



No. 122.

---

---

1st Session, 1st Parliament, 31 Vic., 1868.

---

---

BILL.

An Act respecting the Northern Railway  
of Canada.

---

(*PRIVATE BILL.*)

---

Hon. Mr. HOWLAND.

---

OTTAWA :  
PRINTED BY HUNTER, ROSE & CO.

## An Act respecting the Northern Railway of Canada.

**WHEREAS**, the Northern Railway Company of Canada have by Preamble.  
 their Petition represented that since the passing of an Act in  
 the Session of the Parliament of the late Province of Canada, held  
 in the twenty-third year of Her present Majesty's Reign, intituled,  
 5 "An Act relating to the Northern Railway of Canada," and the ex-  
 penditure of the full amount authorized to be raised by the said Act,  
 in the reconstructions and repairs of the said Road, the country  
 through which the said Railway runs has been rapidly developed,  
 and the traffic of the said Road so largely increased as to have  
 10 overcome the carrying power of the said Railway; That there is  
 no provision for the extension of the appliances of the said Road,  
 its Works and Rolling Stock to an extent adequate to such increased  
 traffic, and the Company is now unable to afford proper facilities  
 for the same; That it is expedient that provision should be made  
 15 for giving extended powers to the Company for the development  
 of such increased traffic, and praying that an Act may be passed  
 to enable them to raise new capital for the construction of Eleva-  
 tors, the extension of the Rolling Stock and other equipment, and  
 the construction of such new and additional works as are or may  
 20 be necessary for the operation and the extension of the traffic, and  
 for other purposes; And whereas it is also represented to us that  
 it is absolutely essential to the future working of the Railway to a  
 capacity sufficient for the increasing traffic thereof, and for the  
 maintenance of existing and construction of extended grain-  
 25 elevator and storage accommodation, with the same view and for  
 additional Rolling Stock and equipment, that the Company be em-  
 powered to raise further capital; and also that without further  
 powers in such respect the present value of the Railway, and its  
 capacity and utility will be greatly impaired or diminished, and its  
 30 further development prevented; And whereas the said Railway has  
 been and is, by reason as well of water communication from either  
 terminus thereof, as upon and through the medium of the main lines  
 of Railway in Canada, and by connection therewith, respectively,  
 largely used in the carriage and transportation of produce and  
 35 lumber to and from various parts of Canada and of the United  
 States of America and is therefore a work of general advantage to  
 Canada, and it is therefore expedient to grant the prayer of the  
 said petition; and that for such purposes, the several Acts affecting  
 the Northern Railway of Canada should be amended and enlarged;  
 40 Therefore, Her Majesty, by and with the advice and consent of the  
 Senate and House of Commons of Canada, enacts as follows:

1. In citing this Act for any purpose, it shall be sufficient to use Short Title of  
 the expression, "The Northern Railway Act of 1868," and the ex-Act.  
 pression "The Company" as herein used shall denote "The  
 45 Northern Railway Company of Canada."

2. The Northern Railway of Canada is hereby declared to be a A Work of  
 work for the general advantage of Canada. Canada.

3. The Company may, with the sanction of a majority of the Company  
 votes of persons entitled to vote in that behalf at Meetings of the may issue  
 50 Company, present in person or by proxy, at a General Meeting of preferential  
Bonds.

the Company specially convened for the purpose, issue, subject to the conditions and for the purposes hereinafter mentioned, Third Preference irredeemable six per cent. Bonds, of the nominal value of one hundred pounds sterling each, to the amount of one hundred and fifty thousand pounds sterling, and to be divided into two classes, of which Class A. shall be to the extent of fifty thousand pounds and class B. to the extent of one hundred thousand pounds, and such Bonds when issued, shall be a charge on the said Railway in the priority and rank hereinafter mentioned. 5.

**Rank for principle.** 4. The Third Preference Bonds to be issued under this Act shall constitute a lien or charge upon the Northern Railway of Canada, its property and franchises, next after the Second Preference Bonds issued under the authority of the Act hereinbefore recited, and before the Provincial lien. 10.

**Expenditure of portion of proceeds.** 5. The Company may, thereupon, and forthwith thereafter, issue and sell fifty thousand pounds sterling of the said Third Preference Bonds, Class A. thereof, and expend the proceeds thereof in the construction of Elevators, the increase and extension of the Rolling Stock and other equipment works and appliances of the Railway, for the further accommodation and facilities of its traffic 15. 20.

**Subscription list therefor.** 6. A subscription list of parties subscribing for such Class A. Third Preference Bonds to the amount of twenty five thousand pounds sterling, shall be delivered to the Financial Agents of the Dominion (in London, England), and shall be approved by them on or before the first day of January, in the year one thousand eight hundred and sixty-nine, and in case such amount be not subscribed by that day, this Act, so far as relates to issue of Third Preference Bonds, shall be null and void. 25.

