

CINEMATOGRAPH FILMS BILL.

EXPLANATORY MEMORANDUM.

EXCEPT as hereinafter expressly referred to, this Bill is substantially the same in effect as the Cinematograph Films Bill that was introduced in the House of Representatives last year, but which was not proceeded with. The material differences between the present Bill and the former Bill are the following:—

(1) For the purpose of having included in one statute all the law relating specifically to cinematograph-films, it is proposed in Part I of the Bill to repeal the Cinematograph-film Censorship Act, 1916, and to re-enact its provisions with minor alterations. In Part III of the Bill provision is made for securing the safety of the public and of property from dangers arising from the storage, transport, or projection of cinematograph-film. Regulations for this purpose are at present in force under the Explosive and Dangerous Goods Amendment Act, 1920, and these regulations make provision, *inter alia*, for the issue of licenses in respect of buildings in which film can be stored or exhibited. It is proposed in the Bill to confer on the Governor-General in Council authority to make substantially the same regulations as are now in force under the Explosive and Dangerous Goods Act, and if this proposal is adopted the last-mentioned Act will cease to have any application to cinematograph-film. It is further provided in the present Bill that licenses issued to secure the safety of the public or of property as aforesaid shall be combined with the license required by this Bill (as by the former Bill) to be held by any person carrying on business as a renter or exhibitor. The combination in one document of the authority required for these different purposes will not only reduce the expenses of administration, but will lessen the extent of the inconvenience that may be caused to licensees or applicants for licenses.

(2) Provision is made in the Bill for the setting-up of an Advisory Committee (with representatives of the commercial interests concerned) to assist the Minister in the administration of the measure.

(3) Under the former Bill the duty of registering films was imposed, at least nominally, upon the Minister. The present Bill provides for the appointment of a Registrar of Films. This appointment will not involve any considerable increase in the cost of administration, for it is contemplated in the Bill that the office of Registrar will be held in conjunction with the office of Censor or other appropriate office within the Public Service.

With the differences specified above, the Bill is, as has been already stated, the same in substance as last year's Bill. It has, however, undergone considerable changes in matter of form, and a different order of arrangement of the several Parts has been adopted.

Right Hon. Mr. Coates.

CINEMATOGRAPH FILMS.

ANALYSIS.

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| <p>Title.</p> <ol style="list-style-type: none"> 1. Short Title and commencement. 2. Interpretation. <p style="text-align: center;">PART I.</p> <p style="text-align: center;">CENSORSHIP OF FILMS AND POSTERS.</p> <ol style="list-style-type: none"> 3. Appointment of Censor. 4. Exercise of powers of Censor by other officers. 5. Duties of Censor. 6. If matter added to film after approval, film to be again submitted to Censor. 7. Offence to exhibit film that has not been approved by Censor. 8. Censorship of film posters and other advertising matter. 9. Right of appeal from decisions of Censor. 10. Fees. 11. Repeals. Saving of existing appointments, &c. <p style="text-align: center;">PART II.</p> <p style="text-align: center;">REGISTRATION OF FILMS.</p> <ol style="list-style-type: none"> 12. Registrar of Films. 13. Registration of films. 14. Procedure for registration of films. 15. Special provisions authorizing the registration of films that have been exhibited before commencement of Act. 16. Special provisions as to certificate of registration. 17. Offence to issue film to exhibitor, or to exhibit film, if certificates under this Act have not been incorporated therein. 18. Provisions as to alterations in length of film. 19. Correction of register. 20. Appeals from decisions of Registrar. 21. Register of Films. 22. Inspection of register. <p style="text-align: center;">PART III.</p> <p style="text-align: center;">STORAGE, TRANSPORT, AND PROJECTION OF FILMS.</p> <ol style="list-style-type: none"> 23. Commencement of this Part of Act. 24. Power to make regulations in interests of public safety. 25. Restriction of application of Explosive and Dangerous Goods Act. 26. Inspectors appointed under Explosive and Dangerous Goods Act to have powers of inspection for purposes of this Part. | <p style="text-align: center;">PART IV.</p> <p style="text-align: center;">PROVISIONS FOR SECURING QUOTA OF BRITISH FILMS.</p> <ol style="list-style-type: none"> 27. Application of this Part of this Act. <p style="text-align: center;"><i>Renters' Quota.</i></p> <ol style="list-style-type: none"> 28. Renters' licenses. 29. Minimum requirements as to acquisition by renters of New Zealand or British films. 30. Special provisions as to quota requirements in the case of renters carrying on small business. 31. Returns to be furnished by renters. <p style="text-align: center;"><i>Exhibitors' Quota.</i></p> <ol style="list-style-type: none"> 32. Exhibitors' licenses. 33. Minimum requirements as to exhibition of New Zealand or British films. 34. Returns to be furnished by exhibitors. <p style="text-align: center;"><i>General.</i></p> <ol style="list-style-type: none"> 35. Renter to furnish particulars to exhibitor to enable exhibitor to comply with requirements as to quota. 36. Limitation of time within which proceedings for offences as to quota may be commenced. <p style="text-align: center;">PART V.</p> <p style="text-align: center;">RESTRICTIONS ON ADVANCE BOOKINGS, AND RELIEF FROM BLIND BOOKINGS.</p> <ol style="list-style-type: none"> 37. Restrictions with respect to contracts for advance bookings. 38. Provisions as to existing agreements in respect of advance bookings. 39. Relief from blind bookings. <p style="text-align: center;">PART VI.</p> <p style="text-align: center;">FILM-HIRE TAX.</p> <ol style="list-style-type: none"> 40. Imposition of tax on gross receipts derived from renting films in New Zealand. <p style="text-align: center;">PART VII.</p> <p style="text-align: center;">MISCELLANEOUS.</p> <ol style="list-style-type: none"> 41. Minister may appoint Advisory Committee. 42. Penalty for misrepresentation. 43. Regulations. Schedules. |
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A BILL INTITULED

Title.

