

This PUBLIC BILL originated in the HOUSE OF REPRESENTATIVES, and, having this day passed as now printed, is transmitted to the LEGISLATIVE COUNCIL for its concurrence.

House of Representatives,
3rd December, 1918.

Right Hon. Mr. Massey.

LICENSING AMENDMENT.

ANALYSIS.

- Title.
 - 1. Short Title. Interpretation.
 - 2. Repeal.
- PART I.
SPECIAL LICENSING POLL.
- 3. Proposal of national prohibition with compensation to be submitted to electors at special licensing poll.
 - 4. Application of provisions of Legislature Act as to general elections for purposes of special licensing poll.
 - 5. Present electoral districts to be districts for purposes of special licensing poll.
 - 6. New rolls to be prepared for purposes of special licensing poll.
 - 7. Objection to names on roll on ground of non-residence.
 - 8. Application of provisions of Legislature Act to preparation of special roll.
 - 9. Mode of taking special licensing poll.
 - 10. Offence of personation.
 - 11. Provisions as to scrutineers.
 - 12. Special provisions for taking votes of members of Expeditionary Forces.
 - 13. Count of votes in each district. Statements to be transmitted to Minister of Justice. Minister to notify result of poll in *Gazette*.
 - 14. Recount of votes in any electoral district.
 - 15. Notice published by Minister as to result of poll to be conclusive.
 - 16. Disposal of voting-papers.
 - 17. Day on which special licensing poll taken to be public half-holiday.
 - 18. Result if poll in favour of national continuance.
 - 19. Result if poll in favour of national prohibition.
 - 20. Effect of national prohibition with compensation.
 - 21. Offences with respect to manufacture, sale, or possession of liquor while national prohibition in force.
 - 22. No licensing poll to be taken after carrying of national prohibition with compensation.
- Compensation if National Prohibition with Compensation is carried at the Special Licensing Poll.*
- 23. Interpretation.
 - 24. Compensation to be paid out of Liquor Trade Compensation Account. Authority to Minister of Finance to borrow £4,500,000 for purposes of compensation.

- 25. Compensation to brewers. Compensation to owners and lessees of hotel premises. Compensation to owners of furniture on hotel premises. Compensation to hotel licensees. Compensation to owners of wholesale licenses. Compensation to chartered clubs. Compensation to wine-makers. Compensation to maltsters. Compensation to owners of vineyards. Compensation to servants.
 - 26. Claims may be made by claimants in several capacities.
 - 27. Rules for determination of claims by brewers in respect of depreciation of value of lands and buildings.
 - 28. Rules for determination of claims by owners of freehold of hotel premises.
 - 29. Claims in respect of depreciation of plants, &c., on hotel premises.
 - 30. Claims in respect of furniture in hotel premises.
 - 31. Rules for determination of claims by brewers in respect of termination of trade.
 - 32. Rules for determination of claims by hotel licensees in respect of termination of trade.
 - 33. Rules for determination of claims by holders of wholesale licenses.
 - 34. Rules for determination of claims by chartered clubs.
 - 35. Determination of claims by winemakers.
 - 36. Determination of claims by maltsters.
 - 37. Determination of claims by servants of brewers and hotel licensees.
 - 38. Production of income-tax returns by Commissioner of Taxes.
 - 39. Authority to export stocks of liquor held on coming into force of national prohibition and to receive refund of Customs duties.
- Settlement of Claims for Compensation.*
- 40. Mode of recovery of compensation from the Crown.
 - 41. Governor-General may establish Courts of Compensation. Constitution of Courts of Compensation.
 - 42. Temporary appointments to Courts of Compensation.
 - 43. Registrar to be appointed for each Court of Compensation.
 - 44. Remuneration of members and officers of Courts.
 - 45. Members and officers of Courts not to be public servants by virtue of their appointment thereto.
 - 46. Sittings of Courts.
 - 47. Determination of the Court.

48. Procedure of Courts to be governed by regulations in that behalf.
 49. No appeal from determination of Court of Compensation.
 50. Court of Compensation may state case for determination of questions of law by Supreme Court.
 51. Institution of claims.
 52. Reference of claims to Courts of Compensation.
 53. Payment of compensation awarded by Court.
 54. Offences with respect to claims.
 55. Magistrate to hear claims for compensation by brewers' servants and hotel servants.

