# AN ACT

## For Authorizing a Guarantee of Interest on a loan to be raised by Canada towards the Construction of a Railway connecting Quebec and Halifax.

Whereas the construction of a railway, connecting the Port of Rivière du Loup in the Province of Quebec with the line of railway leading from the city of Halifax in the Province of Nova Scotia at or near the town of Truro, in a line and on conditions approved by one of her Majesty's Principal Secretaries of State, would conduce to the welfare of Canada and promote the interests of the British Empire:

And whereas it would greatly facilitate the construction of that railway (in this Act referred to as the Railway), if payment of interest on part of the money required to be raised for the same were guaranteed under the authority of Parliament:

Be it therefore enacted by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords spiritual and temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:

**Power for Treasury to guarantee interest on loan.**

1. Subject to the provisions of this Act, the Commissioners of her Majesty's Treasury may guarantee, in such manner and form as they think fit, payment of interest at a rate not exceeding four per centum per annum on any principal money not exceeding the sum of three million pounds sterling, to be raised by way of loan by the Government of Canada for the purpose of the construction of the railway; and the Commissioners of her Majesty's Treasury may from time to time cause to be issued out of the consolidated fund of the United Kingdom, or the growing produce thereof, any money required for giving effect to such guarantee.

**Approval of line and use of railway for troops.**

2. The Commissioners of her Majesty's Treasury shall not give any guarantee under this Act unless and until an Act of the Parliament of Canada has been passed, within two years after the Union of Canada under the British North America Act, 1867,