companies also. It seemed to him, however, that there was no very complete analogy between trading companies and companies formed for the purpose of constructing works. In the former case, the law simply ordered the companies not to diminish their capital by the payment of interest; but in the latter case this principle did not apply in the slightest degree, for Parliament could ascertain the amount wanted for a given undertaking, and could specify the sum, if any, to be allowed for the payment of interest during construction. He mentioned these considerations to show that the question was not as simple as it had sometimes been assumed to be. He hoped that the House would not at the present moment do anything which might finally determine the question. It should be dealt with deliberately at the beginning of the session, either by a Joint Committee, as he had suggested, or by the introduction of a Bill. The course taken by the other House, however, if their Lordships simply refused to assent to it, would greatly tend to injure undertakings launched in view of the alteration of the Order; and he should accordingly suggest that with regard to the Bills of the present session the alteration might be made on clear proof that the proposed lines were desirable, and could not otherwise be constructed. If the House took that view of the matter he would propose to insert into the resolution words to that effect; and by this means all injustice would be avoided. He might mention one other point. Of late years several Acts had been passed authorizing trust funds to be invested in railway stock, and such provisions were very common in trust deeds and wills, but with the qualification that the investment should be in the debenture stock of companies which had paid a dividend on their ordinary stock for a certain number of years. If the change were made that qualification would not hold good any longer.

Lord Houghton, who was indistinctly heard, was understood to support the proposal, but to recommend that the House should proceed by way of a Bill next session.

The Lord Chancellor hoped that the House would deal with the proposal according to its own deliberate opinion, and not attach too much importance to a resolution passed elsewhere by a not considerable majority. It seemed to him that the reason given by his noble friend for the opinion—in which he thoroughly concurred—that the time had not yet arrived for a permanent change of the Standing Order, went further than his noble friend had suggested. If the House did not now come to a decision it ought to leave the question unprejudiced; and that would hardly be done by his noble friend's proposal. His noble friend had not given any positive opinion on the subject, though he had said more in favour of the change than for the retention of the existing rule. It was a very serious thing to change without ample deliberation a rule founded on the sound principle of letting it be understood that, when Parliament sanctioned a certain amount of capital, it meant what it said and not something else. If a deduction in the way of interest were permitted from £100 nominal capital the operation would be equivalent to a simple return of part of the money invested. His noble friend had stated that the same thing might be accomplished by the issue of shares at a discount, power to do which was often granted. But the distinction was this: that the issue of shares at a discount was after, and not before, the execution of the work for which the company was formed; whereas his noble friend suggested that a similar course should be taken at the very beginning of the undertaking, and when shares were being floated in the market by persons who intended to have no permanent connection with the company. It was better to call that which was discount by that name, and not by the name of interest. Nobody would be deceived in the one case; but, in the other case, inconsiderate persons might imagine that they were putting money into a secure investment from which they would get a return in the shape of interest. His noble and learned friend had argued one side of the case rather than the other; and he had so far followed the example as to put the arguments on the other side. If this were a matter that ought not to be determined without inquiry by a Joint Committee of both Houses, then it ought to be remitted to such Committee without the prejudice which must necessarily arise if in the meantime their Lordships were to say that a new principle was to be adopted *ad interim* in the case of Bills which had passed the other House this session. On what ground could it be said that any principle of good faith required anything of the kind? Those who had introduced the Bills were perfectly well acquainted with the Standing Orders of both Houses, and they had no reason to apprehend any change in either because a Committee had recommended that the subject should be considered. He could not help thinking, therefore, that that consideration must be dismissed. There was great force in the view that it was not desirable to alter the Standing Orders until a Bill had been passed to amend the Companies Acts as to the payment of interest out of capital, as they embodied the view of Parliament in 1845. It was in the power of Parliament in any particular Act to determine that the existing provision should not apply; but, on the other hand, the general rule was that the law as laid down by the Act should be applied, and the suspension of the Standing Order was necessary to enable a deviation to take place. If the general rule were not right the Act of 1845 ought to be amended. He was not prepared to lay down the contrary rule, as they would do by adopting this resolution; and he did not think any sufficient reason had been given why it should be done in favour of any Bills now before Parliament.

The Marquis of Salisbury said that the noble and learned Lord beside him had thought that he would follow the advice and promote the wishes of the Government. This change, he believed, had been proposed by the President of the Board of Trade in the other House. His noble and learned friend no doubt imagined that, in providing a middle term by which, without entirely differing from the President of the Board of Trade, we could protect the principles of existing legislation, he should be complying with the wishes and following in the path prescribed by the Government; but his noble friend omitted sufficiently to reflect on the remarkable phenomenon of modern politics—the dual personality of Mr. Chamberlain. He did not suppose the Government was divided—such a thing never occurred; but Mr. Chamberlain was two personalities: he was not the same man in Birmingham that he was in Downing Street; nor was he the same man on a Tuesday evening that he was on a Wednesday morning. He had a double personality of time and