

king and carrying out of traffic arrangements, and, generally, concerning all such matters as are provided for by the said part second, in so far as they are applicable to wooden railways.

When regulation shall come into force.

86. The said order in council and regulations shall come into force on such day as shall be fixed by proclamation of the lieutenant-governor, and thereupon, from that day, the said part second of this act shall cease to apply to wooden railways.

C A P . L I I .

An Act for the encouragement of certain Colonization Railways.

[Assented to 5th April, 1869.]

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

Provincial aid to certain railways.

1. Provincial aid, to the amount, in the manner, and subject to the conditions and limitations hereinafter set forth, is hereby assured to the construction in wood, maintenance and working, of the following projected lines of colonization railway communication, namely :

The Quebec and Gosford Railway,

The Levis and Kennebec Railway,

The Montreal Northern Colonization Railway, and

The Richelieu, Drummond and Arthabaska Counties Railway.

Conditions, amount and duration of the subsidy.

2. For such continuous and unbroken length, not less than fifteen miles of each of the said railways, as shall have been constructed in wood, and be in *bonâ fide* operation, to the satisfaction of the lieutenant-governor in council, on or before the first day of July eighteen hundred and seventy-two, there shall be paid from the consolidated revenue fund of the province,—by yearly payments to fall due on the first day of September in every one of the twenty years next following the first of such payments, during which such length of railway shall be continuously maintained in such *bonâ fide* operation, but not otherwise, nor for any longer term,—a subsidy at the rate of three per cent on the *bonâ fide* cost of the construction thereof; such cost however (unless for exceptional bridges) not to exceed the average amount of five thousand dollars per mile.

How bridges shall be reckoned in calculating subsidy.

3. In calculating such subsidy, any bridge over any river or stream exceeding fifty yards in breadth at high water, the reasonable and actual cost of which, at such site

and of such plan, materials and construction, as shall have been approved beforehand by the lieutenant-governor in council, shall be shown to the satisfaction of the lieutenant-governor in council to exceed five thousand dollars, shall be deemed an exceptional bridge; and shall be allowed for, not upon the length thereof, but at the exceptional rate of three per cent yearly on the established *bonâ fide* cost thereof, not exceeding however such total as in each case the lieutenant-governor in council shall expressly limit and allow as the reasonable and true value thereof for calculation of such subsidy.

4. The lieutenant-governor in council may from time to time provide as may be deemed expedient, for payment of any such subsidy, or of any part or amount thereof, to any parties claimant from the company primarily entitled thereto; and for assuring such payment, may issue any descriptions of conditional debenture, scrip or certificate, with or without *coupons* attached, payable to order or to bearer, and otherwise in such form, for such amounts, and subject to all such provisions in respect thereof, as shall be deemed to be in the public interest.

5. Whenever one continuous half of any such railway, or not less than twenty-five continuous miles of unbroken length thereof, shall be satisfactorily shown to have been completed and to be in *bonâ fide* operation, the lieutenant-governor in council, on demand to that effect from the company, may declare the half of the subsidy thereof to have become and to be thereafter converted into a subsidy payable, not on the condition above set forth of the continuous maintenance of the railway in *bonâ fide* operation, but on the terms and subject to the conditions following; and whenever the whole or not less than fifty continuous miles of unbroken length thereof shall be satisfactorily shown to have been completed and to be in *bonâ fide* operation, the lieutenant-governor in council, on like demand, may declare the whole of the subsidy thereof to have become and to be thereafter converted in like manner;

2. If any company seeking such conversion of subsidy, shall ask to have the main line of their railway, or the fair equivalent thereof, apart from any permitted branches or extensions, regarded (to that end only) as being the whole of such railway, the lieutenant-governor in council may ordain accordingly; and in that case, the claim of such company shall thereupon become and be limited to such main or declared equivalent line only;

3. Such conversion shall not, in any case, affect any portion of such subsidy represented by any still outstanding conditional debenture, scrip or certificates;

4. Within such limits as to amount, the lieutenant-

Mode of payment of subsidy.

After completion of half or whole of railway, subsidy may be converted as regards conditions.

Main line, for such conversion, may be treated as the whole.

Proviso.

Lieut. gov., &c.

council may
issue debentures.

governor in council, for assuring payment of such converted subsidy to parties claimant from the company primarily entitled thereto, may issue any descriptions of debenture, scrip or certificate, with or without *coupons* attached, payable to order or to bearer, and otherwise in such form, for such amounts, and subject to such provisions in respect thereof, as shall be deemed to be in the public interest;

Debentures shall be either for the annual payment of subsidy or for the interest on the total subsidy capitalized.

5. Such converted debentures, scrip or certificates may in any case be issued,—as by the lieutenant-governor in council shall be deemed to be most in the public interest,—either for assuring payment of the amount of such converted subsidy yearly, for the number of years required, or for assuring payment of interest, at six per cent yearly, on the value of such converted subsidy, capitalized at the same rate of six per cent, and made payable as regards capital in not less than twenty nor more than thirty years from date of capitalization; and shall be payable to all *bonâ fide* holders claimant from the company, although not to the company if still holding the same, notwithstanding any failure of the company to maintain the railway in continuous *bonâ fide* operation throughout the full term of the subsidy;

Sinking fund to redeem capitalized subsidy.

