

was also in it. I know it was reported Atchison had an interest in that hotel at the Upper Hutt, but I would not be positive about Staples, although I have a strong impression he was mixed up in it.

1201A. *Mr. Toole.*] Is there any evidence that Atchison had an interest in the house, and did his name appear?—No.

1202. Do you know whether the Inspector has an interest in any other house in the province?—No; but I have often heard so.

1203. Do you know anything about a house at Johnsonville. There is an Ames there?—No.

1204. *Mr. Barton.*] The Karori Hotel matter: that was in your hands?—Yes.

1205. Will you state what occurred?—Mrs. Hindge, the owner of the property, had as tenants Messrs. Mace and Arkell, a firm of brewers, and they sublet to a man named Thomas Carter. He gave a bill to Thomas Mills—who was mixed up with Mace and Arkell in the Karori Hotel—and failed to pay his debts. Mills seized his goods, but they could not get hold of his license. At this time an action was pending between Mrs. Hindge and Mace and Arkell, and she wanted to put in possession of the license a man named Henry Carter, who was supposed to be her husband, but who was merely living with her. It seemed that Mace and Arkell had broken their covenants to her, and she had taken possession. Mace and Arkell had brought an action of ejectment to eject her and Carter, and it was at this time that it was sought to transfer the license from Thomas Carter to Henry Carter. Thomas Carter then said, "I don't think you will get a transfer, because Mace is a great friend of Atchison." I applied for a transfer, and, sure enough, it was refused. Oh, I think I am making a mistake. In the first instance, Carter wanted to have the license transferred to Mrs. Hindge. I applied, and then Atchison came forward and said the house bore a bad character, and that she misconducted it when she had it before, and that she was now living with this man Henry Carter. He therefore urged that the license should not be granted. Mr. Crawford, instead of adjourning the case, as I asked, refused, saying that, as Atchison had objected, he would not grant the transfer. I made some subsequent application; but it was refused. He then applied to have it transferred to Henry Carter, but that was also refused. We then found, in the suit with Mace and Arkell, that we had no defence, and we allowed judgment to go by default. The matter was subsequently settled by Mrs. Hindge purchasing Mace and Arkell's interest. Then Thomas Carter, who originally was going to transfer to Mrs. Hindge, came in to me and said there was some misunderstanding between him and Mrs. Hindge, and he was not going to allow the transfer. The Sheriff seized the license, after an ineffectual application by Mr. Ollivier to have the license transferred; and, notwithstanding all Mr. Atchison's previous objections to Mrs. Hindge, she was put in possession, and commenced to sell immediately she had settled with Mace and Arkell.

1206. Was she licensed?—I do not know. I could not find out. I was told by Carter she was selling without a license. He attempted to lay an information; but it was not taken, so far as I know.

1207. Has a license been granted to the house?—I do not know.

1208. The house is still open?—Yes; Mrs. Hindge is behind the counter, selling.

1209. Do you remember the statement made by a witness who was to be called to prove what Mace said Atchison would do in the application to be made in respect to this hotel?—Yes; I was told that Mace told one of the Carters that he would get Atchison to refuse the license. I do not remember the exact words, but that was the impression left on my mind.

1210. You employed me in the matter after our dissolution of partnership?—Yes; the impression left on my mind by the statement was that Mace had threatened one of the Carters that he would make it all right with Atchison, so that the license would not be transferred. I cannot recollect the exact words.

1211. Do you remember Carter being called as a witness to prove that?—I did not attend the Court, and therefore did not hear what he said in Court.

1212. *The Chairman.*] I understood you just now to say something about a threatened prosecution of Mrs. Hindge for selling liquor without a license?—Yes; Thomas Carter told me he had attempted to lay an information against this Mrs. Hindge, but every obstacle was thrown in his way, and he could not do it.

1213. In what way?—By the Clerk of the Court, he told me.

1214. Do you mean that the Clerk of the Court would not draw the information out?—I do not exactly know what the obstacles were. The man came to me about it—in fact, he was rather a nuisance to me than otherwise—and I think I told him to go to the Magistrate.

1215. And you heard no more about it?—No.

WILLIAM HENRY SWAIN, being duly sworn, was examined.

1216. *The Chairman.*] You are an hotelkeeper?—Yes.

1217. What hotel do you keep?—The Union Hotel.

1218. *Mr. Barton.*] Will you relate to the Committee the circumstances attending the proposed sale of the house by you?—I gave the house into the hands of Mr. Joseph Nathan to sell for me.

1219. How long ago is that?—Nine or ten months. Mr. Nathan brought forward Mr. Frank Valentine as a purchaser of the hotel. I went down to see Mr. Nathan about it, and told him I thought Valentine would not get a license. He said, "Oh, we will go over and see Atchison; I shall be able to make it all right with him; shall I give him £5 or £10?"

1220. *The Chairman.*] Who said that?—Mr. Joseph Nathan. I said I thought £5 quite sufficient. He asked me for the money. I said, "I have not got it with me; I will make it all right afterwards." I did not go with him over to Atchison, so I do not know what occurred between them.

1221. *The Chairman.*] Is it the custom to make payments to the police in cases of this sort?—I did not think it was.

1222. Have you ever heard of payments being made before?—I have heard of it, but it is only a matter of hearsay.

1223. Do you know of your own knowledge whether money has been paid?—No.

1224. Mr. Nathan acted as your agent?—Yes.

6.—I. 4A.

*Mr. H. S. Fitzherbert.*

2nd Oct., 1878.

*Mr. W. H. Swain.*

2nd Oct., 1878.