

consumption, and do away with this disadvantage the trade is labouring under? Afterwards we might put on a reasonable duty without crippling trade?—I am strongly of opinion that by reducing it to a nominal duty it would create a trade, because it would direct attention to it. It would get into capable hands, and wine-drinking would become more general. From the revenue point of view, it is a question only time would prove. In two-thirds of the hotels in Wellington to day you will find the people drinking tea at table, but if table-wines were available at low prices they would drink wine.

333. With a less duty the trade would enormously increase, but you do not know whether that trade would be crippled by imposing a higher duty?—I am inclined to think it would not be crippled, because when once trade is established on a firm basis a reimposition of a moderate duty never affects it seriously.

334. Is not claret sold in South Australia retail at 7½d.? If we lessened the duty, do you not think that is a wine that might come in?—Yes. Cheap clarets are now shipped to Europe and come back later on as French claret. It is a wholesome wine, and used largely for blending. Very little comes here.

335. Have you had any experience in Californian wines?—Yes.

336. Do you think, in value, they are as good as Victorian wines?—Not in a mercantile sense. They will not bear comparison with Australian wines. I have had communications, myself from agents in Frisco, and their prices for Californian wines, by comparison with Australian, are out of all reason, and absurdly high.

337. *Mr. Tanner.*] I find a large quantity of wine is set down in the return as having been imported from Victoria and New South Wales: is that native wine, or French wine which has been re-exported to this colony?—That would pay 5s. or 6s. duty all the same. The law provides for a certificate of place of production.

338. Would we be right in assuming that the wine which is described as bottled and as bearing 6s. a gallon duty is not Australian?—Yes. The Customs are supplied with a certificate from the other colonies to the effect that the wine is grown there; otherwise it would pay 6s.

339. You have already stated you believe, if Australian wine were admitted free, it would give a stimulus to the industry here: can you give us any idea as to the price at which ordinary wine would then be sold?—At present a wine-merchant charges £1 12s. to £1 14s. a case. If there were no duty he would charge £1 2s. or £1 4s.; possibly less. Roughly speaking, it would cost him 16s. a case, and he would sell it at about £1 or £1 2s.

340. If the duty is struck off, you are satisfied the trade will be popularised?—Yes.

341. Would it be an advantage to the community to substitute wine for the frequent use of tea?—That is my opinion, and from my experience of other countries—France and Italy—I think there is less drunkenness there than anywhere else.

342. Do you think the consumption of wine in Australia has any effect on the general morality of the people as compared with countries where the working-people do not drink wine?—I cannot express any opinion on that. In California they are not a wine-drinking people at all; they drink spirits.

343. Do you know whether the native wine is largely used in South Australia among the industrial population?—I believe it is increasing rapidly there and in Victoria.

344. Does it have the effect of displacing spirits?—Yes.

345. *The Chairman.*] Supposing the duty were taken off, would there be any danger of fraud—of wines imported from Europe being sent *via* Australia and brought in here free?—The existing law prevents that. A certificate has to be given as to where the wine is grown.

*Mr. Glasgow:* A declaration of the shipper made before the Collector of Customs. The Customs do not guarantee the declaration is correct.

*Witness:* That is what I meant to infer. Speaking of South Australia, 99 per cent. of the trade is done by the vineyard proprietors, and not by merchants. They ship themselves, and, if the law could be perfected so that the vineyard proprietors only should be allowed to ship, they would have to satisfy the Customs at the other end that the wine was their own, and it would come right through in bond.

346. *The Chairman.*] Have you any other subject you wish to bring before the Commission, Mr. Philips?—The next subject is an important one, but in the meantime I would like to know whether it will be treated as strictly private.

347. You mean so far as regards publication of the evidence in the newspapers. We have not decided the question of what are to be the privileges of the Press, and until it is decided we have settled that the evidence is not to be printed; so you will speak under that arrangement?—As a matter of fact, it is not only that the evidence shall not be printed in the case I have in mind, but that the fact shall not be published that the Commission has been approached on the subject, or details given.

*The Chairman:* The feeling of the Commission is that they do not want to shut out any information that can be obtained, and there is no necessity that we should even mention the fact that the subject has been broached; but I am bound to point out to you, Mr. Philips, that whatever you say now must at some time be published, because when the Commission reports it must send in the whole of the evidence, and that evidence will be laid before the House, of course.

*Witness:* Personally, I have not the slightest objection to the publishing of anything I might say on the subject, but I object to its being published abroad through the cables, and to foreign people who may be interested in it, that the Commission has been approached with a view to the establishment of any industry or of anything connected with an industry.

*The Chairman:* Though the Commission might agree not to disclose what had taken place it would only be for the time being, because our duty is to report presently.

*Mr. Mackenzie:* Have we no power to consider certain evidence privileged; otherwise it seems