6. In case of issue of any such capitalized debentures, scrip or certificates, the treasurer of the province shall cause to be invested yearly, as a sinking fund for redemption thereof, in public securities of the Dominion or of this province, a sum equal to the difference between the amount of the yearly interest on such capitalized debentures, scrip, or certificates, and that of the converted subsidy represented thereby;

After issue of debentures railway to be subject to inspection, &c.

7. Whenever any converted debentures, scrip or certificates shall have been so issued, the whole of the railway in question and all properties, appurtenances, and plant thereof, shall thereafter be subject to all such special inspection by the railway board, or otherwise, as the lieutenant-governor in council from time to time may direct or authorize; and the lieutenant-governor in council may at any time order the company, within any reasonable specified delay, to make any repairs or do any other act which from such inspection shall be deemed necessary in order to the keeping of the entire railway and the property, appurtenances and plant thereof, in a thorough state of efficiency, for the due operation thereof;

If company refuses to submit to inspection, etc., railway to be vested in the crown.

8. If at any time the company shall refuse to submit to such special inspection, or shall interpose or allow any obstruction thereto, or shall refuse or fail to do (within the reasonable delay specified) any such act required by the lieutenant-governor in council by reason thereof, or shall

fail to maintain the railway in continuous *bond fide* operation throughout the full term of the subsidy, then, immediately upon and by virtue of the first payment thereafter made from the consolidated revenue fund of the province, on account of any such outstanding debentures, scrip or certificates, the entire railway and all properties, appurtenances and plant thereof, and all the franchises of the company, shall *ipso facto* become and be vested in the crown for the public uses of the province, subject only to such trusts as shall have been or thereafter shall be legislatively declared or recognized in respect thereof; and, as so vested, the same shall thereafter be held, administered and (by sale or otherwise) disposed of, by such public department or officer and in such manner as shall have been or thereafter shall be legislatively designated to that end; and, as the first trust affecting the same, and in preference to every other, all proceeds thereof whatsoever, as realized, shall be carried *pro tanto* to account of the province, to or towards the discharge of such first payment aforesaid, and of all further payments on account of such outstanding debentures, scrip or certificates.

6. The lieutenant-governor in council, upon report of the railway board, may from time to time define by general or special regulations, as occasion may require, what shall or shall not be deemed to be a *bond fide* maintenance and working of the several railways in this act mentioned; and the same shall for all purposes of this act be deemed to be in *bond fide* operation, so long, and so long only, as in the management and working thereof such regulations shall be in good faith complied with and carried out.

7. In case of the amalgamation of the two projected companies for construction of the railways known as the Sherbrooke, Eastern Townships and Kennebec railway, and the St. Francis valley and Kennebec railway, respectively,—or of the organization of only one of them,—or of the construction and putting into operation by only one of them, within the year, of not less than fifteen continuous miles of railway,—such amalgamated company, or such one company, as may be, shall also be entitled to provincial aid in terms of the foregoing sections of this act; and otherwise, they shall each be entitled to such aid, but only to the extent of a subsidy limited to the rate of one and a half, instead of three per cent, yearly.

8. In case of the organization before the first day of July eighteen hundred and seventy, of a company to construct and work a colonization railway of wood between Three Rivers and the Grandes Piles, the same shall be entitled to provincial aid in terms of the first six sections of this act,—but to the extent of a subsidy fixed

What shall be deemed a proper maintenance of the railway.

Special provisions for Sherbrooke, E. T. and Kennebec railway, and for St. Francis valley and Kennebec railway.

Special provisions for railway from Three Rivers to Grandes Piles.

at the rate of six instead of three per cent yearly, and for such continuous and unbroken length of such railway, not less than fifteen miles, as shall have been constructed and be in *bonâ fide* operation on or before the first day of July eighteen hundred and seventy-three,—and subject to the further condition that before commencement of work thereon, the line thereof shall have been approved and sanctioned, upon report of the railway board, by the lieutenant-governor in council.

Short title.

9. The expression “the colonization railway aid act of 1869,” shall be a sufficient citation of this act.

C A P. L I I I .

An Act to incorporate the Quebec and Gosford Railway Company.

[Assented to 5th April, 1869.]

Preamble.

WHEREAS, the persons hereinafter named have, by their petition, set forth that they and others have associated themselves together as a company, for the purpose of laying out, constructing and working a railway from the city of Quebec to the township of Gosford, within the limits of the province of Quebec, and have prayed that the said company may be incorporated for the said purpose, and it is expedient to grant the prayer of their petition; Therefore, Her Majesty, by and with the advice and consent of the Legislature of Quebec, enacts as follows :

Certain persons incorporated.

1. John Lemesurier, Jean-Baptiste R. Dufresne, Henri G. Joly, Jacques P. Rhéaume, Jean D. Brousseau, Pierre Garneau, Louis Bilodeau, Louis Amiot, Frederick W. Blaicklock, James H. Oakes, John J. Rickon, Jean Paquet, Charles Boivin, George Paquet, Théophile Simard, Louis Boivin, Joseph Gamache, Edward L. Montizambert, and Arthur Dion, Esquires, together with all such other persons, and all such corporations and municipalities as have or shall, under the provisions of this act, become subscribers to the stock of the said company, are hereby constituted and declared to be a body corporate and politic by and under the name of The Quebec and Gosford Railway Company.

Purposes of the company.

2. The said company, and their agents and servants, and other persons in their employ, may lay out, construct and work a double or single track wooden or iron tramway or railway, of such width or gauge as the company see fit, from the city of Quebec, following the valley of the river Saint Charles as far as the Commissioners' Bridge,

