

be governed and controlled by the Municipal Code of the Province of Quebec, and the amendments thereto.

4. The resolutions, *procès-verbaux* and contracts of the corporation of the village of Malbaie, in force at the date of the coming into force of this act, shall remain in force until amended or repealed. Resolutions, etc., remain in force.

5. This act shall come into force on the day of its sanction. Coming into force.

## CHAP. 99

An Act respecting *constituts* and the system of tenure in the city of Hull

[Assented to, the 15th of March, 1924]

**W**HEREAS by the act 13 George V, chapter 94, section 10, it was enacted that the Lieutenant-Governor in Council might authorize the Quebec Public Service Commission to inquire into the titles and contracts by which certain lots and sites were held in the city of Hull; Preamble.

Whereas said Commission, in accordance with the said act, has held an inquiry and has heard a great number of persons who have made representations to it;

Whereas the said inquiry has revealed the fact that a large portion of the city of Hull is held under a system of lease called *constituts*, by which the proprietors retain the ownership of the lands or lots, but lease them to persons who have erected and built houses and buildings thereon at their own expense;

Whereas it has been represented that these leases, when they expired, have, in many instances, been renewed at a considerably increased rental;

Whereas in consequence, the lessees who are proprietors of the houses and buildings, having no title to such immoveables, may be called upon at any time to leave and so lose the fruit of their outlay and improvements;

Whereas such a state of affairs is a great hindrance to the development of the city of Hull, stops building and prevents the improvements the lessees would like to make to the immoveable;

Therefore, His Majesty, with the advice and consent of the Legislative Council and of the Legislative Assembly of Quebec, enacts as follows:

1. The lots or lands held under contract of lease, aliena- Right to ac-

quire certain lands, etc.

tion for rent, or *constitut*, in wards Nos. 1, 2, 3, 3a, 4 and 5 of the city of Hull and upon which the holder, the lessee, the party owing the rent or their *auteurs* have built a house at their own cost which is used as a dwelling or place of business by the lessee or present holder of the immoveable or have made improvements thereon, the value whereof is equal to or exceeds that of the lot or land, may be acquired by the latter, in full ownership, upon paying the value thereof to the proprietor after fulfilling the formalities hereinafter set forth.

Period for exercise of right.

**2.** Such right of purchase may be exercised for three years from and after the coming into force of this act.

Offer to proprietor, etc.

**3.** The lessee or holder of the immoveable shall offer to the proprietor, or his agent if the proprietor does not reside in the city of Hull, the price he is willing to pay him for the immoveable. Such offer shall be made in writing, stating the cadastral number of the immoveable, and the sum at which he values the improvements he has made, and containing a notice to the proprietor of the lessee's or holder's wish to purchase the immoveable for the price which he offers, and to have the price fixed by the Quebec Public Service Commission, if the proprietor refuses to sell the immoveable voluntarily for such price, or if he has not agreed to sell within eight days after the service of the notice.

Form and contents.

Summons or putting in default, by notary.  
Id., under private signature.

**4.** The writing may be drawn up by a notary under the form of a summons or putting in default and be served upon the proprietor or agent by the notary who drew it up. It may also be under private signature, provided that it be made in duplicate and bear the signature of two witnesses, one of whom shall testify under oath, before a judge, magistrate or any official authorized to administer oaths, that he was present at the signing of the writing and that he saw the lessee or holder of the immoveable as well as the other witness affix their signatures.

Service of private writing.

When the writing is under private signature, it shall be served upon the proprietor or his agent by a bailiff of the Superior Court, who shall draw up a return of the service, as in ordinary cases.

Writing and service, where proprietor non-resident.

**5.** If the proprietor does not reside and has no agent to represent him in the city of Hull, the writing may be made in duplicate under private signature, in the manner indicated in section 4, and may be served by registered letter sent to the proprietor's address or to his last known address, placed in the post office of the city of Hull by one of the

signing witnesses, who shall afterwards attest under oath, before a judge, magistrate or any official authorized to administer oaths, that he himself placed in the post office in a registered envelope a duplicate of the writing annexed to his deposition.

