

between us, as you know very well, is not as to the conduct of any brewer, but as to the conduct of Mr. Fisher at the time when he was a Minister of the Crown. The question is simply whether, a certain brewer having been guilty of an offence against the law, you did or did not, from improper motives, interfere as Commissioner of Customs with the ordinary course of the law in order to screen that offender from prosecution. I must speak plainly. Your colleagues were and are of opinion that you had been guilty of such an interference, and that they would have been justly stigmatized as dishonourable themselves if they had sanctioned your conduct or retained you as a colleague. It was for this reason, and this reason only, that you were asked to resign; and I repeat what I said in my letter of the 23rd April—that, previously to your action in the brewery prosecutions, not one of us had ever thought of your resignation as possible or desirable.

Before entering into the details of the Junction Brewery cases, I will briefly dispose of the argument which you base upon the treatment of the Staples's brewery for what you call worse offences. Here, for once, the main facts are not in dispute. We both admit that the irregularities of Staples's brewery were discovered and disposed of about two months before anything was known as to those of Hamilton, Gilmer, or Edmonds, and that they were settled by the permanent officers of your department, on their being satisfied that there had been no fraud, without the knowledge of yourself or any other Minister. Now, we probably both agree that this was not right; and I, at any rate, showed my opinion about it by giving directions, as soon as the facts came to my knowledge, that such a course must never be followed again, and that all cases must in future be at once referred to the Commissioner. But what is the argument which you found upon this improper settlement of the Staples's brewery case? Simply this: Because, without the knowledge of Ministers, the Government officers of the department had, believing there was no fraud in Staples's case, settled it out of Court, that therefore Ministers were not to prosecute in a case which was brought before them in which fraud was admitted, and which the Crown Solicitor told you was a bad case, and must be prosecuted.

I could, and, if it should appear to be necessary, I will follow you through the vast mass of untrue or irrelevant assertions, denials, and insinuations in connection with the brewery prosecutions and other matters contained in your last letter, and I have a complete answer in each case. But this is not now necessary, as you have announced your desire to have a Committee of the House, to whom the essential facts will, of course, be stated. Instead, therefore, of doing this now, let me recall your attention to a bare statement in chronological order of the main facts of the Junction Brewery case as admitted by yourself:—

1. You admit that during your absence from Wellington it was decided to prosecute Edmonds's, Hamilton's, and the Junction Breweries for frauds under the Beer Duty Act.

2. You admit that early in December, on your return from Melbourne, you received at Invercargill a telegram from "a constituent" (whose name you unfortunately do not mention), and that as a result of that telegram you directed Mr. McKellar not to proceed with the prosecution of one of the three cases mentioned above—namely, that of the Junction Brewery.

3. You admit that shortly afterwards you received a telegram from Mr. Hislop upon the subject, urging that proceedings should go on; that you telegraphed your assent; and that on your return to Wellington you confirmed it.

4. You admit that on the 17th December you had an interview with Mr. Bell, the Crown Solicitor; that as a result of that interview a letter was written by Mr. Bell on the following day, recommending that no information should be laid against the Junction Brewery "until after the cases against Hamilton and Edmonds have been disposed of on Friday," in which recommendation you concurred.

(I may here pause to remind you that, in that interview with Mr. Bell, you were Commissioner of Customs and he was Crown Solicitor, two public officers consulting as to your official duty. Yet, though charged with having acted at that interview in dereliction of your public duty, and challenged to disclose what then occurred, you not only refused to do this, but, while posing as an innocent man suffering under a grievous imputation, you refuse to allow Mr. Bell to divulge what then passed, and thus seal the lips of the one witness who, on your own hypothesis, could establish your innocence.)

5. You admit that by the 23rd February the cases of Edmonds and Hamilton had been disposed of; that the Acting Secretary of Customs at once applied to you for leave to proceed with the prosecution of the Junction Brewery; and that you replied "that there was no need for precipitancy in the matter." Here again, on your own admission, it was you who stopped the prosecution.

6. You admit that you had not removed your interdict against proceedings up to the 4th March, which you now allege you then thought was the last day on which the information could be laid; that on that day you summoned a meeting of the Cabinet at 2.30 p.m., and tried to induce it to allow you to settle the matter out of Court; that the Cabinet refused your request, and decided to prosecute; and that, when you then sent to inquire whether the information could be laid, you found that it was too late, as the office of the Court was closed.

7. You admit that, though the matter had been on your hands since December, you made no attempt to consult the Premier upon the subject until 7.40 p.m. on the 4th March, *i.e.*, some hours after the time within which the information must be laid had, as you now allege you then thought, expired.

8. You admit that you sent a telegram to the Premier on the 4th March, with the object of inducing him to sanction the settlement of the case out of Court; that the statement of the facts you relied on was incorrect in an essential particular; and that you also omitted to mention in that telegram that the Cabinet had that very day refused to allow such a settlement out of Court, and had decided to prosecute.

9. You admit that on the 5th March the Premier replied to your telegram that the information should be laid that day, but that no information was laid.