The claim of the Company for an extension of time for the completion of the railway is one of which the Crown has had repeated notice, and, arising as it does from the intention of the parties as frequently expressed, and from the grounds indicated in the summary you have, can admit of no uncertainty.

If the Crown is still determined on the proceedings you indicate, I have, in response to your request that the Company instruct a solicitor, to refer you to Mr. G. Hutchison, who will act for

the Company.

I have, &c., ROBERT WILSON,

Engineer-in-Chief and General Manager,

New Zealand Midland Railway Company.

H. Gully, Esq., Crown Solicitor, Wellington.

Crown Solicitor's Office, Wellington, 20th April, 1895.

Sir,— Midland Railway.

I have the honour to acknowledge receipt of your letter of the 13th instant, received by me

on the 17th.

I think it unnecessary to comment on the tone of your letter. It seems somewhat peculiar that the assertion of the public right, as against a Company which has failed to perform four-fifths of its contract, should be described as a threat, or said to display a disregard for the interests of all concerned. However, in reply, I have to inform you that the whole question is now under consideration, and that the Government will shortly decide what steps ought to be taken in the interests of the colony. Meantime the writ will not be served.

I have, &c.,

Hugh Gully,

R. Wilson, Esq., General Manager, Midland Railway Company, Wellington. Crown Solicitor.

Crown Solicitor's Office, Wellington, 8th October, 1895.

Sir,—

Re Midland Railway Company.

Permit me to draw your attention to my letter of the 28th March, 1895.

I have again to request that you will supply me with particulars of the claims against the colony which you propose to bring before the arbitrators. With the general nature of your complaints to a Parliamentary Committee we are acquainted; but you will hardly deny that such knowledge is not a fair or reasonable guide to the case which we shall be called upon to meet. It is an unheard of and grossly unfair position to attempt to force a defendant to appear in Court, and that he should then, for the first time, learn the specific charges relied upon by the claimant. Counsel for the Crown cannot possibly be in a position to cross-examine witnesses unless some reasonable particulars of the claimant's case are supplied. The result must be that your conduct, in this respect, will make a postponement of the hearing at the outset inevitable; and for this you must take the responsibility. It does appear extraordinary, in a case of this magnitude, that the Crown should have to submit to persistent refusal or neglect to supply reasonable particulars of the Company's claims. The details formulated by the memorandum, undated and unsigned, handed to me in April, would be rejected as insufficient in a Magistrate's Court upon a claim for £5. I have not been informed, even in the vaguest way, of the amount claimed for compensation. You are, of course, laying the Company open to the suggestion that the specific nature of its grievances is being purposely withheld. I have now in vain attempted, for a period of six months, to obtain particulars which, in an action, you could have been compelled to grant in a week.

I have, &c.,

Hugh Gully, Crown Solicitor.

The Engineer-in-Chief and General Manager, New Zealand Midland Railway Company.

Crown Solicitor's Office, Wellington, 25th October, 1895.

Sir,— Re Midland Railway Arbitration.

I must again repeat my request that you will endeavour to furnish me with a state-

ment setting forth your claim with reasonable particularity.

I cannot but state that not only is your continued failure to supply them likely to delay and interfere with the course of proceedings, but I think I must say that it is not respectful to the tribunal before which these proceedings are to be taken.

That a claim of this magnitude should have been left up to the present stage without any deed

of reference, or any particulars worthy of the name, is almost incredible.

I have, &c.,

HUGH GULLY,

The Engineer-in-Chief and General Manager, Midland Railway Company (Limited), Christchurch. Crown Solicitor.

New Zealand Midland Railway Company (Limited), 156, Worcester Street, Christchurch, N.Z., 29th October, 1895.

Sir.—

Midland Railway Company.

I have the honour to acknowledge the receipt of your letter of the 8th instant, and in reply I beg to remind you that your letter of 28th March was dealt with at the time. As soon as the