PART II.

RESULT IF NATIONAL CONTINUANCE IS CARRIED AT THE SPECIAL LICENSING POLL.

Proposals to be submitted at next Licensing Poll.

56. If national prohibition with compensation is not carried, issue of State purchase and control to be submitted at next general licensing poll (in addition to issues of national prohibition and national continuance).
 57. District no-licence abolished.
 58. Returning Officers to transmit statements as to numbers of votes recorded to Minister.
 59. Result of poll, how to be determined.
 60. Effect of national prohibition.

Effect of National Prohibition without Compensation.

61. Lapse of licenses if national prohibition without compensation carried.
 62. Offences with respect to manufacture, importation, or sale of liquor while determination in favour of national prohibition in force.

63. No compensation for loss of property or business arising from national prohibition under this Part.
 64. No licensing polls to be taken while national prohibition in force.

Effect of State Purchase and Control.

65. Application of this and following sections.
 66. Appointment of Controller of the Trade in Liquor and of necessary officers.
 67. Effect of determination in favour of State purchase and control.
 68. Determination in favour of State purchase and control not to be deemed to authorize sale of liquor in no-license district.
 69. Assessment of compensation and definition and limits of compensation.
 70. Power to borrow moneys not exceeding ten million pounds.
 71. Lapse of certain provisions of Licensing Act on coming into force of determination in favour of State purchase and control.

PART III.

RESULT IF THE DETERMINATION AT THE NEXT GENERAL LICENSING POLL IN FAVOUR OF NATIONAL CONTINUANCE.

72. Events in which this Part applies.
 73. National prohibition to be only issue and to be carried by bare majority.
 74. Questions at subsequent general licensing polls.
 75. Result if at any subsequent poll national prohibition carried.
 76. Result if at any subsequent poll State purchase and control carried.
 77. Question to be submitted at every licensing poll.
 Schedule.

A BILL INTITULED

Title. AN ACT to amend the Licensing Act, 1908.

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

Short Title. 1. (1.) This Act may be cited as the Licensing Amendment Act, 1918, and shall be read together with and deemed part of the Licensing Act, 1908 (hereinafter referred to as the principal Act).

Interpretation. (2.) In this Act the expression "the Minister" means the Minister of Justice.

(3.) In *Part I* of this Act "compensation" means the amount assessed and payable under sections *twenty-four* to *fifty-five* of this Act, but subject to the aggregate limit of four million five hundred thousand pounds fixed by section *fifty-three*.

Repeal. 2. Section twelve of the Sale of Liquor Restriction Act, 1917, is hereby repealed.

PART I.

SPECIAL LICENSING POLL.

Proposal of national prohibition with compensation to be submitted to electors at special licensing poll.

3. (1.) On a day in the month of April, nineteen hundred and *nineteen*, to be fixed by the Governor-General in Council, there shall be taken a poll (hereinafter referred to as the special licensing poll) of the electors of each electoral district constituted under the Legislature Act, 1908, upon the proposals that national prohibition

353

with compensation shall come into force throughout New Zealand or that licenses for the sale of intoxicating liquor shall continue to be granted subject to the provisions of the principal Act.

(2.) The proposals shall be submitted in the Form No. 1 in the Schedule hereto.

4. (1.) Subject to the provisions of this Act, and to all necessary modifications, the special licensing poll shall be taken in the same manner as if it were taken simultaneously with an electoral poll on a general election of members of Parliament.

Application of provisions of Legislature Act as to general elections for purposes of special licensing poll.

(2.) For the purposes of the special licensing poll the Legislature Act, 1908, and its amendments, shall have the same operation as if the date of the special licensing poll were the day of polling at a general election duly named in writs issued by the Clerk of the Writs pursuant to section ninety-eight of the Legislature Act, 1908, and as if such day had been duly notified in pursuance of section one hundred and four of that Act, and as if notice of the issue of such writs had been duly given on the day appointed for the taking of the special licensing poll to the Registrar of each electoral district in pursuance of section one hundred and three of that Act, and all things shall be done accordingly under the said Acts, with all necessary modifications, so far as may be necessary for the purposes of the special licensing poll.

