

REPRINTED BILL

Bill No. 27 of 1942.

A BILL TO AMEND THE PROVINCIAL LANDS ACT, 1939.

NOTE.

The purpose of the new section 42a is to give the Province a lien on the plant and equipment of companies operating mineral leases for amounts owing for rental and royalties. No such security now exists and it sometimes happens that other creditors who have security take all the assets of such a company and deprive the Province of its rents and royalty. The section also makes it an offence for a company to remove its machinery, etc., from the premises until rental and royalties are paid.

The Minister is empowered to agree in writing that equipment may be placed upon a location without becoming subject to the lien. He is also empowered to permit the removal from a location of equipment subject to a lien, in which case, the lien will cease and determine. Moneys owing to the Workmen's Compensation Board may be collected under the lien and priorities of payment are established in the event of this being done.

The amendment to section 44 authorizes licenses or permits to be issued with respect to timber on school lands, it being provided that the revenue from same be paid into the General Revenue Fund for the support of the schools.

The amendment to section 80 provides that all leases, licenses, etc., issued under this *The Provincial Lands Act* and *The Dominion Lands Act*, should be subject to provincial regulations and that renewals and re-issuance of leases, licenses and so forth should be issued under such regulations. A similar provision is made with regard to assignments of leases, licenses, etc., to the effect that such assigned instruments should be subject to such regulations.

The new section 103 dealing with the time within which leases must be executed and return to the Department extends the operation of this section to renewals of leases and substitutional leases.

W. S. GRAY,
Acting Legislative Counsel.

(This note does not form any part of the Bill but is offered in explanation of its provisions.)

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No. 27 of 1942.

An Act to amend The Provincial Lands Act, 1939.

(Assented to _____, 1942.)

HIS MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Alberta, enacts as follows:

1. This Act may be cited as "*The Provincial Lands Act, 1939, Amendment Act, 1942.*"

2. *The Provincial Lands Act, 1939*, being chapter 10 of the Statutes of Alberta, 1939, is hereby amended by adding thereto immediately after section 42 the following new section:

"42a.—(1) Where under the provisions of this Act or *The Dominion Lands Act* and the regulations made under said Acts, lands containing any minerals have been granted by lease, license, permit, sale or any other disposition and pursuant to the Act or regulations there is reserved by such disposition or otherwise to the Crown, any rental or royalty with respect to any such land or minerals, the Crown in the right of the Province shall have a lien or charge from the time when any such rental or royalty becomes due and owing upon the interest of the grantee in the lands and minerals granted by any such lease, license, permit, sale or other disposition and upon all the buildings, tipples, structures, machinery, chattels, tools or equipment of every kind or description upon the surface of the lands described in any such lease, license, permit, sale or other disposition and used in connection with the winning or recovery of any minerals, or in the search for any minerals, irrespective of who may be the owner of same for the amount of such rental and royalty and any interest or penalty added thereto pursuant to the provisions of such Act or regulations.

"(2) The said lien or charge shall be a first lien or charge upon all the property described in subsection (1) having priority over all mortgages, bills of sale, charges and liens of every description, irrespective of whether such other charges were created before or after such liens or charges became effective or before or after the passing of this Act and notwithstanding the provisions of any other Act heretofore or hereafter passed.

"(3) So long as the lien or charge created by subsection (1) continues, no person shall remove or authorize or assist in the removal of any property subject to the said lien from the premises where it is situate unless and until he

pays to the Minister all amounts owing under the said lien or charge, and any person violating the provisions of this subsection shall be guilty of an offence and liable on summary conviction before a Police Magistrate to a fine not exceeding one thousand dollars or to imprisonment for a term not exceeding six months or to both fine and imprisonment.”

“(4) The Minister may,—

“(a) before any machinery, chattels, tools or equipment are placed upon a location, agree in writing that the lien or charge created by subsection (1) shall not arise in respect thereof or of any portion thereof;

“(b) after any machinery, chattels, tools or equipment have been placed upon a location, authorize in writing the removal thereof or any portion thereof, and thereupon the lien or charge upon the same shall absolutely cease and determine.

“(5) Any person purchasing or otherwise acquiring any of the property described in subsection (1) shall take the same subject to any lien or charge then existing against it arising under the provisions of the said subsection and shall be deemed to be indebted to the Crown in the right of the Province in a sum equal to the rentals or royalties including interest and penalties thereon owing to the Crown with respect to said property or any part thereof.

“(6) Any rentals or royalties with interest and penalties thereon imposed pursuant to either of said Acts or the regulations, and unpaid, may be recovered by action in any Court of competent jurisdiction in the name of the Minister against the person primarily liable therefor or against a purchaser of the property described in subsection (1).

“(7) In addition to any other remedy herein provided the Minister may proceed in accordance with the provisions of section 105 in so far as the same refers to rents, royalties and dues payable in respect of any mines and minerals:

“Provided that if a bid is not made at the auction amounting to the sums due as aforesaid, the property may be disposed of at a private sale.

“(8) (a) Whenever any lien or charge is created by subsection (1) and it appears,—

“(i) that default has been made by an employer in the payment of assessments pursuant to the provisions of *The Workmen's Compensation Act*; and

“(ii) that the Workmen's Compensation Board has a lien on property of the employer to which the lien created by subsection (1) attaches,—

the Minister may ascertain the amount of the assessments in default, and that amount may be added to the amount due to the Crown and secured by the lien or charge, and shall be recoverable as provided by this Act.

“(b) Any moneys recovered shall be applied firstly toward the payment of royalties and then *pro rata* on the claim of the Workmen’s Compensation Board, and the other claims of the Crown secured by the lien until the same are paid in full, the balance, if any, to be distributed by the Minister of Lands and Mines to the persons entitled thereto.”

3. The said Act is further amended by adding to section 44 thereof the following new subsection:

“(3) School lands containing timber may be included with other provincial lands in a license or permit granted for the cutting of timber on which dues are payable, and a proportion of the rent and dues commensurate with the area of school lands included in such license or permit shall be paid into the General Revenue Fund of the Province towards the support of schools organized and carried on in accordance with the law of the Province.”

4. The said Act is further amended as to section 80 by adding the following new subsections:

“(2) Notwithstanding anything contained in any lease, license, permit, instrument, document, or other arrangement whether made under the provisions of this Act or *The Dominion Lands Act* and the regulations made under the said Acts, any renewal or re-issue of such lease, license, permit, instrument, document, or other arrangement shall be in every respect in accordance with and subject to the regulations made under the authority of this Act and in force at the time of the making of such renewal or re-issue.

“(3) Upon the registration of an assignment of a lease, license, permit, instrument, or document, or of any partial assignment thereof, there shall be issued to the assignee a substitutional lease, license, permit, instrument, or document conforming with and subject to the regulations made under the authority of this Act and in force at the time of the registration of such assignment.”

5. The said Act is further amended as to section 103 by striking out the same and by substituting therefor the following:

“**103.** If any successful applicant for a lease or a renewal of a lease or a substitutional lease fails to execute the lease, or renewal, or substitutional lease and return the same to the Department within one hundred and twenty days from the date of same, he shall forfeit any deposit made by him and all other moneys paid by him in respect of the land applied for and all right to the lease, renewal, or substitutional lease (*as the case may be*).”

6. This Act shall come into force on the day upon which it is assented to.

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SECOND SESSION
NINTH LEGISLATURE

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1942

BILL

An Act to amend The Provincial
Lands Act, 1939.

Received and read the

First time

Second time

Third time

HON. MR. TANNER.

EDMONTON:
A. Shnitka, King's Printer
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