AN ACT to provide for the Censorship and Registration of Cinematograph-films, and for their Storage, Transport, and Projection; to regulate the Business of the Renting and Exhibition of such Films for the purpose of securing the Exhibition of a certain Proportion of British Films; to impose a Film-hire Tax; and to make other Provisions in relation to Cinematograph-films. 5

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:— 10

Short Title and commencement.

1. This Act may be cited as the Cinematograph Films Act, 1928, and, except as otherwise provided herein, shall come into force on the first day of *January*, nineteen hundred and twenty-nine.

Interpretation.

2. In this Act, unless the context otherwise requires,—

“Acquire,” in relation to a renter, includes the making or obtaining possession of films for the purpose of renting them: 15

“British company” means a company which is constituted under the laws of any part of the British Empire and of which the majority of the directors are British subjects: 20

“British Empire” includes territories under His Majesty’s protection and territories in respect of which a mandate on behalf of the League of Nations has been accepted by His Majesty:

“British film” means a film which complies with all the following requirements:— 25

(i) It must have been made by a person who was at the time the film was made a British subject, or by two or more persons each of whom at such time was a British subject, or by a British company; 30

(ii) The studio scenes must have been photographed in a studio in the British Empire, elsewhere than in New Zealand;

(iii) The author of the scenario must have been a British subject at the time the film was made; 35

(iv) Not less than seventy-five per centum of the salaries, wages, and payments specifically paid for labour and services in the making of the film (exclusive of payments in respect of copyright and of the salary or payments to one foreign actor or actress or producer, but inclusive of the payments to the author of the scenario) has been paid to British subjects or to persons domiciled in the British Empire: 40

“Censor” means the Censor of Cinematograph Films appointed under this Act: 45

“Exhibitor,” in relation to films, includes every person who exhibits any film or films to the public, or to any section of the public, whether or not a charge is made for admission to the premises in which the exhibition is held; and “to exhibit” has a corresponding meaning: 50

- 5 “Exhibitors’ quota,” in relation to the registered films or to any class of registered films exhibited by an exhibitor within any period, means the proportion of British films or New Zealand films that he is required by this Act to exhibit during that period, computed in accordance with this Act :
- “Film ” means a cinematograph-film, and includes any part of a film :
- “Foreign film ” means a film which is not a British film or a New Zealand film, as herein defined :
- 10 “Length,” in relation to a film, means the total length of film as offered for projection at public exhibitions thereof :
- “Long film ” means a film the registered length of which is *three* thousand feet or upwards :
- 15 “Maker,” in relation to any film, means the person by whom the arrangements necessary for the production of the film are undertaken :
- “Minister ” means the Minister of Internal Affairs :
- “New Zealand film ” means a film for which the studio scenes have been photographed in New Zealand, and which in all other respects complies with the requirements of a British film :
- 20 “Producer,” in relation to any film, means the person responsible for the organization and direction of the scenes to be depicted in the film :
- 25 “Register ” means the Register of Films under this Act :
- “Registered film,” means a film registered in accordance with the provisions of Part II of this Act :
- “Registrar ” means the Registrar of Cinematograph Films appointed under this Act :
- 30 “Renter,” in relation to films, means a person for the time being engaged in the business of renting films :
- “Renters’ quota,” in relation to the registered films or to any class of registered films acquired by a renter for the purposes of his business, in any period, means the proportion of British films or New Zealand films that he is required by this Act to acquire during that period, computed in accordance with this Act :
- 35 “Renting,” in relation to films, means renting or otherwise issuing films to exhibitors at a rent or for other consideration, or making other arrangements with exhibitors for the exhibition thereof :
- 40 “Serial film ” means a film or a series of films which—
- (a) Consists of not more than twenty-six separate parts, none of which exceeds *two* thousand feet in length ;
- 45 and
- (b) Is designed to disclose at separate showings a subject-matter having a unity of plot and cast :
- “Short film ” means a film the registered length of which is less than *three* thousand feet.

PART I.

CENSORSHIP OF FILMS AND POSTERS.

Appointment of
Censor.

3. (1) There shall from time to time as required be appointed an officer of the Public Service to be the Censor of Cinematograph Films.

(2) The Censor appointed under the Cinematograph-film Censorship Act, 1916, and in office at the commencement of this Act shall be deemed to have been appointed to the like office under this Act, and shall continue to hold office accordingly. 5

(3) The service of the aforesaid officer for the purposes of the Public Service Superannuation Fund shall not be deemed to have been interrupted by his appointment as Censor under the Cinematograph-film Censorship Act, 1916, or by his holding office as provided in that Act. 10

Exercise of powers
of Censor by other
officers.

4. The powers conferred on the Censor by this Act may be exercised by any person duly appointed to act on behalf of or in assistance of the Censor. 15

Duties of Censor.

5. (1) It shall be the duty of the Censor to examine every cinematograph-film duly submitted to him for examination with a view to such film being approved for purposes of exhibition to the public.

(2) On the completion of the examination of any film the Censor— 20

(a) May approve the same for exhibition, as aforesaid; or

(b) May refuse to approve the same; or

(c) May agree to approve the same, subject to such excisions from the film as he thinks proper.

(3) If the approval of the Censor is given subject to the making of any excisions from the film as aforesaid, the Censor shall have authority to make such excisions and to retain in his possession the excised parts. 25

(4) The approval of the Censor shall not be given with respect to any film or to any part of a film which in his opinion depicts any matter that is contrary to public order or decency, or the exhibition of which would for any other reason be undesirable in the public interest. 30

(5) The approval by the Censor of any film may be absolute, or may be given subject to a condition that the film may be exhibited only to a specified class or to specified classes of persons. 35

If matter added to
film after approval,
film to be again
submitted to
Censor.

