

may or may not go into effect according as Mr. Plunkett is able to fulfil the conditions imposed, and carry out the promises he has made. The English Directors are not unconditionally committed to the project in the sense which is led to be inferred, but are at liberty to abandon it, provided their preliminary stipulations are not complied with, and further investigation does not recommend the scheme to them. Hence the necessity for extending the time within which the Agreement is to go into operation. Hence the quasi-legislative existence given to the "Provisional Company" (Mr. Plunkett) to enable arrangements to be perfected for the formation of a Company to take over the Agreement. Hence the complicated Act, which in one part incorporates certain persons, and in another provides that "for the purpose of incorporating" them, "*or those who may be substituted for them,*" the Lieut.-Governor may hereafter grant a Charter; which Charter, with any Order or Orders in Council relating to it, is to have the same force and effect as an Act of the Legislature. Briefly, the inferences to be drawn from this curious piece of legislative mechanism are

1. That the "Provisional Company" (Mr. Plunkett) has not succeeded definitely, but only at most contingently, in forming a Company to take over and work the Contract.
2. That the English Directors who are incorporated by the Act may or may not, according to circumstances, become members of the proposed Company.
3. That, therefore, time is to be given Mr. Plunkett further to negotiate, and, if necessary, form new combinations.
4. That accordingly the option is reserved to the Lieut.-Governor at some future time to grant a Charter; which Charter, with the Orders in Council relating to it, *may contain more or less serious modifications of the Agreement for all that the Legislature or the people can tell or prevent.*

The original contract is somewhat varied by the stipulation that the sum of at least \$5,500,000 (inclusive of the £52,000) shall have been provided in "cash, Canada currency, or the equivalent thereof in Government or other bonds or debentures; and deposited *or otherwise secured and applied*" to the purposes of the Agreement. It will be seen that this security need not be in cash, but may be in bonds or debentures. This would be satisfactory enough, however, provided the bonds or debentures were really of value. What is of more moment is that the \$5,500,000 need not necessarily come into the Treasury at all, but may be "*otherwise secured or applied*" to the purposes of the Agreement. In other words a part of it may be applied in buying the Western Counties Railway, and thereby converting the worthless securities of that