

CORRESPONDENCE RELATIVE TO DUTY ON HOME MANUFACTURED SPIRITS.

No. 1.

Mr. W. J. CAWKWELL to the Hon. the COMMISSIONER of CUSTOMS.

SIR,—Auckland, 9th May, 1870.
I beg to apply for a license for distillation in the premises built of brick and stone, and roofed with slates, formerly used as a flour mill, situated east of the Wynyard Pier, Official Bay, Auckland, the same being more particularly described in the accompanying plan.

The Hon. the Commissioner of Customs, Wellington.

I have, &c.,
W. J. CAWKWELL.

No. 2.

CHIEF INSPECTOR of DISTILLERIES, Wellington, to Mr. W. J. CAWKWELL, Auckland.

Office of the Chief Inspector of Distilleries,
Wellington, 20th May, 1870.

SIR,—
I have the honor, by direction of the Commissioner of Customs, to acknowledge the receipt of your letter of the 9th instant, applying for a distiller's license, and to inform you, in reply, that your application will be complied with under the usual conditions of your complying with the requirements of the Distillation Act, the particulars of which will be communicated to you upon application to the Collector of Customs at Auckland.

With reference to that part of the Act, however, which fixes the rate of duty on spirits distilled within the Colony, I am to inform you that in the event of your undertaking the business of a distiller, and a reduction being made in the rate of import duty on spirits, you must not calculate upon a corresponding reduction in the excise duty, as the Government, whatever rate may hereafter be fixed on for the customs duty, will not be prepared to recommend to the Legislature that the excise duty should be lower than it is at present, whilst it may find necessary to increase it.

W. J. Cawkwell, Esq., Auckland.

I have, &c.,
WILLIAM SEED,
Chief Inspector of Distilleries.

No. 3.

Mr. W. J. CAWKWELL to the Hon. the COMMISSIONER of CUSTOMS.

SIR,—Auckland, 31st May, 1870.
I have the honor to acknowledge the receipt of your letter of the 20th instant, informing me that my application for a distiller's license will be granted on my complying with the requirements of the Distillation Act; but adding that, in the event of my undertaking the business of a distiller, and a reduction being made in the rate of import duty, I must not calculate upon a corresponding reduction in the excise duty, as the Government, whatever rate may hereafter be fixed on for the customs duty, will not be prepared to recommend to the Legislature that the excise duty should be lower than it is at present, whilst it may be found necessary to increase it.

I do not quite understand what the latter part of your letter is intended to convey,—whether it is merely meant as a caution that the duty on foreign spirits may be reduced, and thus, under the Distillation Act, a proportionate reduction will follow in the duty on home distilled spirits, or whether it is intended to intimate that a change is contemplated by the Government in the relative amount of duty payable on these two classes of spirit, by increasing the duty on the latter to a greater proportion than one-half of the duty on the former.

I assume, however, that it is not intended to alter the proportion established by the Distillation Act, as the object of the Legislature clearly was to induce the establishment of a manufactory of an article of which large quantities are yearly imported, requiring large sums to be sent out of the country in payment, and I can hardly believe that the Government contemplate the thwarting of this object, involving a breach of faith with those who have put their trust in the good faith of the Legislature and Government. However, if I had had such an intimation as that I have now received when I first communicated to the officers of the Government my intention to establish a distillery, I should not, without a clear understanding as to the intention of the Government, have committed myself to the expenditure of a large sum of money for a distillery plant, nor encumbered myself with a lease of suitable premises at a high rent. As it is, however, now too late to recede without a ruinous loss; I can only hope that the expectations guaranteed by the Legislature will not be made a trap for the ruin of those who believed that they were held out in good faith, and acted accordingly.

The Hon. the Commissioner of Customs, Wellington.

I have, &c.,
W. J. CAWKWELL.