

In advocating the division of the country into a certain number of monopoly areas, I do not put this idea forward as the only solution. It appears to me to be the best of those of which I have knowledge, but so long as the scheme adopted includes adequate taxation—perhaps in the modified form suggested by Dr. Vernon—restriction of hours, abolition of harmful competition, and does not include anything of the nature of State purchase, I should give it my support. I repeat that State purchase, while possibly mildly advantageous in the first stage, would certainly be disastrous financially in the second stage, and disastrous to temperance in the third stage.

As regards the financial results to the State to be expected from a scheme such as that indicated above, it is certain they will be far superior to those under State management. It is probable that they will be superior to those under the present system in that a large amount of unnecessary expense owing to redundant houses claiming advertisement and extravagant competition would be removed. In last analysis brewers and licensees are intermediaries between the public who pays and the State who encashes revenue. If the expenditure of intermediaries is reduced it leaves so much more for the ultimate recipient, the Chancellor of the Exchequer, unless it be applied in the relief of the taxpayer and consumer.

D'ABERNON.

*April, 1928.*