

Saskatchewan Elevator Act

NOTE:—The bill to incorporate "The Saskatchewan Co-operative Elevator Company" has passed the legislature and has been signed by the Lieutenant-Governor. A number of important changes have been made since we published the draft bill a few weeks ago. The farmers of Saskatchewan will be deeply interested in the bill as it became law, and we are publishing it here as it now stands on the statute books of the Province.—Ed.

His Majesty by and with the advice and consent of the legislative assembly of Saskatchewan enacts as follows:

1. In this Act the term "local" unless the context otherwise requires means the body of shareholders who support an elevator organized and established at any point in the province, and the term "local board of management" means the board of managers elected at any such local according to the provisions of this Act.

Incorporation Powers etc.

2. J. A. Maharg, C. A. Dunning, F. W. Green, A. G. Hawkes, James Robinson and Dr. Hill, and all such persons as shall become shareholders of the company shall be and are hereby declared to be a body corporate and politic under the name and style of the "Saskatchewan Co-operative Elevator Company" with power to construct, acquire, maintain and operate grain elevators within Saskatchewan, to buy and sell grain and generally to do all things incidental to the production, storing and marketing of grain.

3. The capital stock of the company shall consist of such amount as shall from time to time be fixed by the lieutenant-governor in council and shall be divided into shares of fifty dollars each to be sold only to agriculturists.

Provided that no person shall hold more than ten shares and no assignment or transfer of any share shall be valid unless approved by the directors.

4. The company shall have power to acquire by purchase or otherwise and to hold any interest in real or personal property which the directors may deem requisite for the purposes of the company and to dispose of the same or any part thereof.

5. The head office of the company shall be at Regina in the province of Saskatchewan or at any such other place in Saskatchewan as the directors may from time to time determine by by-law.

6. Until directors are elected as hereinafter provided the aforesaid, J. A. Maharg, C. A. Dunning, F. W. Green, A. G. Hawkes, James Robinson and Dr. Hill shall be the provisional directors; and they or a majority of them are hereby empowered to take subscriptions or shares and to receive payments thereon, to organize locals, to make all necessary payments for costs and expenses incident to the sale of shares and the organization of locals and generally to perform all acts and things necessary for the organization of the company.

7. The company shall not commence business until twenty-five locals have been organized as hereinafter provided.

8. As soon as the conditions for the commencement of business as set out in the next preceding section have been complied with the provisional directors shall call the first general meeting of the company at the head office of the company by giving twenty days' notice of the holding of such meeting to each shareholder; such notice to be given by registered letter; and at the said meeting a board of directors comprised of nine duly qualified shareholders shall be elected who shall be paid such remuneration as the meeting may determine.

9. At the first general meeting of the company three directors shall be elected for three years, three for two years and three for one year and thereafter a sufficient number of directors shall be elected each year to fill the vacancies occurring on the board; and all directors elected annually subsequently to the first general meeting shall hold office for three years.

10. Notwithstanding anything contained in The Companies Act the persons entitled to vote at the first general meeting and at all subsequent general meetings of the company shall be the shareholders who have been elected delegates by the locals for that purpose under the provisions of section 14 hereof; each delegate shall have one vote; and excepting as provided in this section no shareholder shall vote at any meeting of the company on account of any shares

held by him or otherwise, and all acts done by a majority of the delegates at any meeting of the company shall be deemed to be acts of the company.

11. The business of the company shall be managed by the directors who may affix the seal of the company and make all contracts on behalf of the company and may exercise all such powers of the company as are not by this Act required to be exercised by the company in general meeting or as are not conferred by by-law of the company upon the local boards of



Residence of D. A. Brown, Tantallon, Sask.

management and any other powers not contrary to the provisions of this Act which may be conferred upon them by by-law of the company.

Locals

12. Any number of shareholders may request the directors to establish a local at any railway shipping point in the province.

13. The directors shall not without the consent of the lieutenant-governor in council, establish any local unless it appears to their satisfaction that the amount of shares held by the supporters of the proposed local is at least equal to the value of the proposed elevator, that fifteen per cent. of the amount of such shares has been paid up and that the



Barn of D. A. Brown, Tantallon, Sask.

aggregate annual crop acreage of the said shareholders represents a proportion of not less than 4,000 acres for each 10,000 bushels of elevator capacity asked for.

