
BILL.

An Act to increase the rate of interest in this Province.

WHEREAS a modification of the Usury Laws took place some Preamble.
 years ago in this Province under the conviction that money
 would become more abundant, and consequently that the necessitous
 would obtain the same more easily and on more favorable terms; and
 5 whereas such has not been the case but the most demoralizing effects have
 been produced, and the most exorbitant rates of interest have been since
 obtained; and whereas such a state of things is injurious to Commerce
 and must tend to retard improvement of the Country; and whereas it is
 desirable to repeal the Act modifying the Usury Laws, and also to increase
 10 the rate of interest to such an extent as would afford ample remuneration
 to the Lender, and at the same time would not be too oppressive on the
 Borrower, and which moreover would be in accordance with the rate
 prevailing in the adjoining State of New York:—Therefore Her Ma-
 jesty, by and with the advice and consent of the Legislative Council and
 15 Assembly of Canada, enacts as follows:—

I. From and after the first day of July next, the Act passed in the 16 Vict. c. 50, and
19 & 20. Vict. c.
49 repealed.
 sixteenth year of Her Majesty's Reign, intituled: "An Act to modify
 "the Usury Laws," and the Act passed in the Session held in the nine-
 teenth and twentieth years of Her Majesty's Reign, intituled: "An Act
 20 "for enabling all the Chartered Banks in this Province to enjoy a certain
 "privilege therein mentioned," shall be and the same are hereby repealed.

II. From and after the said first day of July next the legal rate of inter- After 1 July 1857,
the legal rate of
interest to be
seven per cent
 est on all loans or debts contracted hereafter, or which may then be due
 shall be seven per cent per annum, any thing in any law of the Province
 25 notwithstanding. Provided always, that upon any loan for a term of one Proviso.
 or more years, the rate of eight per cent may be charged and allowed.

III. From and after the said first day of July next it shall be lawful for After 1 July 1857,
Chartered Banks
may retain $\frac{1}{4}$ per
cent. in addition
to discount in cer-
tain cases.
 any Bank or Banking Institution carrying on business as such in this
 Province, either under Royal Charter or in virtue of an Act of Incorpora-
 30 tion passed by the Legislature of this Province, or of either of the late
 Provinces of Lower or Upper Canada, in discounting any note, bill or
 other negociable security, or paper, *bonâ fide* payable at a place within
 this Province, different from that at which is discounted, to receive and
 35 retain, in addition to the discount, an amount not exceeding one-quarter
 per centum on the amount of such note, bill, or other negociable security
 or paper, to defray the expenses of agency and exchange attending the
 collection of such bill, note, or other security or paper.