

*Laws of Her Majesty's Province of United Canada*, passed in the year 1854. Quebec: Stewart Derbyshire and George Desbarts, 1854.

18 Victoria – Chapter 174

**An Act for granting additional aid, by loan, to the Grand Trunk Railway Company of Canada. Assented to 19th May, 1855.**

Whereas it is expedient, to grant, additional aid, by loan, to the Grand Trunk Railway Company of Canada, to an amount not exceeding nine hundred thousand pounds sterling, but so that the total amount of Provincial aid to the said Company, by guarantee and loan, shall not at any time exceed fully per cent on the amount then actually expended by the Company on that portion of their Railway which is between St. Thomas below Quebec, and Stratford above Toronto, (exclusive of the Victoria Bridge) and so that such additional aid shall be advanced solely in respect of money to be expended on the said portion of the Railway after the first day of May, one thousand eight hundred and fifty-five, and shall be secured by a first charge on the whole amalgamated Railway and Works of the Company, and shall be repaid within a certain period: Be it therefore enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and of the Legislative Assembly of the Province of Canada, constituted and assembled by virtue of and under the authority of an Act passed in the Parliament of the United Kingdom of Great Britain and Ireland, and intitled, *An Act to re-unite the Provinces of Upper and Lower Canada, and for the Government of Canada*, and it is hereby enacted by the authority of the same, as follows:

I. It shall be lawful for the Governor in Council to authorize the issue of Provincial Debentures to an amount not exceeding nine hundred thousand pounds sterling, in such form, and the principal and interest whereof shall be payable at such periods and place as he shall see fit, but bearing interest at a rate not exceeding six per cent, per annum, and redeemable at a period not more than twenty years from the date of issue, — and to advance the sum to be raised by the issue of the said Debentures (or such part thereof as the Company may become entitled to receive under the conditions hereinafter mentioned) as an aid by loan to the said Grand Trunk Railway Company of Canada, in addition to the aid to which the said Company is now entitled to receive by means of the Provincial Guarantee, but subject always to the following conditions, and to such further terms and conditions as the Governor in Council may see fit to impose, that is to say:

1. The total amount of the aid which the Company shall have received by means of the Provincial Guarantee under the provisions of any former Act or Acts and the Loan hereby authorized, shall never exceed fifty per cent on the sum then actually, and with due regard to economy, expended by the company in work or materials delivered on the ground, or both conjointly, to be ascertained in the manner provided by the Act incorporating the Company in respect of the said Guarantee, — nor shall the total sum advanced to the Company under this Act ever exceed seventy-five per cent on the sum then actually, and with due regard to economy, expended by the Company after the first day of May, one thousand eight hundred and fifty-five, in work or materials delivered on the ground, or both conjointly, on that portion of the line of their Railway lying between St. Thomas below Quebec and Stratford above Toronto, and exclusive of the

Victoria Bridge, and of mere repairs, the said sum to be ascertained as aforesaid; Provided always that the said Company shall not pay or advance any portion of their assets whatsoever derived or derivable from the original guarantee or from the present aid or from their capital stock or from any other source whatsoever on the construction or completion of Victoria Bridge until the main line of Railway between St. Thomas and Stratford shall have been completed and in operation;

2. The sums advanced as a Loan under this Act, shall be a first charge, hypothec and lien in favor of the Crown on behalf of the Provincial Government, and upon the whole amalgamated Grand Trunk Railway of Canada, and upon all the Railways, works and property forming part thereof or now belonging or hereafter to belong to the said Company, and shall be payable at a period not exceeding twenty years from the passing of this Act, the interest thereon at six per cent per annum being payable by the said Company to the Crown for this Province, half yearly, at such times as the Governor in Council shall appoint; Provided that nothing in this section contained shall prejudice the security of the Seminary of Montreal and of the British American Land Company upon the former St. Lawrence and Atlantic road or any creditor for the price of lands sold to the said Company or to the Grand Trunk Company having a privilege of *bailleur de fonds*;

3. The said charge, hypothec and lien in favor of the Crown, shall have the same preference and privilege and shall be subject to the same incidents as to redemption and otherwise, as the charge, hypothec and lien in favor of the Crown for claims arising out of the Provincial Guarantee, or advances in place of the Provincial Guarantee under any former Act or Acts authorizing such Guarantee or advance;

4. And it shall be lawful for the Governor in Council to direct the Board of Works and such skilled Engineers as the Governor may appoint from time to time, to examine and report upon the works in progress, and to estimate from time to time the work still remaining unfinished upon the several Sections of the said Railway; Audit shall be lawful for the Governor in Council to withhold the whole or any portion of such additional aid upon any section or sections of the said Grand Trunk Line if the said Report should not be satisfactory to him.

II. All moneys received from the said Company for the Crown, in payment of principal or interest of any claim of the Crown on behalf of this Province arising out of the said Provincial guarantee, or any advance made to the said Company in place thereof under the Acts in that behalf, shall form part of the Consolidated Revenue Fund of this Province, and shall be accounted for accordingly to Her Majesty, Her Heirs and Successors, and to the Provincial Parliament.

III. This Act shall be a Public Act.