

To effect such relief the act 22 Vic., ch. 89, was passed, and on the 11th May, 1859, an order of council gave practical application to that law.

The object and provisions of the said act may be stated as follows :

The government being itself unprepared to make further provincial investments in the line, agreed that on condition of the raising of sufficient new capital, the then first lien of the province should recede into the third rank for security, allowing (in consideration of the increased investment of private capital) a priority for security and interest to the first and second classes of bonds. The act further provided that £50,000 of the new issue of first preference bonds should be appropriated to the liquidation of the then existing debts of the company ; that all debts and claims should be proved before the 31st of December, 1859 ; and that *on that date* the said amount of bonds (or their proceeds) should be divided *pro rata* amongst the proved creditors, in full and final settlement and extinction of every liability of the company.

It is quite clear that in the absence of such provisions no new capital could have been raised with which to restore the railway, for unless the debts of the company had been so defined, limited and liquidated, the new investment would have been utterly insecure.

Yet all reference to the provisions of this act seem to have been studiously omitted from the pamphlet under revision.

So far as the information of the directors extends, they have no knowledge that any claim for the construction of the Barrie branch was made or recognised during the passage of the measure ; nor was any demand for damages for its non-construction submitted within the period limited by the act. On the contrary they have the written testimony of Mr. Angus Morrison himself that no such claims were recognised, for in his published letter of the 6th December, 1859, (eight months after the passage of the act,) in reviving his claim for the construction of the branch he says : " If I had been disposed to clog the relief bill, or the order of council, *with a condition that the company's agreement to*