6. If any matter, other than a certificate of approval or a certificate of registration, is added to a film after it has been approved by the Censor, the film shall, before exhibition or further exhibition, be again submitted to the Censor for examination, and unless and until it has been again approved by the Censor it shall be deemed not to have been approved. 40

Offence to exhibit
film that has not
been approved by
Censor.

7. (1) Every person who, in any place for admission to which a charge is made in respect of any person or persons, or in any place to which the public are admitted, whether or not a charge is made for admission, exhibits any film or part of a film that has not been approved by the Censor in the form in which it is so exhibited, commits an offence and is liable to a fine of *fifty* pounds in respect of every occasion on which such film or any part thereof has been so exhibited. 45

(2) Any film in respect of which an offence under this Part of this Act has been committed may, by order of the convicting Court made in addition to any other penalty, be forfeited to the Crown, and may be destroyed or otherwise dealt with as the Minister may direct. 50

8. (1) The foregoing provisions of this Act as to the censorship and exhibition of films may, to such extent as the Governor-General by Order in Council determines, be applied so as to require the censorship of and to regulate the exhibition of posters and other advertising matter used or intended to be used in relation to any cinematograph-film or films. Any such Order in Council may relate exclusively to any specified class or specified classes of posters or other advertising matter.

Censorship of film posters and other advertising matter.

(2) Every person who uses any posters or other advertising matter as aforesaid in contravention of the foregoing provisions of this Act, as applied in accordance with this section, commits an offence and is liable to the like penalties as for the offence of exhibiting films without the approval of the Censor.

9. There shall be a right of appeal from every decision of the Censor under this Part of this Act to such person or persons, and in such manner and subject to such conditions, as may be prescribed by regulations under this Act.

Right of appeal from decisions of Censor.

10. There shall be payable in respect of the censorship of cinematograph-films and of posters and other advertising matter under this Part of this Act, and in respect of appeals from decisions of the Censor, such fees as may from time to time be prescribed by regulations under this Act.

Fees.

11. (1) The Cinematograph-film Censorship Act, 1916, and the Cinematograph-film Censorship Amendment Act, 1926, are hereby repealed.

Repeals.

(2) All Orders in Council, regulations, certificates, appointments, and other acts of authority which originated under any of the enactments hereby repealed and are subsisting on the coming into operation of this Act shall enure for the purposes of this Act as if they had originated under the provisions of this Act, and accordingly shall, where necessary, be deemed to have so originated.

Saving of existing appointments, &c.

PART II.

REGISTRATION OF FILMS.

12. (1) For the purposes of this Part of this Act there shall from time to time as required be appointed an officer of the Public Service to be called the Registrar of Cinematograph Films.

Registrar of Films.

(2) The office of Registrar may be held in conjunction with the office of Censor or in conjunction with any other office in the Public Service.

(3) The duties of Registrar may be carried out by any person duly appointed to act on behalf of or in assistance of the Registrar.

13. (1) Except as provided in subsection *three* of this section, no film shall after the commencement of this Act be exhibited to the public unless it has been registered in accordance with this Part of this Act.

Registration of films.

(2) Every person who exhibits any film in contravention of this section commits an offence and is liable to a fine of *twenty* pounds for every day on which such offence is committed in respect of one or more films. For the purposes of this subsection the exhibition of any unregistered film or unregistered films in two or more theatres or other places on the same day shall constitute a separate offence in respect of each such place.

(3) This section shall not apply so as to require the registration of any film that has been exhibited to the public in New Zealand at any time before the commencement of this Act.

Procedure for
registration of films.

14. (1) Application for the registration of any film may be made by the maker or renter thereof, or if there is no renter in New Zealand, may be made by the exhibitor. Application for the registration of any film may be made simultaneously with the application for its approval by the Censor in accordance with the provisions of Part I of this Act, or may be made at any time thereafter, but the Registrar shall not register any film until it has been approved by the Censor. 5 10

(2) Application for registration shall be made in the prescribed form to the Registrar, and shall be accompanied by the prescribed fee.

(3) Before registering any film the Registrar may require the applicant to furnish such particulars in addition to the particulars contained in the application as he considers necessary for the purposes of registration. 15

(4) Where application is made for the registration under this Act of any film theretofore registered by the Board of Trade as a British film pursuant to the Cinematograph Films Act, 1927 (Imperial), the Registrar shall, without further inquiry, register the film as a British film under this Act if he is satisfied that the film has not been altered since its registration to such extent as to change its character as a British film within the meaning of that Act. 20

(5) On the registration of the film, the Registrar shall assign thereto a registered number and shall issue to the applicant a certificate of registration in the prescribed form, setting out with respect to the film,— 25

(a) The registered number of the film :

(b) Its length :

(c) Its classification as a British film, a New Zealand film, or a foreign film, as the case may be : 30

(d) A statement as to whether or not the film is to be taken into account, in accordance with the provisions of Part IV of this Act, for the purpose of computing the renters' quota or the exhibitors' quota :

(e) Such other particulars as may be prescribed by regulations under this Act. 35

Special provisions
authorizing the
registration of
films that have
been exhibited
before
commencement of
Act.

15. (1) The Minister may by writing under his hand authorize the registration of any films that have been exhibited to the public in New Zealand before the commencement of this Act.

(2) Any films registered pursuant to this section may, in accordance with the direction of the Minister, be available for computation in relation both to the renters' quota and the exhibitors' quota, or may be available only for computation in relation to the exhibitors' quota. 40

Special provisions
as to certificate of
registration.

