11 The Lieutenant Governor in Council may do or cause to be done all things which may be required by any stock exchange with reference to the securities referred to in this Act and to their issue, in connection with any quotation or listing of such securities upon such stock exchange.

1919-20, c.3, s.11; R.S.S. 1920, c.27, s.11.

Lieutenant Governor in Council may change form of debt

12(1) The Lieutenant Governor in Council may change the form of any part of the debt of Saskatchewan by substituting one class of security for another, but, except where a security bearing a lower rate of interest is substituted for one bearing a higher, no such substitution shall be made if the effect is to increase either the principal or the interest of the debt.

(2) Where a security bearing a lower rate of interest is substituted for one bearing a higher rate of interest, the amount of the debt represented thereby may be increased by a sum not exceeding the difference between the values of the respective securities at the date of substitution.

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(3) No substitution of securities shall be made unless the consent of the holder of the security for which another is substituted is obtained, or such security is previously purchased or redeemed by or on account of Saskatchewan; and such substitution may be made by the sale of a security of one class and the purchase of that for which it is desired to substitute it.

(4) Nothing herein contained shall be taken to in any way affect or limit the provisions of section 3.

1919-20, c.3, s.12; R.S.S. 1920, c.27, s.12.

Application of Act

13 This Act shall apply to all loans heretofore or hereafter authorised under any Act of the Legislature:

Provided that nothing in this Act shall impair or prejudicially affect the rights of the holders of any securities heretofore issued.

1919-20, c.3, s.13; R.S.S. 1920, c.27, s.13.

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