If the Committee will look at that letter also, they will see that (though clause 31 is incidentally referred to), it is an attack upon the Act itself. It says that the arbitration provided by the contract was taken away, and in its place were put a series of provisions which were never consented to by the Contractors. So in Mr. Henderson's letter to the *Evening Post* of the 2nd April, 1878, in the second paragraph, these words are used:—

You raise another issue, that it "verges upon the wonderful that 'The Government Contractors Arbitration Act, 1872,' should have passed both Houses of Parliament without the knowledge of the solicitor and agent of the firm resident in Wellington," and should remain five years on the statute-book without the party chiefly interested being aware of its existence." In reply to this, I will first answer for Mr. Travers, the solicitor alluded to, and then for the agent (myself). The solicitor certainly was not aware up to the end of the year 1876, for he at that time served upon the Government a number of notices based upon stipulations in the contract done away with by the statute, and which notices were immediately objected to by the Government, who called attention to the statute, and declared their intention of enforcing its provisions. When, after receipt of this letter, I consulted with the solicitor, he distinctly informed me (and doubtless would also inform you,) that, up to the time he served the notices above referred to, he was wholly unaware of the existence of the statute. The agent (myself) was equally ignorant of its existence. At the time it was introduced, I, as engineer superintending Messrs. Brogden's contract works, was with my engineer wholly absorbed in assisting the Government making surveys and laying out railway lines. The Bill was introduced into Parliament only ten days after Messrs. Brogden's contracts had been signed, and it was pushed through both Houses almost immediately after its introduction. I was at that time under the impression, and no doubt so was Messrs. Brogden's solicitor, that the material rights and obligations of the parties had been immutably fixed and ascertained in and by the contract, and I had no shadow of a suspicion that the Government, without consulting Messrs. Brogden, and under pretence of an arrangement with them, intended to pass Bill through the Legislature so seriously affecting their rights and obligations.

Then, I will call my friend's attention to the concluding paragraph of this letter:—

Those who do a great wrong frequently seek to cover its perpetration by slanders and abuse. The members of the late Government appear to form no exception to this rule, and hence the misrepresentations they have so industriously propagated, and hence their untruthful statement that the Courts are open to Messrs. Brogden for the assertion of their claim. The Courts are closed. Trial by jury is for Messrs. Brogden an impossibility. Appeal is cut away from them, and the Government Contractors Arbitration Act amounts to *an act of repudiation*, as being utterly at variance with contracts entered into by the Government with Messrs. Brogden previous to the passing of the said Act. I do not blame the Parliament, but I do blame the late Ministry, or such other persons as have misled the Parliament.

Mr. Cave: That is Mr. Barton's letter.

Mr. Bell: I do not know if the newspaper letters were written by Mr. Barton. I ask the Committee now to look at Mr. Traver's letter of the 3rd April:—

Mr. Henderson was in error in stating that I did not know of the existence of the Government Contractors Act until the year 1877. I knew of its existence, but had never read it until it became necessary for me to do so in connection with the claims of the Messrs. Brogden against the Government. It then appeared to me that the Government, and the Legislature by which the Act had been passed, had been guilty of a gross breach of faith towards the Messrs. Brogden, by introducing into the Act a set of provisions which materially modified the rights they had under their contracts.

A limitation clause was certainly included in the Act, but is it a provision which materially modified their rights under the contract?

Mr. Cave: A clause ousting the jurisdiction of the Supreme Court was also included.

Mr. Bell: Of course. But that did not modify the contractor's rights under the contract.

There never is any right of appeal from an arbitrator. You cannot bring error upon an arbitration. Nobody ever heard of such a thing. The Act says the decision of the Judge shall be final. The Act says no more than the law would imply without the Act. These clauses which say there shall be no appeal do not enact anything new.

Mr. Cave: The right of action is taken away.

Mr. Bell: Of course. What is the use of having a clause providing for a final arbitration if there is to be an action also? I call the attention of the Committee to these statements to show what was the nature of the allegations made before the Appendix to the Journal of 1878 was printed. My friend Mr. Cave has stated that these letters, with the exception of Mr. Travers', were written by Mr. Barton, and he very frankly disclaims the charges of unfair conduct made in them. But the letter to the Secretary of State printed in the Appendix to the Journals of 1878 was certainly not written by Mr. Barton.

Mr. Cave: It was written by Mr. Henderson.

Mr. Bell: I do not know who it was written by, but it is dated from 21, Queen Anne's Gate, Westminster, and it was certainly adopted by the firm in England, and therefore I do not think my friend can disclaim that letter. That letter makes an attack upon a number of clauses of the Act, and incidentally upon clause 31. I trust the Committee before coming to a decision upon the question will read the parliamentary paper E.—3 of 1878 containing that letter. It is of great importance that the Committee should see the result of the enquiry made by the Grey Government in 1878 into the allegations made by Messrs. Brogden in that year. That letter to the Secretary of State was sent by him to the Governor, and the Grey Government ordered an enquiry into the charges made in it. In that letter clause 4 is objected to most strongly—a clause which had been amended by their own solicitor. Clause 12 is objected to most strongly—that had been consented to by their own solicitor. Clause 3 is also objected to—objected to most strongly. That also had been approved by Mr. Travers. And then the writers formulate their charge that the Act was passed behind their backs, and entirely without notice to them, in these words—

If Messrs. Brogden had been informed of the Act in 1872, when it passed the Legislature of New Zealand, or—being an English firm of contractors—had they been notified in England, they would certainly have made an appeal against the granting of the Royal assent to a measure which they conceive to be so unjust and unconstitutional.

By the Act of the Imperial Parliament granting the present Constitution of New Zealand (15 and 16 Vic., c. 72), it is provided (clause 53) that it shall be competent to the General Assembly (except and subject as hereinafter mentioned) to make laws for the "peace, order, and good government of New Zealand, provided that no such laws be repugnant to the law of England."

Can it be said to be consistent with "peace, order, and good government" that the Government, being party to contracts with any individual or firm, should vary any of the provisions of such contracts by Statute without the consent of the other party to those contracts? And can such legislation, whereby one party to a contract alters some of its provisions without the consent of the other party, be otherwise than "repugnant to the law of England?"