H.—22. 28

serious offence is committed by Staples's Brewery on the 13th September, and it is settled by the permanent officers on the 21st September without any reference to the Commissioner of Customs. And when these two cases are brought together and contrasted the Premier refuses to see what a specially aggravated case this latter case is. Woe to me if I, as Commissioner, had settled such a case without reference to the Cabinet; but the permanent officers may settle it without reference to the Commissioner or to anybody else. I confess I never before heard of such a thing. I complain of this exceptional leniency shown to some brewers and the rigorous severity dealt out to others. Had all been treated alike I should have had nothing to say. I wished all to be treated one way or the other, so long as they were dealt with upon one principle. I have shown how Staples was treated. McCarthy's brewery is exempted from all inspection and examination because Mr.

McCarthy is privileged to hold private and friendly communications with the Premier. (O.) (P.) I again say that, except to ratify Mr. Glasgow's recommendation in Hamilton's case, I had nothing whatever to do with the case from first to last. I regard all your laboured arguments in this case with the utmost indifference. The papers when laid before Parliament will show that Mr. Bell, in a letter to Mr. Glasgow, pointed out that if the Government did not accept £200 in lieu of £250 Hamilton would go to prison. Mr. Glasgow recommended that settlement. sequently, on the petition for mitigation, Mr. Glasgow wrote an elaborate recommendation ending with the statement that £100 was the highest penalty that could be imposed. The petition and the recommendation are in print, and will be laid before Parliament. I had no communication, verbal or otherwise, with Mr. Glasgow in regard to his recommendation. You say I "did not think "it worth while to take the Crown Solicitor's advice upon the point." Why should I run about after the Crown Solicitor? When Mr. Glasgow brought me this recommendation, I said, "Have "you consulted the Law Officers of the Crown upon this recommendation"? He said "he had "not, and did not think it necessary to do so, as he was quite certain about it, and did not wish to be made unhappy in his mind by having doubts created." Then I said, "If you are satisfied, I "will write the words 'I concur in this recommendation." I wrote the words, and that is the beginning and the end of my connection with the case. The statement that I informed Cabinet on the 4th March that Hamilton's fine was to be reduced to £100 in accordance with an arrangement entered into between Mr. Bell and Mr. Jellicoe, is a distinct misrepresentation. The arrangement between Mr. Bell and Mr. Jellicoe related to the reduction of £50, and I said so. Mr. Bell's letter shows that so clearly that when it is laid before Parliament your insinuations will be swept away like chaff before the wind. I have already acknowledged, and I again acknowledge, that the statement in my telegram that "a brewery prosecution against a man named Hamilton has resulted in in"fliction of a penalty of £100" was erroneous; but I say also again that that statement was corrected or rectified by my telegram to you next day. But why do you, of all people, complain? You received that telegram on the evening of the 4th, and, so far from it inducing you to take any erroneous or mistaken steps, you did nothing, and would do nothing. You would not even discuss anything, because of the private appointment you had to keep. The possibility of any act of yours having any effect upon the non-entry of fifty sacks of malt disappeared with the disappearance of the 4th March; and you would do nothing on the 4th March because of your private appointment. Let me put the point plainly: Did you take any erroneous step, or did you do or perform anything, as the consequence of my deceiving you, as you now call it? All you said next day was simply shooting at the stars. As to the reduction of £100 "being as yet only in your mind," I had at that time approved of Mr. Glasgow's recommendation—that is all.

(Q.) This paragraph expresses your annoyance at my acquiescence in the decisions of the Cabinet, and you petulantly say that it was only when you took the matter out of my hands that I acquiesced, because I was unable further to resist. I have already referred, in paragraph (M), to my written instructions to proceed with the cases in accordance with the decision of Cabinet. I myself became particularly anxious that they should be gone into when I found that three of my own colleagues, behind my back, were attributing to me improper and unworthy motives. Then, from your vituperative arsenal you produce a choice volley of phrases for the benefit of the Junction Brewery. That particular brewery is "the worst of the three cases." "It is "the worst offender of them all." "It has been guilty of systematic frand." "It has "perpetrated a series of gross frauds." "They were very gross and obvious frauds." "The "offenders must be brought to justice." "The offender must be made to take the con"sequence of his fraudulent acts." "The event [in the Resident Magistrate's Court] has "proved all these charges to be right." These are phrases selected from your letter. Until I read your letter I had no idea that the cases against the Junction Brewery were so bad. I now agree, upon your own statements and upon your own showing, that no penalty could be too severe. The Magistrate thought so too, and said so. He fined the defendant £460, and ordered the forfeiture of all his beer, plant, and utensils. A well-merited sentence, one would say, after reading your charges and your letter—the letter of the 23rd April which you sent me. The colony has been made to resound with the enormity of the offences of this Junction Brewery Company. And what have you done—you, sir, who have denounced the fraudulent conduct of this systematic offender as infamous, and who have displaced a colleague whose conduct in connection with these cases you pretended you could not in Parliament defend? You have mitigated the penalties inflicted by the Magistra