if the holder is convicted of an offence under Part III of the Finance Act, 1915, or under the Licensing Act, 1908 (section 68 of the Finance Act, 1915, and section 47 of the Finance Act, 1917).

64. To meet the difficulty of imputing to a company a moral character when a company is the holder of a brewer's license, section 22 of the Customs Acts Amendment Act, 1931, provides that, where the holder is a company or other corporation or is an unincorporated association of persons, the Minister of Customs may regard the character and reputation of any director, manager, superintendent, foreman, agent, or other person acting or apparently acting in the general or special management or control of the brewery as the character and reputation of the holder of the license. (Similar provision is made in respect of *an application* for a license by a company.) The Minister is thus given a discretion as to whether or not he will attribute the bad character and reputation of a director or manager to a brewery company which has profited by the misdeeds of that manager or director.

65. Section 22 of the Act of 1931 also provides that, on an appeal from the decision of the Minister, the Licensing Committee shall, in determining any question as to the character or reputation of the company, attribute to the company the character and reputation of any person whose character and reputation has been considered by the Minister in arriving at his decision. Unless, therefore, the Minister decides to attribute to the company the character and reputation of any person engaged in the general or special management of the company, the Licensing Committee on appeal cannot do so. There may be no real restriction in this respect because a Minister is not likely to have cancelled a company's license without bringing in the character and reputation of the director or manager at fault.

66. It thus appears that for all practical purposes the question of the prosecution of a brewery company and of the penalties which it may suffer for a breach of the Finance Act, 1915, or of any of the Customs Acts has been reserved to the discretion of the Minister of Customs. The powers of the police are excluded unless the Customs choose to call for their assistance.

(2) As to a New Zealand Winemaker's License to distil Spirits from His Grapes and as to His Licensed Premises

67. *Inspection.*—This type of license is granted under section 12 of the Distillation Act, 1908. The premises are registered under the Distillation Act within the meaning of section 222 of the Licensing Act, 1908. They are therefore subject to inspection by the Customs Department, which administers the Distillation Act, and the holder is liable to prosecution in respect of offences under this license at the instance only of the Customs Department. As the Distillation Act is one of the Customs Acts, the power of settling a penalty out of Court under section 244 of the Customs Act, 1913, may be applied at the discretion of the Minister of Customs.

68. *Prosecution.*—The decision rests with the Customs Department.

69. *Forfeiture.*—As this license is granted under the Distillation Act, it may be forfeited only by the Minister of Customs pursuant to the provisions of that Act.

(3) As to all Licenses under the Licensing Act and the Premises licensed thereunder or registered under the Distillation Act

70. *Inspection.*—Premises licensed under the Licensing Act, or registered under the Distillation Act, are subject to the powers of inspection conferred by the Licensing Act, 1908 (section 222 of the Act of 1908). These premises are those licensed under the following licenses—viz., wholesale, winemaker's license to make wine, New Zealand wine, publican's, accommodation, packet, or conditional licenses, and a club charter. With the exception of the premises of a chartered club, these premises are subject to inspection by any Inspector appointed under Part VII of the Licensing Act, 1908.