14. Upon the establishment of a local and annually thereafter upon a date to be fixed by by-law of the company a meeting of the supporters of the said local shall be held at which all matters pertaining to the management, operation and maintenance of the elevator shall be reviewed and discussed and a local board of management consisting of five duly qualified supporters shall be elected to hold office until their successors are appointed; and at the said meeting there shall be elected from among the supporters of the local three delegates or such other number of delegates as the company may by by-law determine, to attend the general meeting of the company.

15. Unless otherwise provided by by-law of the company at all meetings of the supporters of any local each shareholder shall have one vote for each share held by him.

Provided that no person shall have more than five votes.

16. The local board of management shall have such powers and duties as shall be determined from time to time by by-law of the company or as may be delegated to them by the directors.

Finance

17. It shall be the duty of the directors to make provision for keeping an accurate account of all the business and financial transactions of the company and for that purpose all books, records, forms and methods of accounting shall be submitted to the provincial auditor for approval before being adopted.

18. The financial year of the company shall end on the thirty-first day of July in each year on which date the books and accounts of the company shall be closed and balanced.

19. Annually in the month of August it shall be the duty of the provincial auditor to arrange for an audit of the accounts and an inspection of the books and records of the company for the preceding financial year and such audit and inspection shall be under the supervision of the provincial auditor and the costs and expenses thereof shall be paid by the company.

20. Out of the moneys received by the company as a result of the operation of the elevators under its control there shall first be paid all charges for operation and maintenance including salaries.

(1) If after the said charges are paid there remains a surplus on hand at the end of the financial year the company may at its discretion pay out of such surplus to each shareholder a dividend of not more than six per cent.

(2) If after the said dividends, if any, are paid, there remains a balance on hand, the company may at its discretion distribute:

(a) To the shareholders of the company such sums as may be fixed by the company, but not exceeding 50 per cent. of such balance on a co-operative basis,

(1) The provisions made in the next preceding section for the payment of dividends, the distribution of surplus moneys and the creation of a reserve fund shall not be put into effect unless and until all moneys then due and payable to the government under this Act have been paid.

(2) All moneys received by the company or any of its officers on behalf of the company shall be deposited forthwith in such chartered bank or banks as the directors may determine and shall be paid out under regulations to be framed by the directors by cheques signed by the president and treasurer of the company.

(3) The treasurer of the company and each of its officers, employees or servants whose duty it is to receive or handle moneys on behalf of the company shall before entering upon the duties of their office furnish a bond or covenant of some guarantee company to be named by the directors to secure the due accounting by them for all moneys that come into their hands which bond shall in each case be in such form and for such amount as shall be approved by the directors and the directors shall pay the premiums for such guarantee bonds out of the funds of the company.

Government Assistance

21. The lieutenant-governor in council is hereby authorized from time to time and on such terms and conditions as may be agreed on with the company to loan to the company for the purpose of aiding in the acquisition or construction of any local elevator a sum not to exceed eighty-five per cent. of the estimated cost of the said elevator.

22. Any sums loaned to the company by virtue of the next preceding section shall be repayable in twenty equal annual instalments of principal and interest, the first of such instalments to be due and payable on the 31st day of August in the second year next following the granting of the loan and shall be secured by a mortgage or mortgages upon the said elevator and any interest in real or personal property which the company may hold and use in connection with the said elevator.

23. The form and terms of the mortgages and of any other evidences of debt which may be given by the company on account of any such said loan, the times and manners in which the sums loaned shall be paid to the company and the disposition of all moneys loaned shall be such as the lieutenant-governor in council may approve.

24. The lieutenant-governor in council shall have power to pay to the provisional directors of the company any sum not exceeding the amount granted by the legislature for that purpose which may be required to cover the expenses incurred in the organization of the company and of locals; any sums so paid to the provisional directors shall be expended in such manner as may be approved by the lieutenant-governor in council and all such expenditures shall be subject to the audit of the provincial auditor.

General

25. The lieutenant-governor in council shall have power to make all provisions not inconsistent with this Act which may be required for the better carrying out of the purposes of the Act.

26. The company shall have power to borrow money for the purpose of carrying out the objects of its incorporation, and to hypothecate, pledge, and mortgage its real and personal property and to sign bills, notes, contracts and other evidences of or securities for money borrowed or to be borrowed by the company for the purposes aforesaid.

27. The company may from time to time make such by-laws not contrary to law or inconsistent with this Act for the administration, management and control of the property and business of the company and for the conduct in all particulars of the affairs of the company as are considered necessary or expedient for carrying out the provisions of this Act according to the true intent and meaning thereof.