

CAP. II.

An Act respecting the Public Debt and its conversion.

[Assented to 9th January, 1897.]

Preamble.

WHEREAS the outstanding funded debt of the Province of Quebec amounts, at the present time, to \$32,281,949.34, which is made up of a number of loans bearing different rates of interest and maturing at different dates;

Whereas it is in the interest of the Province that these loans should be consolidated as far as practicable into one debt, bearing a uniform rate of interest and maturing at a certain fixed date;

Whereas, under the provisions of the act 45 Victoria, chapter 21, the price of the Quebec, Montreal, Ottawa and Occidental Railway, amounting to \$7,600,000, of which \$600,000 have been received and \$7,000,000 remain to be paid hereafter by the Canadian Pacific Railway Company, is appropriated as a sinking fund for the redemption of the loans of 1876 and 1878, and a portion of the loan of 1874;

Whereas by the act 49 Victoria, chapter 2, the \$2,394,000, granted to the Government of the Province of Quebec by the act of Canada, 47 Victoria, chapter 8, as a subsidy in consideration of their having constructed the railway from Quebec to Ottawa, are appropriated to form part of the sinking fund for the redemption of the loan of 1874;

And whereas certain sums may be received by this Province as the result of the arbitration now proceeding between the Dominion of Canada and the Provinces of Ontario and Quebec;

Therefore, Her Majesty, by and with the advice and consent of the Legislature of Quebec, enacts as follows:

Regulations
for manage-
ment of public
debt, &c.

I. The Lieutenant-Governor in Council may, from time to time, make such regulations as he deems necessary for the management of the public debt of this Province, and the payment of the interest thereon, and may, subject to the provisions of this act, provide for the creation and management of a sinking fund, or other means of securing the repayment of any loan raised or debt contracted under authority of the Legislature; and, for that purpose, may name or appoint one or more fiscal agents or trustees in Canada, England, France, or elsewhere, and agree with them as to the rate of compensation to be allowed them for negotiating loans and for paying the interest on the public debt, and for other services connected with the management of the said debt, and pay the same out of the Consolidated Revenue Fund.

Appointment
of fiscal
agents, &c.

2. The Lieutenant-Governor in Council may, in connection with any loans authorized by the acts of the Legislature of this Province, or with the conversion of the debt authorized by the following section, in lieu of debentures or annuities, authorize the issue of inscribed stock, bearing a rate of interest not exceeding four per cent per annum, payable half-yearly, to be known as "Province of Quebec Inscribed Stock;" and, to that end, may provide for the necessary books and agents to keep such stock, and may provide also for the length of time within which such stock shall not be redeemable, and make such other further regulations as may be necessary.

Issue of inscribed stock.

3. The Lieutenant-Governor in Council may, from time to time, with the consent of the holder of any of the then existing bonds or debentures or annuities of the Province of Quebec, or Province of Quebec inscribed stock, substitute therefor bonds or debentures, annuities, or Province of Quebec inscribed stock bearing a lower rate of interest not to exceed four per cent per annum; provided that the annual charge for interest is not thereby increased, and that the capital is not increased beyond an amount representing the difference between the then present value of the security bearing the higher rate of interest and that of the security substituted for it; and such substitution may be made by the sale of the one class of bonds or debentures or Province of Quebec inscribed stock, and the purchase of those for which it is desired to substitute them.

Substitution of bonds, &c., bearing lower rate of interest for those bearing higher rate.

4. In case of any conversion of the whole or any portion of the public debt, effected under the provisions of this act, an annual sinking fund shall be provided for the redemption of the increased debt caused by the conversion authorized by the previous section, which sinking fund, at the same rate of interest as the converted debt bears, will, during the term of such converted debt, provide an amount sufficient to redeem the amount by which the debt has been increased in the conversion.

Sinking fund.

5. The sinking fund, consisting of the price of the Quebec, Montreal, Ottawa and Occidental Railway, and of the grant under the act of Canada, 47 Victoria, chapter 8, referred to in the preamble of this act, shall be released from the appropriation for the three loans of 1874, 1876 and 1878, only in proportion to the amount of the debentures of each of these loans which may hereafter be converted or purchased under section 3 of this act; but the amount so released shall be and is hereby appropriated as a sinking fund for the payment of the new debt created by the conversion.

Release of certain sinking fund from appropriation for loans of 1874, 1876 and 1878.

Application of moneys to be received as result of arbitration between Canada, Ontario and Quebec.

6. Any sums of money which shall be received by this Province as the result of the arbitration now proceeding between the Dominion of Canada and the Province of Ontario and the Province of Quebec, in excess of the amount which the Province may be called upon to pay as the result of the said arbitration, shall be appropriated towards the redemption of the public debt created by the conversion authorized by section 3 of this act, or may be used, under the authority of the Lieutenant-Governor in Council, in purchasing existing bonds or debentures of the Province of Quebec.

Investment of sums received as result of such arbitration.

7. The Lieutenant-Governor in Council may, from time to time, authorize the investment of the sums so received as the result of the said arbitration, as well as of the part of the price of the Quebec, Montreal, Ottawa and Occidental Railway, or of the subsidy granted by the Dominion Government under the act 47 Victoria, chapter 8, released from the sinking fund of the loans of 1874, 1876 and 1878, by the conversion of any of the bonds or debentures of those loans, and such investment shall form part of the sinking fund for the redemption of the converted debt.

When debentures, &c., to be redeemable.

8. No debentures, bonds or inscribed stock of this Province are redeemable before the time mentioned in the bonds or debentures, or before the time fixed for the payment of such inscribed stock, except with the consent of the holders of such bonds, debentures or inscribed stock.

51-52 V., c. 9, 57 V., c. 3, &c., repealed.

9. The act 51-52 Victoria, chapter 9, the act 57 Victoria, chapter 2, and all acts and parts of acts inconsistent with this act are repealed.

Coming into force.

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

C A P. III.

An Act respecting Elementary Schools.

[Assented to 9th January, 1897.]

HER MAJESTY, by and with the advice and consent of the Legislature of Quebec, enacts as follows

One million five hundred thousand acres of public land may be set aside for elementary school purposes, &c.

1. It shall be lawful for the Lieutenant-Governor in Council to cause to be set aside and appropriated for elementary school purposes, one million five hundred thousand acres of public lands, which lands shall be disposed of in such manner, for such prices and under such conditions as may be fixed by the Lieutenant-Governor in Council.