

These agents may spring up at any time anywhere, and may operate at any time of the day or night. The practice is clearly open to grave abuse. According to a report of the Inspector of Police for the Hamilton Police District of the 5th March, 1946, in recent months no less than three of these agents have been convicted and fined for sly-grog selling. The method used was to submit to the brewery faked orders and to receive liquor and sell it to customers. The Inspector states that the agents are in no way restricted and that they can be the means of supplying liquor to Maoris, both male and female, to prohibited persons and other unauthorized persons at any hour.

688. The system may be further explained by reference to the evidence with regard to particular places.

689. In Matamata there is no licensed hotel. Three breweries each have an unlicensed agent. They are C. L. Innes and Co., of Hamilton, Dominion Breweries, and the Paeroa Brewery Co. Each agent has premises in the town with a sign on the windows or elsewhere on the premises showing that he is an agent for a brewery company. The system adopted may be explained by reference to the operations of the agent of Innes and Co. This company has a brewery license at Hamilton and a wholesale license at Auckland. It used to send its traveller to Matamata to take orders, but when he could not get round during the war, the agency was opened (R. 4505).

690. The agency at Matamata is opposite the police-station and is open to inspection by the police (R. 4506). The system is worked with reference to the habits of the community. The farmers usually come in on sale day, which is a Wednesday, pick up the cartons sent down pursuant to the orders given on the previous Wednesday, and leave another order, with the cash, for delivery on the following Wednesday. The agent sends the orders to the brewery on the Friday. The goods are usually back by rail in time for the following Wednesday (R. 4505).

691. The liquor is supplied to customers through the agency in two ways—firstly, at the price of 20s. per dozen quarts, on which orders the agent receives a commission from the brewery at the rate of 4s. on every 20s.; and, secondly, at the price of 7s. 6d. per gallon in jars or kegs, on which orders the agent receives a commission at the rate of 1s. 3d. on every 7s. 6d. Out of his commission, the agent has to meet the cost of containers, rail freight, delivery charges, and loss by breakage, &c. (R. 5448). The agent is thus paid by the brewery, subject to certain deductions in respect of the transit from the brewery to the agency premises.

692. Evidence was given by the Mayor of Matamata, on behalf of the Borough Council, objecting to the agencies in the town. The Mayor pointed out that the agencies were required to sell in quantities of not less than 2-gallon lots, and that the value of the beer entering Matamata exceeded £12,000 a year. He said that the system was unsatisfactory for the following reasons (R. 4454):—

- (a) It forces many persons to purchase more beer than they require at the time.
- (b) It encourages the storing of beer in the homes.
- (c) It encourages excessive drinking amongst the young people.
- (d) No service is available to the travelling public.
- (e) The public generally are denied the usual privileges and customs associated with a well-managed licensed hotel.

The Mayor indicated that the progress of the borough was retarded by the absence of licensed hotels.

693. At Waiuku there is a conflict between the licensed hotel, which belongs to New Zealand Breweries, and an unlicensed agency established by Dominion Breweries. The hotelkeeper sells beer at 21s. a dozen. The beer which has been purchased at the brewery and sent through the agency is sold at 18s. a dozen. A member of the Licensing Committee (Mr. F. A. Harcombe) had investigated the position, and he thought it was very unfair that the licensee, who rendered a public service by providing beds and meals, should be under-sold in this way.