5. The electoral districts for the purposes of the special licensing poll shall be the electoral districts as existing at the date of the last general election of members of Parliament, and the provisions of the principal Act and its amendments with respect to city licensing districts shall have no application to the special licensing poll.

Present electoral districts to be districts for purposes of special licensing poll.

6. (1.) The roll of electors for each electoral district at the special licensing poll shall be the roll as provided by the Legislature Act, 1908, as amended by the Legislature Amendment Act, 1910, save as specially provided by this Part of this Act.

New rolls to be prepared for purposes of special licensing poll.

(2.) The general roll in every district shall for the purposes of this Act be closed on the day when this Act comes into force, and such sufficient number of copies of every such general roll as the Minister directs shall then be forthwith printed.

(3.) Claims for enrolment on a supplementary roll in each district may be received by the Registrar at any time after the commencement of this Act up to but not after a date which shall be thirty-five days before the day fixed for the taking of the special licensing poll, and on such date every supplementary roll shall be closed.

(4.) Such sufficient numbers as the Minister directs of every supplementary roll shall be printed immediately after the date of the closing of the supplementary rolls.

7. (1.) It shall be a ground of objection to any name on a roll or a supplementary roll that the elector does not reside at the place stated on such roll or supplementary roll as the address of such elector.

Objection to names on roll on ground of non-residence.

(2.) If the Registrar has reasonable grounds for believing that such ground of objection exists in any case, it shall be the duty of the Registrar to object to the retention of such name on the roll in the manner provided by subsection three of section fifteen of the

Legislature Amendment Act, 1910, and to act in respect thereof in the manner directed by that subsection.

(3.) The notice in writing required to be given to the elector may be given by registered letter addressed to such elector at the address appearing on the electoral roll or supplementary roll. 5

(4.) If the elector within the time limited in the notice satisfies the Registrar, or (having given due notice of appeal) satisfies the Magistrate, that he is still resident in the electoral district or is entitled to have his name retained on the roll under the provisions of section forty-four of the Legislature Act, 1908, his name shall not be removed from the roll. 10

Application of Provisions of Legislature Act to preparation of special roll.

8. The provisions of Part II of the Legislature Act, 1908, as amended by any Acts amending the same, shall apply generally to every general roll and to every supplementary roll directed by this Act, and especially to the entry of names on any supplementary roll, and to objections to the qualification of persons entered on any general roll or supplementary roll, and to the revision of rolls and to the amendment of rolls in all respects as if every general roll and every supplementary roll were the general roll or the supplementary roll of an existing electoral district, and all Magistrates and other persons shall have jurisdiction and authority accordingly. 15 20

Mode of taking special licensing poll.

9. (1.) The special licensing poll shall be taken in the manner following, that is to say :—

- (a.) The Returning Officers of the several electoral districts shall be the Returning Officers for the purposes of the special licensing poll. 25
- (b.) The Returning Officer of any district may appoint as many Deputy Returning Officers and poll clerks as he deems necessary for the effective taking of the special licensing poll in that district. 30
- (c.) The Returning Officers shall on the day appointed for the taking of the special licensing poll proceed to take that poll in the manner provided by the Legislature Act, 1908, for taking the electoral poll under that Act, and shall provide voting-papers and all things necessary for taking the special licensing poll. 35
- (d.) The Returning Officers shall cause the voting-papers to be marked and otherwise dealt with in the same manner as the ballot-papers at an electoral poll are required to be marked and dealt with pursuant to section thirty-eight of the Legislature Amendment Act, 1910, as amended by the Legislature Amendment Act, 1914. 40
- (e.) The voter shall strike out such one of the proposals on his voting-paper as he thinks fit, and his vote shall be deemed to be given in favour of the proposal which he does not strike out. 45
- (f.) If the voter strikes out both or fails to strike out one of the proposals the vote shall be invalid.

25

(g.) Every voter shall fold up the voting-paper so that the manner in which he has voted cannot be seen, and after showing the Returning Officer or a Deputy Returning Officer the official mark thereon shall place the ballot-paper, so folded, in the ballot-box provided for the purpose.

(2.) No voting-paper shall be taken out of the polling-booth.