**6.** If, within thirty days of the service of the notice, the proprietor has not agreed to the sale of the immoveable for the price offered in the notice, the lessee or holder may apply by petition to the Quebec Public Service Commission requesting it to confirm the offer made by him or to itself fix the price for the lot or land and to order the proprietor to give him a title upon payment of the said price.

**7.** The petition must set forth the facts necessary for the Commission to know in order to determine the matter and to be in a position to fix the sale price. It must be accompanied by an affidavit of the petitioner and an extract from the valuation roll, certified by the clerk or treasurer of the city of Hull, indicating the amount of the municipal valuation of the immoveable for the year 1921-1922.

**8.** The petition must be served upon the proprietor, or his agent if the proprietor does not reside in the city of Hull, but without a notice of the date of its presentation. The petitioners shall mail it to the secretary of the Commission, at Quebec.

If the proprietor does not reside and has no agent in the city of Hull, the service of the petition is made in accordance with section 5.

The proprietor or his agent may answer it in writing and mail his answer to the secretary of the Commission after serving it upon the lessee or holder of the immoveable.

The secretary shall give at least eight days' notice to the parties in the case, by registered letters, of the day, hour and place where the Quebec Public Service Commission will sit to hear them.

**9.** The proceedings are summary and it shall not be necessary to take the evidence in writing.

The decision of the Commission shall be final and without appeal.

The costs shall be against the lessee or holder if the price fixed by the Commission is higher than the sum offered to the proprietor under section 3, if it is not, they shall be against the proprietor.

**10.** The price which the Commission may fix for the purchase of each lot or land shall not exceed a sum equal to

one and one-half times the value of the immoveable as entered upon the valuation roll of the city of Hull for the year 1921-1922; if the land and the constructions have not been separately valued, the value of the constructions and improvements shall be deducted. The amount of the deduction to be made shall be established by any evidence that the Commission may require.

Effect of the order of the Commission.

**11.** The order of the Commission fixing the sale price obliges the proprietor or his agent to give a title deed of ownership in favour of the lessee or holder, within thirty days from the date of the order, upon payment of the price fixed by it. It also obliges the lessee or holder to purchase the immoveable, if the price fixed is not higher than the sum offered under section 3. If the price is higher than the offer, the lessee or holder may, at his option, within fifteen days after its decision is rendered, surrender his right to purchase or declare that he agrees to buy the immoveable at that price.

Deposit of price and receipt.

**12.** If the lessee or holder is obliged to buy the immoveable or agrees to buy it, as the case may be, he must, within thirty days after the date of the Commission's order, if the proprietor or his agent has not then offered to give him a deed of sale, deposit the amount of the price fixed by the order in the hands of the prothonotary of the Superior Court, who shall receive it as agent for the Provincial Treasurer, and shall give him a receipt and a copy thereof certified by his signature.

Service of receipt.

The lessee or holder shall then have the receipt served upon the proprietor or his agent, as the case may be, by having delivered to him the copy certified by the prothonotary.

Deed of sale or order in lieu thereof.

The proprietor or his agent shall be bound to sign, within eight days of such service, a deed of sale in favour of the lessee or holder according to the terms of the order by the Commission. If he refuses or neglects to do so within this delay, the order of the Quebec Public Service Commission shall take the place of a title, and the registration of a copy of such order together with the prothonotary's receipt for the sale price shall constitute the lessee or holder the proprietor of the immoveable.

Price fixed by arbitrators with consent of parties.

**13.** At any time before the hearing of the matter by the Quebec Public Service Commission, the parties may agree to have the sale price fixed by three arbitrators, one chosen by the proprietor, one by the lessee or holder, the third to be the chief assessor of the city of Hull.

Maximum price.

The price fixed by such arbitrators shall not exceed that

which the Quebec Public Service Commission has the right to fix under section 10.