16. (1) If and whenever the office of Registrar is held in conjunction with the office of Censor, the certificate of the Registrar to be given in accordance with this Part of this Act shall be combined in the prescribed manner with the certificate of approval given by the Censor pursuant to Part I of this Act. 45

(2) If and whenever the offices of Censor and Registrar are held by different officers, their certificates to be given in accordance with the foregoing provisions of this Act shall, whenever practicable, be given on the same document. 50

(3) A photographic reproduction of the certificates of the Censor and the Registrar in relation to any film shall be made at the expense

of the applicant for its registration, and copies of such photographic reproduction shall be attached to the film so as to form an integral portion thereof, before the film is exhibited to the public.

(4) The manner in which reproduction of the certificates aforesaid shall be attached to the film, their position in relation to the subject-matter of the film, and the amount of space to be occupied in the film by such photographic reproductions shall be determined from time to time in accordance with regulations under this Act.

10 17. (1) Every renter or other person who issues to any exhibitor for exhibition any film in which the certificates of the Censor and the Registrar are not incorporated as aforesaid commits an offence and is liable to a fine of *twenty* pounds.

Offence to issue film to exhibitor, or to exhibit film, if certificates under this Act have not been incorporated therein.

15 (2) Every person who exhibits any film in respect of which certificates as required by this Act have been given by the Censor and the Registrar as aforesaid, but in which such certificates are not incorporated and shown at the time of exhibition, commits an offence and is liable to a fine of *twenty* pounds for every day on which such film is so exhibited.

20 18. If after the registration of any film its length is altered to the extent of more than *five* per centum thereof, it shall be the duty of the renter for the time being entitled to receive the proceeds derivable from the renting thereof to send to the Registrar written notice of the alteration, and if he fails to do so he shall be guilty of an offence and liable to a fine of *twenty* pounds in respect thereof for every

Provisions as to alterations in length of film.

25 day on which such film as altered is exhibited before such notice is given and after the expiration of *one* month from the making of such alteration.

30 19. (1) If the Minister has at any time reason to believe that any particular in connection with a film has been incorrectly registered or that any registered particular is no longer correct, he may require the Registrar to make such inquiry into the matter as may be necessary, and as a result of such inquiry the Registrar shall, if necessary, correct the register and issue an amended certificate of registration in respect of the film.

Correction of register.

35 (2) For the purposes of any inquiry under this section, the Registrar may call for such evidence as he thinks necessary or may require that the film be submitted to him for examination, and if default is made by any person in complying with the requirements of the Registrar under this section he may cancel the existing registration

40 of the film.

(3) On the issue of an amended certificate in respect of any film the former certificate shall cease to have effect.

45 20. (1) If any person is aggrieved by any decision of the Registrar with respect to the registration of a film he shall have a right of appeal, in such manner and subject to such conditions as may be prescribed, to a Stipendiary Magistrate, who shall have jurisdiction to hear and determine any such appeal accordingly.

Appeals from decisions of Registrar.

(2) The decision of the Magistrate in any appeal under this section shall be final and conclusive.

50 21. The Registrar shall keep in his office a Register of Films, in which shall be entered with respect to each film registered under this Part of this Act the several particulars set out in the certificate of registration and such other particulars as may be prescribed.

Register of Films.

Inspection of
register.

22. (1) The register shall be open to inspection during office hours by any person on payment of the prescribed fee, and any person inspecting the register may make copies of or extracts from the same.

(2) Any person, on payment of the prescribed fee, may require the Registrar to furnish to him a copy of any entry in the register, certified to be a true copy by the Registrar or other authorized person. 5

PART III.

STORAGE, TRANSPORT, AND PROJECTION OF FILMS.

Commencement of
this Part of Act.

23. This Part of this Act shall come into force on the *first* day of *October*, nineteen hundred and twenty-*nine*. 10

Power to make
regulations in
interests of public
safety.

24. (1) For the purpose of conserving the safety of persons and property, the Governor-General in Council is hereby empowered to make all such regulations as he thinks proper with respect to the storage, transport, and projection of cinematograph-film, and with respect to matters incidental thereto. 15

(2) Without limiting the generality of the foregoing provisions of this section, regulations may be made thereunder for all or any of the following purposes :—

- (a) For the licensing of premises in which cinematograph-film may be stored or exhibited, prescribing the conditions subject to which such licenses may be held, and making all necessary provisions with respect to the issue, transfer, amendment, duration, and determination of such licenses : 20
- (b) Prescribing the method of packing and labelling to be adopted in connection with the transport of film from one place to another, whether within a building or to other premises : 25
- (c) Prescribing the situation, construction, and equipment of storage-places for film, and the conditions under which film may be stored and handled therein :
- (d) Prescribing rules to be observed by persons employed or engaged in places where film is stored or handled : 30
- (e) Prescribing the situation, construction, and maintenance of projection-rooms on premises licensed for the exhibition of films ; and prescribing also rules to be observed by all persons in any such projection-room at any time when any film is therein, whether being exhibited or not : 35
- (f) Prescribing the requirements to be complied with in respect of the construction, fitting-up, maintenance, and use of cinematograph-machines used in the projection of films :
- (g) Prescribing conditions with respect to the installation and maintenance of the electrical equipment in premises where film is exhibited : 40
- (h) Providing for the notification of accidents arising from the storage, transport, or projection of film, and the holding of inquiries as to the cause of such accidents : 45
- (i) Prescribing fees to be paid in respect of the issue, transfer, or amendment of licenses :
- (j) Providing for the inspection of premises and equipment used in connection with the exhibition of films :

(k) Prescribing penalties for the breach of any regulations made under the authority of this section, not exceeding a fine of *twenty* pounds for any offence, or, in the case of a continuing offence, not exceeding a fine of *twenty* pounds for every day on which such offence is committed or continues.

