Albert Dock. I am a promoter—one of twelve—and we have to put our hands into our pockets and find £350,000 before we can move. If the Great Western or the Great Northern or any existing company did that they would not have to put down a shilling.

276. Do you advocate the placing of new companies in that respect in the same position as the others?—I think any obstruction placed in the way of new companies ought to be removed.

277. Including the being prevented from issuing shares at a discount?—Yes.

278. Do you attach much importance yourself to that suggestion which has been made to the Committee? Witnesses have appeared before us who said that they thought that all that was wanted was to enable the new companies to issue shares at a discount. What is your view as to that?—What ought to be done is to leave the companies free, within rational limits, to do that which is best for everybody—the companies and the public; because, of course, if a railway is constructed at a cost much beyond what it need be constructed at, the public pay. In reality the public always pay for these things, and issuing shares at a discount is of all methods of raising money the most improvident. I think I can illustrate that very well in the case of the District Railway. Every body knows the District Railway. That was carried through with a good deal of difficulty, and the whole of their preference capital was raised at a discount. There is a million and a half of it. And this illustrates very well one or two nostrums that have been suggested from time to time, to the effect that before the completion of a railway you ought to offer it to the public. Now, we offered this stock of which I am speaking—having got £2,300,000 in hand of ordinary stock—the 5-per-cent. preference stock to the shareholders; and out of £1,500,000 they took £250,000—just enough to spoil the value of the rest. They took that at £70, or 30 per cent. discount, and we were stuck high and dry with a damaged stock, because the directors were weak enough—I was not in it at that time—to be impressed with the argument that they ought to offer it to the shareholders and to the public. Then we had to fall back upon a great financier and a great contractor, and they took the balance of it at £68 10s., and of course, in order to be quite fair and square with those people who had subscribed the £250,000, we had to return them the £1 10s. difference. Therefore the whole of that preference stock of £1,500,000 on a railway like the District was issued at an enormous discount. What is the result to-day? We had to wait several years after paying the fixed charges upon the debenture debt before we reached our 5 per cent. preference; but we do pay that, and have paid it for several years. And this is the result: that upon the preference stock we are paying £7 17s. 8d. per cent. per annum for ever. That is the most improvident thing you can conceive.

279. *Mr. Shaw.*] Was the line open?—Partially open. That is not limited to the District Company. One of the evils of this clause, and one which I individually feel that I have a right to protest against, is the evasion which it drives otherwise honest people to. The District Company are not the only people who evade it, nor are the poor companies; some of the rich companies evade it, as for instance the Metropolitan Company, which is presided over by a great railway authority in excellent credit. (I have always been in very bad credit. I have had to go about begging for money; but some people can go about commanding it.) Now, this great authority, being chairman of the Manchester, Sheffield, and Lincolnshire Railway Company, amongst other things, at his very last meeting held on January 25th, says this: "He believed it was the late Mr. Rawson who said that no railway man's property was safe while Parliament was sitting; and, while he would not go so far as to say that, a change in the law relating to railways was proposed which he hoped would receive the very watchful care of the whole railway interest"—that is this change. "One reason why the shareholders"—at that meeting—"would not receive so good a dividend as they might have done was that the directors had been compelled to charge to net revenue the interest on dead capital, which simply meant that the dividend on dead capital should not be paid out of that capital, though it really formed part of it. He had often said, and he repeated it now, that this was unjust; but it was the law, and they were obliged to conform to it. There was a proposal by the Hull and Barnsley gentlemen to extend their line, and to sanction in their exceptional favour the charging of interest during construction to capital and not to revenue. Of course, in the particular case of that company, they could not charge it to revenue because they had no revenue to charge it to, and by the law the shareholders would have to wait till they had; but what should be sauce for the goose should be sauce for the gander, and they should certainly say in Parliament that if the law generally was to be altered they had not much to say, but, unless every existing railway company was to be placed in the same position, they should certainly object to a new project of a doubtful character"—that is, the Hull and Barnsley—"being permitted to break the law, or to have a law made specially for it, in order that it might be the better able to compete with the Manchester, Sheffield, and Lincolnshire Company, the North-Eastern, and other existing companies." Now, that is the whole question which underlies all these big companies coming here to fight these little ones. The Hull and Barnsley Company will tell their own story. But there are various ways of evading the law. Now, this ingenious gentleman who finds that there is not much to be said against a change of the law, provided that it affects everybody alike, as of course it will, is the chairman of the Metropolitan Railway Company, and the Metropolitan Railway Company is associated with the District Railway Company in probably one of the greatest works that have ever been contemplated, either as regards the railway interest or the public—that is, the completion of the railway between the Mansion House and Aldgate. That is a terrific job. I have had to face some heavy ones, but that is the biggest I have ever had to undertake. There we have got between us to raise two and a half millions of capital and £800,000 of debentures, for about two miles of railway. I need not trouble the Committee with the reason why the raising of that capital has been deferred, but during the last four or five months I have been in a position, in consequence of an agreement with the public bodies, to proceed to raise our half of that capital. I am met exactly in the same way as I have already described by a great many people in London. "Now, all right," they say; "when is this railway to be opened?" "I