**14.** The arbitrators shall proceed at the time and place fixed by them, whereof they shall have given a special notice of at least ten days to the interested parties.

Arbitrators shall proceed, after notice.

After having heard the parties and their witnesses under oath which they are authorized to administer, the arbitrators shall give their decision by a certificate signed by them or by the majority of them, and deposit such certificate in the office of the clerk of the city of Hull.

Decision by certificate and deposit thereof.

**15.** If the award of the arbitrators complies with the provisions of section 10 as to the amount of the sale price, it shall be final and without appeal, and obligatory upon both of the parties.

Effect of award, where in conformity with provisions.

If it does not comply with the provisions of the said section, the arbitrators shall not be entitled to any indemnity and shall be responsible for the costs incurred for the arbitration by each of the parties. In addition, the award shall be null *pleno jure*, and the lessee or holder may immediately apply to the Quebec Public Service Commission in accordance with the provisions of this act.

Id., where not in conformity.

**16.** When the arbitrators have rendered their award, the lessee or holder may compel the proprietor to transfer the ownership of the immoveable to him, by proceeding in the manner prescribed by section 12, and the registration of the receipt given by the prothonotary, and of a copy of the arbitrators' award certified by the clerk of the city of Hull, shall have the same effect as the registration mentioned in said section 12.

Transfer of ownership.

**17.** The usufructuary or the institute in a substitution possessing in such capacity one or more of the lands to which this act applies, the tutor, curator, testamentary executor, administrator, agent or attorney of the proprietor of one or more of such lands, shall be considered as proprietor of said land and shall have all the rights and be subject to all the obligations of a proprietor for the purposes of this act.

Usufructuary, institute, tutor, etc.

**18.** The Quebec Public Service Commission shall fix the tariff for all proceedings under this act, including the remuneration of the arbitrators.

Tariff.

**19.** This act shall not apply to any land held and leased under a contract by which the lessee has an option to purchase the land at a price agreed upon and fixed in the lease.

Restriction in the application of this act.

Coming into force. **20.** This act shall come into force on the day of its sanction.

## C H A P . 100

### An Act to incorporate The Grand Lake Railway Company

*[Assented to, the 15th of March, 1924]*

Preamble. **W**HEREAS the Honourable George Bryson, of the village of Fort Coulonge, in the district of Pontiac, lumber merchant; the Honourable George Gordon, of North Bay, in the Province of Ontario, lumber merchant; John B. Fraser, lumber merchant, and Gilbert E. Fauquier, railway contractor, both of the city of Ottawa, in the Province of Ontario, and Arthur J. Nesbitt and Peter A. Thomson, investment bankers, both of the city of Montreal, in the Province of Quebec, have presented a petition praying that they, and such persons and corporations as may hereafter become shareholders in the company, be constituted a corporation for the purpose of constructing and operating the railway and enterprises hereinafter described; and whereas the powers and corporate existence of "The Grand Lake Railway and Transportation Company" (7 George V, chapter 98) have ceased; and whereas the construction of the said railway will open up new territory, and its operation and the carrying on of the said enterprises will result in great benefit to the public; and whereas it is expedient to grant the prayer of said petition;

Therefore; His Majesty, with the advice and consent of the Legislative Council and of the Legislative Assembly of Quebec, enacts as follows:

Incorporation. **1.** The said Honourable George Bryson, the Honourable George Gordon, John B. Fraser, Gilbert E. Fauquier, Arthur J. Nesbitt and Peter A. Thomson, and all persons and corporations who may hereafter become shareholders in the company hereby incorporated, are constituted a corporation under the name of "The Grand Lake Railway Company", hereinafter called "the company".

Name.

Provisional directors. **2.** The persons named in section 1 of this act are constituted provisional directors of the company and shall remain in office until the election of a permanent board. They shall, while in office, have power and authority to fill vacancies which may occur in their number, to open stock books, to obtain subscriptions to the capital stock of the company, to receive payments on account of stock sub-