

inspector and the suppliants, which agreement was in writing, and was approved by the Lieutenant-Governor in council, and laid upon the table of the House of Assembly in due course.

6. That thereupon the suppliants, acting upon the terms of the agreement, advanced large sums of money for the purpose of purchasing and installing new machinery and plant, as provided by the terms of the agreement (to which the suppliants prayed to refer), and after the installation of such machinery continued the manufacture of binder twine and cordage from year to year until the termination of the contract on 1st October, 1905.

7. That by a further agreement dated 25th August, 1904, the agreement was extended for a further period of 5 years, upon certain conditions set out.

8. That by the last mentioned agreement it was provided that "if at any time it shall be deemed expedient to resume the plant on government account, the contract may be terminated by the inspector on 1st November in any year, by giving 6 months' notice thereof in writing."

9. That the inspector, presuming to act under this agreement, gave the suppliants notice terminating the agreement on 1st November, 1905.

10. That all matters of account between the suppliants and the inspector were adjusted in December, 1902, up to and including 30th September, 1902, and a balance was then shewn to be due and owing to the inspector on current account, of \$5,084.96, which amount was paid by the suppliants to the inspector in full settlement thereof.

11. That in 1903 the accounts were adjusted again up to and including 30th September, 1903, when a balance on current account, was due by the suppliants to the inspector of \$1,206.87, which amount was paid by the suppliants to the inspector and accepted in full satisfaction.

12. That in 1904 there was a similar settlement of account between the suppliants and the inspector up to and including 30th September, 1904, when a balance was shewn to be due by the suppliants to the inspector of \$674.89 on current account, which amount was paid by the suppliants to the inspector and accepted by him in full settlement.