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25. On and after the commencement of this Part of this Act, nothing in the Explosive and Dangerous Goods Act, 1908, shall, except as otherwise provided herein, have any application with respect to cinematograph-film, and any regulations made under the said Act with reference to cinematograph-film and in force immediately prior to the commencement of this Part of this Act shall thereupon be deemed to be revoked.

Restriction of application of Explosive and Dangerous Goods Act.

26. (1) Every officer of the Public Service for the time being holding office as an Inspector under the Explosive and Dangerous Goods Amendment Act, 1920, shall, for the purposes of this Part of this Act, have the like powers with respect to cinematograph-film and the premises on which such film may be stored or exhibited and with respect to any matters incidental thereto as he has under the said Act with respect to dangerous goods.

Inspectors appointed under Explosive and Dangerous Goods Act to have powers of inspection for purposes of this Part.

(2) Every person who obstructs an Inspector in the exercise of his powers under this Part of this Act, or who fails to comply with any requisition in writing made by an Inspector in the performance of his duties under this Part, or who fails to give to an Inspector any information that the Inspector may reasonably require of him for the purposes of this Part of this Act, commits an offence and is liable to a fine of *twenty* pounds.

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PART IV.

PROVISIONS FOR SECURING QUOTA OF BRITISH FILMS.

27. (1) This Part of this Act applies to all films registered in accordance with the provisions of Part II of this Act, except films of the following classes, namely :—

Application of this Part of this Act.

- (a) Films depicting wholly or mainly news and current events :
- (b) Films depicting wholly or mainly natural scenery :
- (c) Films being wholly or mainly commercial advertisements :
- (d) Films used wholly or mainly by educational institutions for educational purposes :
- (e) Films depicting wholly or mainly industrial or manufacturing processes :
- (f) Scientific films, including natural-history films :
- (g) British films of which the date of release in the country of origin is more than two years prior to the date of registration in New Zealand.

(2) Notwithstanding anything in the *last preceding* subsection, the Minister may at any time direct that this Part of this Act shall apply to any specified film of any of the classes mentioned in that subsection. If any direction by the Minister, as aforesaid, is given after the registration of the film to which it relates, the Registrar shall make all necessary amendments in the register and in the certificate of registration, and shall require the delivery of the film to him for that purpose.

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(3) Film to which this Part of this Act applies is hereinafter referred to as "quota" film.

Renters' Quota.

Renters' licenses.

28. (1) It shall not be lawful after the commencement of this Act for any person to carry on the business of renting films unless he is the holder of a renter's license granted in accordance with this Part of this Act. 5

(2) Application for a renter's license shall be made in the prescribed form to the Minister, or to an officer of the Public Service to be appointed to receive applications for and to issue such licenses, and shall be accompanied by the prescribed fee. 10

(3) No person shall be qualified to hold a renter's license unless he has a place of business in New Zealand.

(4) Every license issued under this section shall, unless sooner revoked or surrendered, remain in force until the *thirty-first* day of *December* of the year in respect of which it is issued, and shall then expire. 15

(5) Every such license shall be in the prescribed form or to the effect thereof:

Provided that a renter's license under this section may in any case be issued in combination with a license under Part III of this Act in respect of the storage of film, and in such case the prescribed forms of licenses under the said Part III and this section shall be modified accordingly. 20

(6) If any person carries on business as a renter in contravention of the provisions of this section, or of the terms of any license issued under this section, he commits an offence and is liable to a fine of *twenty* pounds for every day on which he so carries on business. 25

Minimum requirements as to acquisition by renters of New Zealand or British films.

29. (1) Of the total length of registered "quota" film acquired by a licensed renter for the purposes of his business in any of the years mentioned in the *First* Schedule hereto, it shall be his duty to acquire not less than the proportion of New Zealand film or British film specified in the table set out in the said Schedule. 30

(2) If the "quota" films acquired by a renter in any year as aforesaid comprise both long films and short films, the aforesaid requirements as to a minimum proportion of New Zealand films or British films shall apply with respect to the total length of such long films in the same way as they apply to the total length of all films. 35

(3) If the Minister is satisfied that in any year compliance with the provisions of this Part of this Act by any renter is not or was not commercially practicable by reason of the character of the New Zealand films or British films available, or the excessive cost of such films in relation to foreign films, he may modify those requirements to such extent as in the circumstances he considers reasonable. 40

(4) If in any of the years specified in the *First* Schedule hereto, a renter fails to comply with the requirements of this Part of this Act, or with those requirements as modified in accordance with the *last preceding* subsection, he shall be guilty of an offence and liable to a fine of *one hundred* pounds, unless he proves to the satisfaction of the Court that the reasons for non-compliance were beyond his control. 45

(5) For the purposes of this section any film shall be deemed to be acquired by a renter in the year in which it is registered. 50

30. Any number of renters, none of whom or of whom not more than one during any of the years specified in the *First Schedule* hereto acquires for the purposes of his business more than *six* long "quota" films, may, with the consent of the Minister, combine for the purpose of satisfying the quota requirements of this Part of this Act for that year, and in any such case all the renters who have so combined shall for the said purpose be regarded as one renter only, and shall accordingly be deemed to have complied with the aforesaid requirements to the same extent as one renter in such circumstances would have complied with those requirements.

Special provisions as to quota requirements in the case of renters carrying on small business.

31. (1) Every licensed renter shall keep a record in the prescribed form in which shall as soon as practicable be entered with respect to each registered film acquired by him the following particulars, namely:—

Returns to be furnished by renters.

