

Acts of the General Assembly of Her Majesty's Province of New-Brunswick passed in the year 1856. Fredericton, NB: John Simpson, Printer to the Queen's Most Excellent Majesty, 1856.

19 Victoria – Chapter 16

An Act to provide Funds for the construction of Railways. Passed 12th April 1856.

Section.

1. Loan may be contracted on pledge of Revenues.
2. Authority to issue Debentures.
3. Sinking fund for redemption of Loan.
4. Faith and credit of the Province pledged.

Section.

5. Receipt, payment, and accounts, how to be managed.
6. Effect to be given to agreements authorized by the Governor in Council.
7. Quarterly accounts to be rendered.

Whereas an Act has passed during the present Session of the Legislature to authorize the construction of Railways in this Province, and it is necessary to provide the funds required therefor;—

Be it enacted by the Lieutenant Governor, Legislative Council, and Assembly, as follows:—

1. The Governor in Council may contract a loan on the pledge of the Revenues of the Province, whether arising from the duties upon imports, the sale of Crown lands, the export duty on timber and other lumber, the Royalty derived from mines and minerals, or the tolls to be collected on the Railways constructed with the money borrowed under this Act; which money so borrowed shall not exceed the rate of two hundred thousand pounds sterling per year.
2. Certificates of Debt, to be called Debentures, payable in sterling money, to be numbered consecutively, commencing with number one, with coupons annexed, bearing interest at six per cent payable semi-annually at such place as shall be specified therein, may be issued from time to time as the Railways proceed, in such form, verified and authenticated in such manner, payable in such periods, in such amounts not less than one hundred pounds each, and on such conditions as the Governor in Council may prescribe; the principal of such Debentures to be paid in full after the expiration of thirty years to the holders thereof.
3. A sum equal to one and a half per cent interest upon the whole sum borrowed for the construction of Railways, to be deducted from the profits of the said Railways, together with the proceeds of the sale of all the Crown lands and timber of the Counties through which the road passes, after the completion of any section thereof, subject to any charge on such proceeds for the Civil List, shall form a surplus or sinking fund for the final redemption of the loan, and to be appropriated to the extinguishment thereof.
4. Subject to the payment of the Civil List, and of any previously existing liability, the faith and credit of the Province, and the ordinary revenues thereof, derived from all sources, and the proceeds of any special impost now or hereafter levied and collected for the purpose of paying

Railway Debentures, or the interest thereon, together with any Railway constructed by the loan hereby authorized, shall be and hereby are declared pledged to any and every holder of the same.

5. The principal sums to be raised and borrowed shall be received and paid out as other public moneys are, in defraying the charges made payable by this Act, or any other Act relating thereto; and the account of the money raised by the authority of this Act, and the expenditure thereof, shall be kept with such Bank or Banks, and the fund shall be paid and managed in such manner for the redemption and liquidation of the principal sum, as the Governor in Council shall prescribe.

6. The Legislature of the Province will by law confirm and give full effect to any agreement which may be made or authorized by the Governor in Council, not inconsistent with the spirit of this Act, or of any other Act in relation thereto, with regard to the raising and borrowing of the sums aforesaid, and the keeping of the accounts, the management of the sinking fund, and the payment of the debt.

7. The proper accounting party shall quarterly transmit to the Governor, for the purpose of being audited and laid before the Legislature, a correct and detailed statement and account of the sums raised under the authority of this Act, and of the Debentures which shall have been issued, and of the interest and dividend paid thereon, and of the redemption of the whole or any part of the principal sum, and of the expense attending the negotiation, management, and redemption of the loan.