

Cabinet in the afternoon at 2.30, as he wished to see his late partner off by the steamer leaving at 3 o'clock. Subsequently the steamer was postponed, and, at your urgent request, he attended the Cabinet.

Your claim of acquiescing in the decisions of the Cabinet, and also of working in harmony with the officers of the department in this matter, I cannot admit for a moment. The officers of the department were throughout of opinion that the Junction Brewery should be prosecuted, and asked many times for your authority to lay informations; but, notwithstanding your declaration that all were to be treated alike, you persistently withheld your permission to prosecute the Junction Brewery. I have reason to know that no such recommendation as Mr. Glasgow made on the 4th March on Gilmer's letter would ever had been made had he then known the fact that Cabinet had decided the prosecution was to go on. As I have before said, he made that recommendation in your room without the knowledge that the prosecutions had been ordered, and upon your asking him whether he could not make some suggestion to get us out of this difficulty, or words to that effect. As for the action of Cabinet in this matter, it has been consistent throughout. It desired that all offenders should be treated alike, and it was not prepared to grant special exemption to your private friends. You successfully defeated the desire of the Cabinet for equal justice being meted out to all by delaying the prosecution until it was too late, in two perfectly clear cases against the Junction Brewery. Such acquiescence as you now claim in the action of the Cabinet was the acquiescence of a man who is compelled to do a thing against his will. You must have been well aware, because I told you myself, that the Cabinet was determined that this prosecution should go on.

The use you make of Staples's Brewery case is very misleading. One would think, from your statement, that it was in some way connected with the cases under consideration, or, at any rate, formed a precedent for dealing with them. The fact is that it has nothing whatever to do with the group of cases of which the Junction Brewery forms one. The irregularity in Staples's Brewery was discovered and disposed of in September, at the usual inspection of the Wellington breweries by the Collector of Customs and the official brewery expert. After careful inquiry the Collector was satisfied that the irregularity arose from the carelessness of the book-keeper and not from fraud, and he decided that if the duty on the beer which appeared short was paid, the justice of the case would be met. The matter was reported to the Secretary of Customs, and he approved of the action of the Collector, having satisfied himself that there was no fraud intended. The case never came before the Cabinet in any way, or before any Minister. You are inaccurate when you say Staples was let off without prosecution upon paying the duty found deficient seventeen days—that is, on the 21st September, 1888—after the first information was laid against the Junction Brewery, which you gave as the 4th September, 1888. No information was laid against the Junction Brewery till the 14th March, 1889; and it was not discovered before the end of the previous November—or about two months after Staples's case was disposed of—that the Junction Brewery had committed an offence on the 4th September, 1888. It must also be remembered that in Staples's case the permanent officers were satisfied that there had been no fraud committed; whereas in the Junction Brewery cases they were fully convinced that systematic fraud was being carried on. And the event has proved them right in the latter cases, for the Court has convicted the Junction Brewery, and imposed fines on Messrs. McArdle and Gilmer to the extent of £460 and costs. As four of these convictions were double convictions for the same offence, in accordance with what the Magistrate said he should have done, the total fines have been reduced to £360 and costs, of which the defendants have paid £240 and given ample security for the balance. The forfeiture has also been waived, and the defendants have expressed their satisfaction at the consideration and leniency shown them.

13, 14. And now for a few words as to Hamilton's case. The Resident Magistrate inflicted a total fine of £250 and costs, the conviction carrying the forfeiture of the brewery plant. There were five charges against Mr. Hamilton for not stamping the casks before delivery, and he was fined £50 upon each charge. Mr. Hamilton offered to pay £200, being all the money he was able to raise, in lieu of fine and forfeiture. You directed Mr. Glasgow to accept this offer, and the £200 was paid into Court. A petition was subsequently presented by Hamilton, praying for a further reduction of his fine. Upon this petition Mr. Glasgow put a long minute, ending with these words: "The suggestion at the end of the petition that the penalty should be remitted is, under the circumstances of the case, an extraordinary one. As to its mitigation, I have to state the view which I have arrived at after very careful consideration. The Act says that for each offence under section 29 the brewer shall forfeit his beer, utensils, &c., and be liable to a penalty of not less than £50 or more than £100. Five informations for not entering beer delivered were treated as separate offences. Now, the brewer could not be made to forfeit his beer, utensils, &c., five times. Therefore, I think there has really only been one offence under this section—that is, fraudulently neglecting to enter beer, and not making true and exact entry; and for this offence the penalty is forfeiture, or a fine of £50 to £100. If this view is correct, I would recommend the reduction of the penalty to £100, not because the defendant is deserving of consideration, but because there is reason to think that the highest penalty the Act allows for an offence under section 29 is £100." It is essential to notice here that Mr. Glasgow's recommendation that the fine should be reduced is expressly made conditional on the correctness of his law. It was clearly, therefore, your duty before acting upon such a conditional recommendation to have ascertained that the view of the law upon which it rested was correct. Yet you proceeded to act upon it without taking any such precautions. In spite of the fact that the decision of the Court had not been appealed against, you preferred to treat it as virtually overruled by a layman's hesitating opinion, and did not even think it worth while to take the Crown Solicitor's advice upon the point. This proceeding was in itself astonishing enough, but other circumstances attending it were more astonishing still.

As I have said, Mr. Hamilton had not appealed, but had paid £200 into Court in liquidation of the fine and forfeiture, and you had accepted that amount. This report of Mr. Glasgow's (an extract from which I have just given) was dated the 4th of March. I am informed that at the Cabinet