

UNEDITED

The Saskatchewan Loans Act

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Chapter 54 of *The Revised Statutes of Saskatchewan, 1953*
(effective February 1, 1954).

FOR HISTORICAL REFERENCE ONLY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 54

An Act respecting the Raising of Loans authorized by the Legislature

Short title

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

R.S.S. 1953, c.54, s.1.

Objects of loans

2(1) The Lieutenant Governor in Council may authorize the Provincial Treasurer to raise by way of loan upon the credit of the province as provided in section 3 such sums of money as may be deemed expedient and as may be from time to time appropriated by the Legislature for capital expenditure upon or for any object or purpose, including, but without limiting the generality of the foregoing, the following objects and purposes:

- (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 and Transportation Act*;
- (c) 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, commercial, financial and public utility enterprises and undertakings including enterprises and undertakings operated on behalf of the Crown by any department of government, board, commission, office or Crown corporation, and advances to or for the benefit of any such enterprises and undertakings;
- (f) works and undertakings required in the protection and development of the natural resources, the purchase of equipment for such purposes and advances to settlers under any land settlement scheme;
- (g) 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.

(2) If any such sums so appropriated have not been raised by way of loan prior to the end of the fiscal year for which the appropriation thereof has been made, they may be raised by way of loan after the end of such fiscal year only to the extent that such sums have been expended during such fiscal year and a recital or declaration in any order of the Lieutenant Governor in Council as to the sums so expended shall be conclusive evidence of the fact.

1950, c.18, s.2; 1951, c.23, s.1; R.S.S. 1953, c.54, s.2.

Manner of raising money

3(1) The Lieutenant Governor in Council may authorize 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 realize the net sum authorized or required for any or all of the following objects and purposes:

- (a) any object or purpose for which money has been appropriated by the Legislature for capital expenditure as provided in section 2;
- (b) any object or purpose authorized by any Act where the authority to borrow the amount required is not subject to appropriation by the Legislature;
- (c) payment of the principal and interest of any loan or of any bonds, debentures or other securities, guaranteed by the Province of Saskatchewan;
- (d) payment, refunding or renewal, 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 and interest on any such loan or securities 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 authorizing the issue and sale of securities to the effect that the amount of the securities so authorized is necessary to realize the net sum authorized or required to be raised by way of loan shall be conclusive evidence of that fact.

(3) When money has been raised for the purposes of clause (c) or clause (d) of subsection (1), the Provincial Treasurer may use such money for the purposes for which it was raised without any further or other appropriation than is provided by this section.

(4) The power conferred by subsection (1) upon the Lieutenant Governor in Council includes power to provide for the payment, refunding or renewal of securities by authorizing the issue and delivery in exchange, substitution or renewal thereof of an equal principal amount of securities of one or more of the classes hereinafter specified bearing such rate or rates of interest as the Lieutenant Governor in Council may direct.

(5) All acts, transactions, matters and things heretofore done or executed by or under the authority of the Lieutenant Governor in Council, if in conformity with subsection (4), are ratified and confirmed and declared to have been validly done and shall have effect accordingly.

1950, c.18, s.3; R.S.S. 1953, c.54, 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 six 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 or provisions 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 or provisions as may be made by the Lieutenant Governor in Council with respect to (i) the inscription, registration, transfer, management and redemption thereof, (ii) any change of form that may be deemed advisable, and (iii) the exchange, with the consent of the holders, of bonds or debentures of one form or denomination for bonds or debentures of a different form or denomination but of equivalent aggregate value and bearing the same rate of interest;
- (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.

1950, c.18, s.4; R.S.S. 1953, c.54, 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 authorize 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 authorized by section 1, 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.

1950, c.18, s.5; R.S.S. 1953, c.54, s.5.

Powers of Lieutenant Governor in Council

6 The Lieutenant Governor in Council may:

- (a) make regulations or provisions 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;
- (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 engraved, lithographed, printed or otherwise mechanically reproduced, the securities being in such case countersigned by any official of the Treasury Department 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;
- (f) authorize the Provincial Treasurer to cancel any or all bonds, debentures and other securities of the Province of Saskatchewan representing the investment of any moneys comprised in any sinking fund or in the general sinking fund of the province, and upon cancellation such bonds, debentures and other securities shall cease to be a charge upon the consolidated fund; and
- (g) authorize the Provincial Treasurer to redeem any bond, debenture or other security of the Province of Saskatchewan before the maturity date thereof with the consent of the holder thereof.

1950, c.18, s.6; 1952, c.27, s.1; R.S.S. 1953, c.54, s.6.

Protection of certain persons

7 No person employed in the inscription, registration, transfer, management or redemption of any of the said 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.

1950, c.18, s.7; R.S.S. 1953, c.54, s.7.

Proceeds go to consolidated fund

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

1950, c.18, s.8; R.S.S. 1953, c.54, s.8.

Securities subject to taxation

9(1) Subject to the provisions of subsection (2), Province of Saskatchewan securities and moneys invested therein and the interest thereon, and the succession to such securities on the death of the owner, shall be subject to provincial taxes, succession duties, charges and impositions, and shall also be subject to municipal and school taxes.

(2) Subsection (1) does not apply to:

(a) securities issued prior to the fourth day of December, 1934, or moneys invested therein prior to that date or the interest thereon, or the succession to such securities on the death of the owner;

(b) securities issued pursuant to *The Saskatchewan Farm Loans Act*, chapter 196 of *The Revised Statutes of Saskatchewan, 1940*, or any former *Saskatchewan Farm Loans Act*.

1950, c.18, s.9; R.S.S. 1953, c.54, s.9.

Recording stock

10(1) The Lieutenant Governor in Council may under the Great Seal authorize 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.

1950, c.18, s.10; R.S.S. 1953, c.54, s.10.

Stock exchanges

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.

1950, c.18, s.11; R.S.S. 1953, c.54, s.11.

Power to 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.

(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 affect or limit in any way the provisions of section 3.

1950, c.18, s.12; R.S.S. 1953, c.54, s.12.

Destruction of matured bond and coupons

13 Notwithstanding anything contained in *The Archives Act*, the Treasury Board may authorize the destruction of interest coupons at the expiry of twelve months after the dates of payment, and the Treasury Board may also authorize the destruction of Saskatchewan Government stock certificates, bonds, debentures and treasury bills, at such times after the dates of payment as the board may deem advisable.

1950, c.18, s.13; R.S.S. 1953, c.54, s.13.

Application of Act

14 This Act applies to all loans heretofore or hereafter authorized 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.

1950, c.18, s.14; R.S.S. 1953, c.54, s.14.