

CHAP. 101.

An Act for authorizing a guarantee of a loan to be raised by Canada for a payment in respect of the transfer of Rupert's Land. [11th August 1869.]

A.D. 1869.

WHEREAS by the Rupert's Land Act, 1868, power was given for the Governor and Company of Adventurers of England trading into Hudson's Bay (in this Act referred to as the Hudson's Bay Company) to surrender, and for Her Majesty to accept a surrender of Rupert's Land (as therein defined) for the purpose of admitting the same into the dominion of Canada: 31 & 32 Vict. c. 105.

And whereas an arrangement has been made for the surrender by the Hudson's Bay Company of Rupert's Land and for the admission thereof into the dominion of Canada:

And whereas part of the terms of the said arrangement were the payment of three hundred thousand pounds to the Hudson's Bay Company by the Government of Canada:

And whereas the Government of Canada propose to raise the said sum of three hundred thousand pounds by way of loan, and it is expedient to authorize the Commissioners of Her Majesty's Treasury, in this Act referred to as the Treasury, to guarantee the interest of such loan:

Be it 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:

1. This Act may be cited as "The Canada (Rupert's Land) Loan "Act, 1869." Short title.

2. The Treasury may guarantee, in such manner and form as they think fit, the payment of the interest, at a rate not exceeding four per cent., on any principal money not exceeding the sum of three hundred thousand pounds sterling to be raised by way of loan by the Government of Canada for the purpose of the said payment to the Hudson's Bay Company. Power to Treasury to guarantee loan.

A.D. 1869.

Conditions of guarantee.

3. The Treasury shall not give any guarantee under this Act unless and until provision is made by an Act of the Parliament of Canada or otherwise to the satisfaction of the Treasury—

(1.) For raising and appropriating the said loan:

(2.) For charging the consolidated revenue fund of Canada with the payment of the principal and interest of the said loan immediately after the charge of the loan for fortifications created by an Act of the Parliament of Canada of the year one thousand eight hundred and sixty-eight, chapter forty-one, or to be created by any subsequent Act in respect of sums paid out of the Consolidated Fund of the United Kingdom on account of such last-mentioned loan:

(3.) For payment by the Government of Canada of a sinking fund at the rate of one per centum per annum on the entire amount of the said loan, and for charging the consolidated revenue fund of Canada with the payment of such sinking fund immediately after the principal and interest of the said loan:

(4.) For charging the consolidated revenue fund of Canada with any sum issued out of the Consolidated Fund of the United Kingdom under this Act, with interest thereon at the rate of five per centum per annum, immediately after the sinking fund of the said loan:

(5.) For payment of the money raised by the said loan to four trustees, nominated from time to time, two by the Treasury and two by the Government of Canada, and for the application of such money under the direction of those trustees:

(6.) For remitting to the Treasury the annual sums for the sinking fund by equal half-yearly payments, in such manner as they from time to time direct, and for the investment and accumulation thereof under their direction in the names of four trustees nominated from time to time, two by the Treasury and two by the Government of Canada.

Application of sinking fund.

4. The said sinking fund may be invested only in such securities as the Government of Canada and the Treasury from time to time agree upon, and shall be applied from time to time, under the direction of the Treasury, in discharging the principal of the said loan and the interest arising from such securities, and the resulting income thereof shall be invested and applied as part of such sinking fund.

Alteration of Act relating to guaranteed loan.

5. Every Act passed by the Parliament of Canada which in any way impairs the priority of the charge upon the consolidated revenue fund of Canada created by that Parliament of the said loan and the interest and sinking fund thereof, and the sums paid out of the Consolidated Fund of the United Kingdom and the interest thereon, shall, so far only as it impairs such priority, be void, unless such Act has been reserved for the signification of Her Majesty's pleasure.

Issue out of Consolidated Fund.

6. The Treasury are hereby authorized to cause to be issued from time to time, out of the growing produce of the Consolidated Fund of the United Kingdom, such sums of money as may at any time be required to be paid to fulfil the guarantee under this Act.

Certificate of amount paid out of Consolidated Fund.

7. The Treasury may, from time to time, certify to one of Her Majesty's Principal Secretaries of State the amount which has been paid out of the Consolidated Fund of the United Kingdom to fulfil the guarantee under this Act, and the date of such payment; such certificate shall be communicated to the Governor of Canada, and shall be conclusive evidence of the amount having been so paid and of the time when the same was so paid.

Accounts to be laid before Parliament.

8. The Treasury shall cause to be prepared and laid before both Houses of Parliament a statement of any guarantee given under this Act, and an account of all sums issued out of the Consolidated Fund of the United Kingdom for the purposes of this Act, within one month after the same are so given or issued, if Parliament be then sitting, or if Parliament be not sitting, then within fourteen days after the then next meeting of Parliament.

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