

the company;" and also, "that the province shall have the first hypothec mortgage and lien upon the road, tolls, and property of the company for any sum paid or guaranteed by the province, excepting always the hypothec mortgage or lien of holders of bonds, or other securities on which interest is guaranteed by the province, for the interest so guaranteed, and the principal on which it shall accrue."

The Railway Clauses Consolidation Act, of 1851, sections 7 and 9.

The statute of 1851, 14 and 15 Vic., chap. 73, providing for a Main Trunk Line of railway throughout the whole province, and providing that the guarantee might be extended to the "payment of the principal of the sum guaranteed as well as the payment of the interest thereon," and that "for the principal and interest of such bonds the province shall have the same priority of hypothec mortgage and lien upon the railway, tolls, and property of the company, as by the said act, (of 1849) is given for sums paid or guaranteed by the province, and subject to the same provisions."

The Act of 1852, 16 Vic., ch. 37, incorporating the Grand Trunk Company, and providing (section 28) that the government guarantee should not be given to the Grand Trunk to an extent exceeding £3,000 per mile, and that £40,000 stg. per mile might be advanced so soon as it was ascertained by an engineer of the government "that £100,000 stg. has been actually, and with due regard to economy, expended on the said railway by the said company, in work or materials delivered on the ground, or both conjointly, and whenever it shall be ascertained in like manner that another sum of £100,000 stg. has been so expended as aforesaid, then the guarantee of the province may be given for another sum of £40,000 stg., and so on *toties quoties*, until such guarantee shall have been given to the whole extent hereby before limited; provided always that such guarantee shall, except in so far as otherwise provided by this section, be subject to all the provisions of the act first cited in this section, as amended by that secondly cited therein, and may, under the provisions of the twenty-second section of the act last mentioned, be given by issuing and delivering to the said company provin-