

alteration. He believed that the general rule ought to be altered, but why should they wait until the formality and technicality of alteration were observed? A great obstacle was opposed by the rule to the action of enterprise and industry, and he believed they would do wisely in dispensing with it unless they thought it should be maintained, and that it ought to be maintained against the decision of the House of Commons, in which all the special knowledge on this subject existed. Unless their Lordships were of opinion that the rule should be permanently upheld, he thought they would do wisely by dispensing with a mere technicality for the purpose of benefiting industry and relieving the depression which existed in a particular place. The rule was not only bad in itself, but it dealt very hardly with this particular case. For two or three years past he had been informed that the capital for this enterprise could not be raised on any other terms. It seemed ridiculous that people would not subscribe except on the terms of a certain amount of their capital being given back to them in the name of interest in the first two or three years of the enterprise, during which nothing could be earned; but, as a matter of fact, in times of depression, when capital was not superabundant, they could not raise money for any great and perfectly sound enterprise except by giving this inducement to investors. No one who was conversant with business in the City of London would deny that at the present time the fact was as he had stated, and he thought their Lordships would be inflicting great harm upon a number of innocent people if they refused this motion.

The Earl of WEMYSS observed that he had every desire to forward the interests of working-people in accordance with the principles of sound commerce, and in a sound and healthy way. Certain rules had been laid down by the House to prevent bogus companies springing into existence, and the noble Lord who had brought forward this motion had admitted that they worked in a salutary manner in acting as a check upon reckless speculation. The noble Marquis who had just spoken disapproved the rule; but if it were wrong the rule should be suspended completely and as a whole. But he saw no reason why the rule should be suspended in one case only, for the purpose, as it was said, of meeting temporary distress.

After a few words from Lord ARUNDELL of WARDOUR,

Lord BRAMWELL said he wished to explain why he was going to vote against this motion. The noble Earl who made the motion was in favour of the Standing Order, while the noble Marquis opposed it altogether. There was a good deal to be said in favour of the Standing Order. One of its objects, he took it, was to prevent the statement of what was not in reality the actual fact. When people applied for an Act of Parliament, and issued a prospectus declaring that they would pay interest at 5 per cent., it was doubtless very attractive, and induced the public to think that the investment was a good one.

The Earl of RAVENSWORTH pointed out that the rate of interest in that case was confined to 4 per cent.

Lord BRAMWELL said that certainly 4 per cent. was not so tempting as 5 per cent., but he thought that if the actual truth were told to the shareholders in the prospectus—that they were to be paid interest out of their own capital—they would not be attracted in the same way. The Standing Order, he believed, tended to prevent the passing of Railway Acts which were not really wanted, but which were only contractors' Acts. He thought it was a good thing that it should have that operation, because, when a needless railway was made, so much of the national wealth was wasted. If they put two railways side by side, and the two carried no more than one of them did before, the money spent on the second railway might almost as well have been thrown into the sea. It might be said that that was not a matter for the nation, but that it only concerned the shareholders. But surely the wealth of the community was made up of the wealth of individuals. He did not believe that the Standing Order had ever prevented a line from being constructed that was really wanted. It was alleged that money could not be got for those enterprises, and it was suggested that there was a lack of capital. That must be a mistake, because he read in the newspapers that bills were discounted at $\frac{1}{4}$ to $\frac{1}{2}$ per cent., and the bank rate of interest was about 2 per cent. per annum. Capital was really seeking employment in every way; and why should it not be invested in that company, unless it was that the capitalists felt there was no probability of its being a paying concern? It was said that at present there was a great want of employment among the working-classes. He was afraid that that was so; but let them see what the argument came to. If the Standing Order was a bad one, let them get rid of it. If it was a good one, he trusted that their Lordships would adhere to it.

The Earl of REDESDALE pointed out that the vote which their Lordships were now called upon to give was not one on the second reading of the Bill, but whether they would maintain the Standing Order or not.

The Earl of KIMBERLEY observed that in the year 1883 the noble Marquis did not take the same view of that matter as he had done that evening. In 1883 a proposal was made to the House that they should adopt the same course as had been adopted in the other House; and then the noble Marquis did not show so much respect to the authority of the late President of the Board of Trade, but spoke rather hardly of his views. He said that the matter required the gravest consideration, and he thought it was not desirable to alter the Standing Order.

The Marquis of SALISBURY explained.

The Earl of KIMBERLEY.—Nobody would have supposed, then, that the noble Marquis regarded the getting-rid of that prohibition as one of high policy; and the noble Marquis then spoke of "bogus" railways, and of the injury to the main lines by bringing into existence contractors' lines, which would not otherwise be made; and he brought forward many arguments in favour of the Standing Order. That was not a question of the ordinary general law, but of granting special privileges to companies to take land for enterprises of that kind; and Parliament was not precluded from looking into the question whether lines were promoted by real investors or were only "bogus" lines. The question now before their Lordships was, whether they were to put aside the Standing Order in that particular case. The arguments of the noble Marquis were no doubt worthy of con-