

a general claim : we ought to have a specific one. Our Court procedure is that you must specify the amount of damages you claim. I submit that on the breach of contract we should have at least particulars and details and dates ; and also what damages they claim for each breach in their details.

*Mr. Hutchison* : Might I suggest that the opening address on behalf of the company be heard, which will give many of the particulars and details wanted ?

*Sir R. Stout* : We want them now.

*Sir C. LILLEY* : We will consider the matter for a time.

[The Arbitrators here left the Court for the purpose of considering this question, and on returning.]

*Sir B. BURNSIDE* said, We have carefully considered the points that have been submitted to us by *Sir R. Stout* and *Mr. Hutchison*, and have determined for the present to reserve the decision on these points until we have heard the opening address of counsel on both sides.

*Sir C. LILLEY* : Perhaps it would be convenient to hear the opening address from each side—the statement, in fact, of their case, first by *Mr. Hutchison* and then by *Sir Robert Stout*. Then the notes would be led in on both sides. That is the practice with us, and it is a very convenient one.

*Mr. Hutchison* : Yes, your Honours.

*Sir R. Stout* : I do not object. I wish to consult with *Mr. Gully*, and speak of it at 2 o'clock.

*Mr. Hutchison* : May it please the Court, I now propose to review the events culminating in the contract of 1888 and bearing on various heads of particulars to be dealt with more in detail afterwards, and I propose to deal generally with the events leading up to the present arbitration. This branch of the subject depends on public records chiefly, and the evidence of the chairman of the company as to the transactions which took place in England. The first event which may be mentioned, but only mentioned, is that in 1875—just twenty years ago—there commenced an agitation to connect the east and west coast of the Middle Island. Petitions in that year were presented to Parliament from inhabitants on either coast, and there were reports laid before Parliament by the Engineer-in-Chief and by various surveyors as to the various routes suggested for the desired connecting railway. In 1878 the Railway Construction Act was passed, which contemplated the Government entering into contracts for the construction of a number of railways in the North Island and in the Middle Island. Amongst the latter was one from Amberley to Brunnerton, on the main trunk Government line through Canterbury and Otago. In 1881 the Railways Construction and Land Act was passed. That is the Act which in the contract is called “the principal Act,” but is not of immediate consequence in the present connection. In 1883 a Royal Commission was set up to report upon the scheme of connecting the East and West Coasts, and a connecting line northwards to Nelson. The report of the Commission is in the parliamentary papers of that year—D.—2A. I may say, in passing, that that report was not favourable to the proposed construction of a railway between the east and west coasts, and between the west and north. In 1884, however, as though the project were considered of more importance than the Royal Commissioners thought it to be in the previous year, we find on the statute-book the East and West Coast (Middle Island) and Nelson Railway and Railways Construction Act. This Act I have had occasion already to refer to to-day. It is called in the contract “the said Act.” It was under this Act that the contract with Messrs. Chrystall and nine others was entered into in the following year, 1885. That contract was afterwards set out as the First Schedule to the Act of 1886. In the same year—1885—there were proposals for the construction of such a railway proposed by Messrs. Meiggs and Company, but these were not acceded to by the Government. In connection with that proposal there were opinions expressed by Ministers which I conceive to be of considerable importance, as showing the value of the concession which was afterwards granted to the present company. I would, with the forbearance of the Court, refer to some of the speeches of Ministers at that time. In the year 1885, the Minister for Public Works, as reported in *Hansard*, Volume 52, at page 251, says this—

*Sir R. Stout* : I do not like to interrupt my learned friend, but we do not consider speeches of Ministers in the course of parliamentary debate in any way relevant.

*Sir C. LILLEY* : It is hardly worth while travelling over that ground unless you can get evidence.

*Mr. Hutchison* : The evidence would be that of the Minister himself. He will, if necessary, be asked to come here and say whether these were the opinions expressed by him as leading up to and inducing the present contract. They are the public expressions of one in the best position to give an opinion as to the value of the railway proposed to be constructed, and to give an estimate of the probable earnings of the railway when constructed.

*Sir C. LILLEY* : All this is speculation, I think.

*Mr. Hutchison* : Not entirely, because the opinions expressed the facts, as well as they could be ascertained, at the time.

*Sir R. Stout* : You do not rely on representation.

*Mr. Hutchison* : We do not propose to suggest misrepresentation, as inducing the contract ; but, in estimating the value of the railway which the Midland Railway Company has been prevented from constructing, it is right to show the value of such railway as estimated by people in official positions and therefore likely to know.

*Sir R. Stout* : If it is admissible to show what one Minister said, I presume it will be admissible to quote those who said that the land was not worth anything ; and when is it all to end ?

*Sir B. BURNSIDE* : I think when the question of acceptance comes in we will be able to judge of it *quantum valeat*.

*Mr. Hutchison* : I hope so. This, I submit, has relevancy to the case. I am sorry I shall have to read a good many extracts from documents and letters, but I shall endeavour to make them as