10 10. Every person who at the special licensing poll applies for a voting-paper in the name of some other person living or dead or of a fictitious person, or who having voted once at any polling-place applies again for a voting-paper, is guilty of personation and is liable on summary conviction to a fine not exceeding *fifty* pounds or to imprisonment for any term not exceeding *three* months.

15 11. Sections fifteen to twenty-three of the principal Act (relating to scrutineers) shall apply in the case of the special licensing poll as if the references therein to the proposal of national prohibition were references to the proposal of national prohibition with compensation as provided for in this Act.

20 12. (1.) Notwithstanding anything to the contrary in the Legislature Act, 1908, or the principal Act, but subject to the provisions of this section, all members of any Expeditionary Force under the Expeditionary Forces Act, 1915, who may be out of New Zealand or who may be in camps of military training or in hospitals, sanatoria, or other public institutions on the day appointed for the
25 taking of the special licensing poll shall be entitled to vote on the proposals to be submitted at that poll, in the manner prescribed by regulations under this section, and not otherwise.

30 (2.) The Governor-General may from time to time by Order in Council make all such regulations as he deems necessary with respect to the taking and recording of the votes of members of the Expeditionary Forces under this section, and for all purposes incidental thereto.

35 (3.) The validity of the special licensing poll shall not be questioned on the ground that anything required to be done by this section has been irregularly done, or has been omitted to be done, or that for any reason whatever it has been found impracticable for any member of an Expeditionary Force to vote or for the vote of any member to be counted.

40 13. (1.) As soon as practicable after the close of the poll in any district the Returning Officer shall count the votes recorded for each of the proposals submitted to the electors, and shall reject all informal votes.

45 (2.) Immediately after he has counted the said votes he shall transmit to the Minister, by telegraph or other expeditious means, a statement of the number of informal votes, and of the total number of valid votes recorded, and of the total number of valid votes so recorded for each of the proposals.

(3.) As soon as practicable after the votes of the members of the Expeditionary Forces have been taken under the foregoing provisions

Office of personation.

Provisions as to scrutineers.

Special provisions for taking votes of members of Expeditionary Forces.

Count of votes in each district.

Statements to be transmitted to Minister of Justice.

Minister to notify result of poll in Gazette.

of this Act, the persons appointed for the taking of such votes shall transmit to the Minister, by telegraph, cablegram, or other expeditious means, similar statements with respect thereto.

(4.) As soon as the Minister has received the said statements from all the Returning Officers, and from the officers appointed for the taking of the votes of the members of the Expeditionary Forces, he shall ascertain— 5

(a.) The total number of valid votes recorded at the poll throughout New Zealand (including the votes recorded out of New Zealand by members of an Expeditionary Force); and 10

(b.) The total number of valid votes recorded throughout New Zealand (including the votes recorded out of New Zealand by members of an Expeditionary Force) for each of the proposals. 15

(5.) The Minister shall forthwith notify in the *Gazette* the numbers of the said votes as so ascertained by him, and the result thereof as determined by the provisions hereinafter contained in that behalf.

(6.) If and as often as any amended statement under the *next succeeding* section is transmitted to the Minister, or if any error is discovered in any notice published by the Minister under the provisions of this section, the Minister shall make a reascertainment of the numbers of the said votes, and shall forthwith publish in the *Gazette* an amended notice of the numbers of the said votes and of the result thereof. 20 25

Recount of votes
in any electoral
district.

14. If the result of the special licensing poll is disputed on the ground that the count of any Returning Officer was incorrect, the following provisions shall apply :—

(a.) Any six electors may, within seven days after the publication by the Minister of the result of the poll, as hereinafter provided, apply to a Magistrate for a recount of the votes taken in the district of that Returning Officer. 30

(b.) Every such application shall be in writing under the hands of the applicants, and may be delivered to the Magistrate personally, or may be posted to him in a registered letter, or, where necessary, may be transmitted to him by telegraph. 35

(c.) Every such application shall be accompanied by a deposit of ten pounds. 40

(d.) The Magistrate shall, as soon as practicable after receiving the application and deposit as aforesaid, cause a recount of the votes to be made, and shall give at least two days' public notice of the time and place at which such recount will be made. 45

(e.) The recount shall be made in the presence of the Magistrate, or of an officer appointed by him for the purpose, and shall, as far as practicable, be made in the manner provided in the case of the original count, and the provisions of the Legislature Act, 1908, relating to the secrecy of the ballot shall apply to such recount. 50

