

several samples of the beer produced in each case were analyzed and the result compared with a practical determination arrived at the brewery.

- b. I procured 100 lbs. of malt which I divided into two equal parts and made a separate brewing from each part. Both these brewings were carried on under my own immediate supervision as to the quantities of malt used, the process, and the quantity of beer produced. A sample of each of these brewings was then analyzed and the result compared with my personal knowledge of the quantity of malt contained in each gallon of beer produced.
- c. I obtained from a brewer in this city, who has no interest in the question, a sample of beer made by him and a statement of the quantity of malt contained in it which was verified by the officer in charge of the brewery. This sample was similarly analyzed and the result compared.

8. The whole of the above experiments confirmed conclusively the correctness of the rules laid down in the circular. I do not assert that they produced results absolutely correct, but the variation of the results obtained by the analyses from the known quantities of malt contained in the samples was so small as to be unworthy of notice and certainly no more than might be anticipated from variations in the quality of malt used.

9. The correctness of the principles laid down have been further confirmed by the results agreeing in some cases with the claims made, and notably in the case of a claim made by a brewer for a drawback on a quantity of malt equivalent to 3 lbs. per gallon, whereas the result of the analyses of the samples sent shewed an average of 3.32 lbs. per gallon, and from this I infer that this person had made a minimum claim in view of the provisions contained in section 8 of the circular above referred to.

10. Under all these circumstances I submit that the regulations laid down in the circular attached hereto should be confirmed and maintained and that, for the future, the Department will be justified in assuming that where the claim for refund is made considerably in excess of the quantity shewn by the process referred to, such claim should be held to be a fraudulent one and the regulations laid down in section 8 of circular 109 should be enforced.

11. Although, according to the law above quoted, Departmental regulations in this matter are sufficient, I deem it desirable that the whole case should be laid before the Treasury Board for their approval, as I apprehend that the parties who have made or who may hereafter make excessive claims will endeavor to have the regulations ignored and may for that purpose appeal to the Government against the Department; and further I submit that a regulation which is known to have received the approval of the Board will possess greater value than one which only emanates from this Department.

Respectfully submitted,

A. BRUNEL,
Commissioner.

DEPARTMENT OF INLAND REVENUE,
June 23, 1876.