- (a) The title of the film :
- 15 (b) Its registered number and total length, as appearing in the certificate of registration :
- (c) Its classification, as appearing in the certificate of registration, as a New Zealand film, or a British film, or a foreign film, as the case may be :
- 20 (d) Whether or not the film is a "quota" film within the meaning of this Part of this Act :
- (e) The places at which the film has been exhibited to the public, and the date or dates of exhibition at each such place :
- 25 (f) The rent or other consideration paid or agreed to be paid by any exhibitor in respect of such film or (where one charge is made in respect of two or more films without apportionment to the exhibitor), the amount of such charge, and the allocation of the amount of such charge among the several films made by the renter for the purposes of his business :
- 30 (g) Such other particulars as may from time to time be prescribed by regulations under this Act.

(2) Every record kept pursuant to this section shall be open at all reasonable times to inspection by an Inspector under Part III of this Act, or by any other person authorized in that behalf by the Minister.

35 (3) Every licensed renter, as and when required by the Minister, being not less than once in each year, shall furnish to the Minister such returns in respect of his business as a renter as may from time to time be prescribed.

40 (4) Every person who fails to comply with any of the requirements of this section commits an offence and is liable to a fine of *twenty* pounds, and to a further fine of *five* pounds for every day on which such default continues.

Exhibitors' Quota.

32. (1) It shall not be lawful after the *thirtieth* day of *September*, 45 nineteen hundred and twenty-nine, for any person to exhibit films unless he is the holder of an exhibitor's license granted in accordance with this Part of this Act.

Exhibitors' licenses.

50 (2) Application for an exhibitor's license shall be made in the prescribed form to the Minister, or to any officer of the Public Service to be appointed to receive applications for and to issue such licenses, and shall be accompanied by the prescribed fee.

(3) Every license issued under this section shall, unless sooner revoked or surrendered, remain in force until the *thirtieth* day of *September* following the date of its issue, and shall then expire.

(4) Every such license shall be in the prescribed form or to the effect thereof: 5

Provided that an exhibitor's license under this section may in any case be issued in combination with a license under Part III of this Act in respect of the storage and projection of film, and in such case the prescribed forms of licenses under the said Part III and this section shall be modified accordingly. 10

(5) Every license issued under this section shall be limited in its application so as to authorize the exhibition of film only in such premises as may be therein specified. Any license issued under this section to an itinerant exhibitor may be issued in respect of not more than *ten* separate premises; in all other cases a separate license shall be required under this section in respect of each building in which film is to be exhibited. 15

(6) If any person exhibits any film or films in contravention of this section, or of the terms of any license issued under this section, he commits an offence and is liable to a fine of *twenty* pounds for every day on which such offence is committed. 20

33. (1) This section shall have no application to any licensed exhibitor with respect to whom the Minister is satisfied that he is not engaged in carrying on business as an exhibitor, or to any other licensed exhibitor whom the Minister, by writing under his hand, for special reasons exempts from the operation of this section. 25

(2) Of the total length of registered "quota" film exhibited by an exhibitor to whom this section applies in any of the years mentioned in the *Second* Schedule hereto, it shall be his duty to exhibit not less than the proportion of New Zealand film or British film specified in the table set out in the said Schedule. 30

(3) If the "quota" films exhibited by an exhibitor in any year as aforesaid comprise both long films and short films, the aforesaid requirements as to a minimum proportion of New Zealand films or British films shall apply with respect to the total length of such long films in the same way as they apply to the total length of all films. 35

(4) For the purposes of this section the proportion borne by the New Zealand and British "quota" film actually exhibited by an exhibitor during any year in any premises to which his license relates to the total "quota" film so exhibited by him shall be ascertained as follows:— 40

(a) The total number of feet in every New Zealand "quota" film and the total number of feet in every British "quota" film shall be multiplied by the number of times such New Zealand film or British film, as the case may be, has been exhibited by an exhibitor during the year in the course of his business: 45

(b) The total number of feet in every "quota" film (whether a New Zealand, or a British, or a foreign film) shall be multiplied by the number of times such film has been exhibited as aforesaid during the year: 50

Minimum requirements as to exhibition of New Zealand or British films.

(c) The proportion required to be ascertained shall be the proportion borne by the aggregate of the products arrived at pursuant to paragraph (a) of this subsection to the aggregate of the products arrived at pursuant to paragraph (b) of this subsection.

(5) If the Minister is satisfied that in any year compliance with the provisions of this Part of this Act by any exhibitor is not, or was not commercially practicable by reason of the character of the New Zealand films or British films available, or the excessive cost of such films in relation to foreign films, he may modify those requirements to such extent as in the circumstances he considers reasonable.

(6) If in any of the years specified in the *Second Schedule* hereto an exhibitor fails to comply with the requirements of this Part of this Act, or with those requirements as modified in accordance with the *last preceding* subsection, he shall be guilty of an offence and liable to a fine of *one hundred pounds*, unless he proves to the satisfaction of the Court that the reasons for non-compliance were beyond his control.

34. (1) Every licensed exhibitor required by this Part of this Act to exhibit a proportion of New Zealand or British "quota" films shall keep a record in which, within *seven days* after the exhibition of any registered film (whether a "quota" film or not), he shall enter or cause to be entered the following particulars, namely:—

Returns to be furnished by exhibitors.

(a) The title of the film :

(b) Its registered number and total length as appearing in the certificate of registration :

(c) Its classification, as appearing in the certificate of registration, as a New Zealand film, or a British film, or a foreign film, as the case may be :

(d) Whether or not the film is a "quota" film within the meaning of this Part of this Act :

(e) The places at which the film has been exhibited to the public, and the date or dates of exhibition at each such place, and the number of times on each day that the film has been so exhibited :

(f) The rent or other consideration paid or agreed to be paid in respect of such film (or, where one charge is made in respect of two or more films without apportionment, the amount of such charge) ; and in every case the name, address, and description of the person to whom such rent, charge, or other consideration has been so paid or is payable :

(g) Such other particulars as may from time to time be prescribed by regulations under this Act.