**Payment of arrears to Government** 7. The Company shall also thereupon, pay over fifty thousand pounds sterling, of Class B. Third Preference Bonds to the Receiver General of Canada, on account of the arrears of interest due by the Company at the time of the passing of the Act of the twenty-third year of Her Majesty's Reign hereinbefore mentioned, on the Provincial lien. 30.

**Existing arrears of interest.** 8. The Company shall also thereupon call in the existing Arrears of Interest Debentures of the Company, amounting in all to fifty-one thousand nine hundred and eighty-four pounds eight shillings and four pence sterling, and cancel the same, and in lieu thereof fifty thousand pounds sterling Class B. Third Preference Bonds shall by a pro rata allotment be delivered to the holders of Arrears of Interest Debentures. and in case such holders shall not, within six months after notice that such Class B. Third Preference Bonds are prepared and ready for issue in exchange as aforesaid shall have been three times inserted in the *Canada Gazette*, the *Toronto Globe*, and *Leader*, the *New York Herald*, and the *Times*, (London, England,) give up, in Toronto or London, (England,) the Bonds now held by them, and accept such Class B. Third Preference Bonds as hereby authorized in lieu thereof, then such arrears of interest Debentures as shall not within that period be brought in and given up in exchange as aforesaid, shall continue to rank as if this Act had not been passed. 35. 40. 45. 50.

**Rank of Bonds for interest.** 9. The Class B. Third Preference Bonds shall not rank for interest dividends thereon until the proceeds of the subscription for Class A. Third Preference Bonds shall have been actually expended for the purposes of this Act, to the satisfaction of the Governor in Council 55.

**10.** The powers and provisions of the Act hereinbefore mentioned in respect to the transfer and registration of Bonds, and to the right of voting and all other the rights and privileges of the holders of First and Second Preference Bonds at all meetings of the Company are hereby conferred upon the holders of the Third Preference Bonds to be issued under this Act. Powers of Bondholders.

**11.** Subject to the foregoing conditions, and in lieu of the distribution thereof provided in the Act of the twenty-third year of Her Majesty's Reign hereinbefore mentioned, the future earnings of the Company shall be distributed as follows:— Distribution of earnings.

1st. In the payment of working expenses of the said Railway.

2nd. In payment of the interest on the First Preference Bonds of the Company.

3rd. In payment of the interest on the Second Preference Bonds of the Company.

4th. In payment of the interest on Class A. Third Preference Bonds authorized to be issued under this Act.

5th. In payment of the interest on Class B. Third Preference Bonds authorized to be issued under this Act.

6th. In payment of interest on the Government lien of four hundred and seventy-five thousand pounds sterling.

7th. In payment of interest on the arrears of interest due to the Government of the Dominion.

8th. In payment of the Interest on the arrears of Interest Debentures (if any there be) which, not being given up and exchanged as herein provided, shall continue to rank as if this Act had not been passed.

9th. In Dividends on the share Capital of the Company.

**12.** The expression "working expenses" when used in this or any former Act relating to the Company, shall henceforth mean and include all expenses of maintenance of the Railway and the maintenance, and extension of the Station Sidings, Buildings, Works, Warehouses, Elevators, appliances and conveniences belonging thereto, and of the Rolling and other Stock and moveable plant used in the working thereof, and also such rents or annual sums as may be paid in respect of warehouses, wharves, or other property including land leased to or held by the Company, and also all expenses of and incident to working the Railway and the traffic thereon, including stores or consumable articles, also rates, taxes, insurance and compensation for accidents or losses, also all salaries and wages of persons employed in or about the working of the Railway and traffic, and all secretarial and establishment expenses, including Director's fees, agency legal and all other incidental working expenses whatsoever. Interpretation.

**13.** The Company shall have power and authority to erect and maintain all necessary and convenient Buildings, Stations Depôts, Warehouses, Elevators, Wharves and Fixtures, and from time to time to alter, repair or enlarge the same, as the increasing traffic may require, and to purchase and acquire stationary or locomotive engines and carriages, waggons, floats and other machinery and contrivances necessary for the accommo- Company may erect buildings, &c.

dation and use of the passenger, freight and business of the said Railway, and also to make use of, for the purpose of the said Railway the water of any stream or water course over or near which the said Railway passes, doing however, no unnecessary damage thereto, and not impairing the usefulness of such stream or water course. 5

**As to carriage of Mails:** 14. The Company shall also have power and authority to enter into contracts with the Postmaster General on behalf of the Dominion, for the carriage of mails to any District or Territory tributary to the said Railway. 10

**Company may become parties to notes, &c.** 15. The Company shall also have power to draw, make, accept, and endorse all Bills of Exchange and Promissory Notes in sums of not less than two hundred dollars, necessary for the carrying on of the business of the said Railway; Provided, that nothing in this section shall be construed to authorize the Company to issue Notes or Bills of Exchange payable to bearer, or intended to be circulated as money, or as the notes or bills of a bank. 15