(2) The record required to be kept by exhibitors pursuant to this section shall, in the case of itinerant exhibitors, be kept at such place as may be specified in the license in that behalf, and in all other cases shall be kept on the premises in respect of which the license is issued.

(3) Every record kept pursuant to this section shall be open at all reasonable times to inspection by an Inspector under Part III of this Act, or by any other person authorized in that behalf by the Minister.

(4) Every exhibitor to whom this section applies, as and when required by the Minister, being not less than once in each year, shall furnish to the Minister such returns in respect of his business as an exhibitor as may from time to time be prescribed.

(5) Every person who fails to comply with any of the requirements of this section commits an offence and is liable to a fine of *twenty* pounds, and to a further fine of *five* pounds for every day on which such default continues.

General.

5

Renter to furnish particulars to exhibitor to enable exhibitor to comply with requirements as to quota.

35. (1) For the purpose of enabling an exhibitor to comply with the requirements of this Part of this Act it shall be the duty of every renter who supplies any film to an exhibitor to furnish to the exhibitor, before or within *seven* days after the delivery of the film, a statement setting forth with respect to such film the particulars required to be kept by the renter pursuant to paragraphs (a) to (d) of subsection *one* of section *thirty-one* hereof. 10

(2) Every renter who fails to comply with the requirements of this section commits an offence and is liable to a fine of *twenty* pounds.

Limitation of time within which proceedings for offences as to quota may be commenced.

36. Notwithstanding anything to the contrary in section fifty of the Justices of the Peace Act, 1927, proceedings against any person for failure in any year to comply with the provisions of this Part of this Act as to the renters' quota may be commenced within two years from the end of that year, and proceedings against any person for failure in any year to comply with the provisions of this Part of this Act as to the exhibitors' quota may be commenced within *one* year from the end of that year. 15 20

PART V.

RESTRICTIONS ON ADVANCE BOOKINGS, AND RELIEF FROM BLIND BOOKINGS. 25

Restrictions with respect to contracts for advance bookings.

37. (1) It shall not be lawful after the commencement of this Act for any persons to enter into an agreement for the supply of film to an exhibitor at a date more than *twelve* months after the date of the agreement:

Provided that in the case of an agreement for the supply of a serial film the said period of *twelve* months shall apply only in respect of the supply of the first three parts. 30

(2) The parties to any agreement entered into in contravention of this Part of this Act shall be guilty of an offence and shall be jointly and severally liable to a fine of *one hundred* pounds. 35

Provisions as to existing agreements in respect of advance bookings.

38. Any agreement entered into before the commencement of this Act which, if entered into after the commencement of this Act would be an illegal agreement under the *last preceding* section, shall, if and so far as it relates to films to be supplied to an exhibitor after the *thirty-first* day of *March*, nineteen hundred and twenty-nine, cease to have effect on that day or on the expiration of *twelve* months after the date of the agreement, whichever date is the later. 40

Relief from blind bookings.

39. (1) Notwithstanding anything contained in any contract entered into by an exhibitor, whether before or after the commencement of this Act, for the supply to him for exhibition of any long films (not being films named or adequately described in the contract) such exhibitor shall, subject to the provisions of this section and without incurring any liability for breach of contract, have the right to reject up to *five* per centum of the number of long films proposed to be 45

delivered to him in terms of that contract, or, if *five* per centum of the number of such films is less than one, he shall have the right as aforesaid to reject one film.

(2) Notice of intention to reject any film pursuant to the right conferred by this section shall be given by the exhibitor to the renter or other supplier not less than *twenty-eight* days before the proposed date of exhibition in cases where advice as to the name of the film has been received by the exhibitor at least *six* weeks prior to the aforesaid date; in any other case the notice required to be given by the exhibitor may be given at any time within *fourteen* days after the receipt by him of advice as to the name of the film.

PART VI.

FILM-HIRE TAX.

40. (1) Subject to the provisions of this section, there shall be levied and paid to and for the use of His Majesty in and for the year commencing on the *first* day of *January*, nineteen hundred and *thirty*, and in and for each year thereafter a special tax (herein referred to as "film-hire tax").

Imposition of tax on gross receipts derived from renting films in New Zealand.

(2) Such tax shall be payable by every person licensed as a renter of films under this Act, and shall be assessed and levied in each year at the following rates:—

- (a) In respect of New Zealand films, at the rate of *five* per centum of the gross receipts derived from renting such films during the preceding year:
- (b) In respect of British films, at the rate of *seven and one-half* per centum of the gross receipts derived from renting such films during the preceding year:
- (c) In respect of foreign films, at the rate of *twelve and one-half* per centum of the gross receipts derived from renting such films during the preceding year.

(3) Notwithstanding anything to the contrary in the Land and Income Tax Act, 1923, the income derived by any licensed renter from the renting of films in New Zealand after the commencement of this Act shall be exempt from taxation under that Act.

(4) Film-hire tax shall be assessed by the Commissioner of Taxes, and shall be due and payable on demand by him.

(5) For the purposes of the assessment and collection of film-hire tax, the Commissioner of Taxes shall have all the powers conferred on him by the Land and Income Tax Act, 1923, as if film-hire tax were income-tax.

(6) Any allocation made by a renter for the purpose of paragraph (f) of subsection *one* of section *thirty-one* of this Act may be reviewed by the Commissioner of Taxes, and if he has reason to believe or suspect that it is not a fair or proper allocation he may amend it in such manner as he considers equitable. If the renter fails in any case to make such allocation the Commissioner may make the allocation in such manner as he thinks proper. From every decision of the Commissioner under this subsection the renter shall have the same right of objection as if such decision were an assessment of income-tax under the Land and Income

50 Tax Act, 1923.

(7) Every licensed renter shall, except as hereinafter provided, be subject to the same duties and liabilities in respect of the making of returns for the purposes of this Part of this Act and the payment of film-hire tax as if such tax were income-tax.

(8) Nothing in the *last preceding* subsection shall render any person liable for the payment of additional tax in accordance with the provisions of section one hundred and thirty-five of the Land and Income Tax Act, 1923. 5

(9) No person shall be relieved from liability to pay film-hire tax in respect of the gross receipts derived by him in any year from the renting of film by reason merely of the fact that he has ceased to carry on business as a renter. 10

PART VII.

MISCELLANEOUS.

41. (1) For the purpose of advising him on matters arising in respect of the administration of this Act, the Minister may appoint an Advisory Committee, consisting of— 15

Minister may
appoint Advisory
Committee.

(a) Not more than two representatives of licensed renters :

(b) An equal number of representatives of licensed exhibitors :

(c) Not more than three other persons, having no pecuniary interest in any branch of the film industry. One of the members appointed under this paragraph shall be appointed by the Minister to be the Chairman of the Committee. 20

(2) The term of office of a member of the Advisory Committee shall be such period, not exceeding three years, as may be fixed by the Minister at the time of his appointment, but a retiring member shall be eligible for re-appointment. 25

(3) Except so far as may be provided by regulations under this Act, the Committee shall regulate its own procedure.

Penalty for
misrepresentation.

42. If any person— 30

(a) In connection with an application for the registration of any film under this Act ; or

(b) For the purpose of obtaining a license under any Part of this Act for himself or any other person ; or

(c) In or in connection with any return required to be furnished by or for the purposes of this Act or in any record required to be kept for the purposes of this Act,— 35

makes any statement or gives any information or enters or causes to be entered any matters which are false or misleading in any material particular or respect, he commits an offence, and, where no other penalty is provided in respect of such offence, is liable to a fine of *one hundred* pounds. 40

Regulations.

43. (1) The Governor-General may from time to time, by Order in Council, make regulations for all or any of the following purposes, namely :— 45

(a) The censorship of films, posters, and other advertising matter pursuant to Part I of this Act, and the fees to be paid in respect thereof :

(b) The registration of films in accordance with Part II of this Act, and in particular,—

(i) Prescribing the nature of the evidence required to prove that any film is a British film or a New Zealand film:

5 (ii) Prescribing the method in which statements contained in applications for registration of films may be verified:

(c) Prescribing the forms of registers and certificates to be kept for the purposes of this Act:

10 (d) Prescribing the requirements with respect to the reproduction of certificates given by the Censor or the Registrar:

(e) The conduct of appeals from decisions of the Censor or the Registrar in accordance with this Act:

15 (f) The conditions subject to which licenses may be issued under this Act to renters or exhibitors, and the conditions subject to which any such license may be renewed, suspended, or revoked:

(g) Prescribing the forms required for the purposes of this Act, the records to be kept, and the returns to be furnished for the purposes of this Act:

20 (h) Prescribing the fees to be paid for any license or other matter under this Act:

(i) Such other matters as are contemplated by or are reasonably necessary for the purpose of giving full effect to the provisions of this Act.

25 (2) All regulations made under the authority of this section shall be laid before Parliament within fourteen days after the date thereof if Parliament is then in session, and, if not, then within fourteen days after the commencement of the next ensuing session.

Schedules.

SCHEDULES.

FIRST SCHEDULE.

RENTERS' QUOTA OF BRITISH OR NEW ZEALAND FILMS.

In respect of the year ending 31st December, 1929 ..	7½	per cent. of "quota" films.
In respect of the year ending 31st December, 1930 ..	10	per cent. of "quota" films.
In respect of the year ending 31st December, 1931 ..	10	per cent. of "quota" films.
In respect of the year ending 31st December, 1932 ..	12½	per cent. of "quota" films.
In respect of the year ending 31st December, 1933 ..	15	per cent. of "quota" films.
In respect of the year ending 31st December, 1934 ..	17½	per cent. of "quota" films.
In respect of the year ending 31st December, 1935 ..	17½	per cent. of "quota" films.
In respect of the year ending 31st December, 1936 ..	20	per cent. of "quota" films.
In respect of the year ending 31st December, 1937 ..	20	per cent. of "quota" films.
In respect of the year ending 31st December, 1938 ..	20	per cent. of "quota" films.
In respect of the year ending 31st December, 1939 ..	20	per cent. of "quota" films.
In respect of the year ending 31st December, 1940 ..	20	per cent. of "quota" films.

SECOND SCHEDULE.

EXHIBITORS' QUOTA OF BRITISH OR NEW ZEALAND FILMS.

In respect of the year ending 30th September, 1930 ..	5	per cent. of "quota" films.
In respect of the year ending 30th September, 1931 ..	7½	per cent. of "quota" films.
In respect of the year ending 30th September, 1932 ..	7½	per cent. of "quota" films.
In respect of the year ending 30th September, 1933 ..	10	per cent. of "quota" films.
In respect of the year ending 30th September, 1934 ..	12½	per cent. of "quota" films.
In respect of the year ending 30th September, 1935 ..	15	per cent. of "quota" films.
In respect of the year ending 30th September, 1936 ..	15	per cent. of "quota" films.
In respect of the year ending 30th September, 1937 ..	20	per cent. of "quota" films.
In respect of the year ending 30th September, 1938 ..	20	per cent. of "quota" films.
In respect of the year ending 30th September, 1939 ..	20	per cent. of "quota" films.
In respect of the year ending 30th September, 1940 ..	20	per cent. of "quota" films.
In respect of the year ending 30th September, 1941 ..	20	per cent. of "quota" films.