387

- 5 (f.) If on the recount the Magistrate finds that the statement as to the votes recorded, made by the Returning Officer to the Minister pursuant to the *last preceding* section, was incorrect, he shall order the Returning Officer to transmit to the said Minister an amended statement, and thereupon a copy of every such order, together with an amended statement in accordance therewith, certified by the Magistrate, shall be forthwith transmitted by the Returning Officer to the Minister.
- 10 (g.) Where the Magistrate is of opinion that the application was made on insufficient or frivolous grounds, he may order that the expenses of and incidental to the recount, or any part thereof, be defrayed out of the deposit made under this section.
- 15 (h.) Subject to any such order, the Magistrate shall direct that the deposit be returned to the person who made the same.

15 15. Any notice or amended notice, as the case may be, of the result of the poll published by the Minister under the foregoing provisions of this Act shall be final and conclusive for all purposes, and the result of the poll as stated therein shall not be questioned in any proceedings whatsoever.

Notice published by Minister as to result of poll to be conclusive.

25 16. As soon as practicable after the special licensing poll has been taken the Returning Officer shall make up into parcels all the voting-papers, marked copies of the roll, and other documents used in connection with the poll, and, having sealed those parcels and endorsed them with a description of their contents, shall transmit them to the Clerk of the Magistrate's Court nearest to the principal polling-place, who shall deal with them in the same manner in all respects as if they were parcels of voting-papers and other documents used at a licensing poll under the principal Act.

Disposal of voting papers.

30 17. Section one hundred and twenty-three of the Legislature Act, 1908 (constituting every day on which an election takes place under that Act a public holiday after midday and providing for the closing of licensed premises), shall apply to the day on which the special licensing poll is taken under this Act.

Day on which special licensing poll taken to be public half-holiday.

35 18. If the total number of the valid votes so recorded in favour of national continuance is more than one-half of the total number of valid votes recorded, the determination of the electors of New Zealand shall be deemed to be in favour of national continuance, and the trade in alcoholic liquor shall continue to be regulated under the principal Act and its amendments, subject, nevertheless, to the provisions of Parts II and III of this Act in respect of the events provided for by those Parts of this Act respectively.

Result if poll in favour of national continuance.

40 19. If the total number of the valid votes so recorded in favour of national prohibition with compensation is more than one-half of the total number of valid votes recorded, the determination of the electors of New Zealand shall be deemed to be in favour of national prohibition with compensation, and shall come into force

Result if poll in favour of national prohibition.

on the thirtieth day of June next after the day on which the poll is taken, and such proposal shall take effect throughout New Zealand in accordance with the provisions hereinafter contained in that behalf.

Effect of national prohibition with compensation.

20. (1.) On the coming into force of a determination in favour of national prohibition with compensation all licenses of any description then existing in New Zealand shall lapse, unless sooner forfeited or determined in due course of law. 5

(2.) While any such determination remains in force it shall not be lawful to grant or renew in any part of New Zealand any publican's license, New Zealand wine license, accommodation license, packet license, wholesale license, conditional license, charter of any club, winemaker's license, license to sell liquor at a railway refreshment-room, or any other description of license. 10

(3.) At all times while by virtue of any such determination no licenses exist in New Zealand no Licensing Committees shall continue to exist or shall be constituted. 15

Offences with respect to manufacture, sale, or possession of liquor while national prohibition in force.

21. (1.) At all times while no licenses exist in New Zealand by virtue of the determination in favour of national prohibition with compensation it shall be unlawful for any person to have in his possession for the purposes of sale, or to import into New Zealand, or to manufacture or sell, intoxicating liquor of any description. 20

(2.) Nothing in this section shall extend or apply to the importation, manufacture, or sale, in accordance with regulations made by the Governor-General in Council in that behalf, of intoxicating liquor for medicinal, scientific, sacramental, or industrial purposes exclusively. 25

(3.) Nothing in section two or section three of the principal Act shall be so construed as to restrict in any manner the meaning and operation of this section. 30

(4.) Any person who in breach of this section imports into New Zealand, manufactures, sells, or has in his possession for the purposes of sale, any intoxicating liquor, or who attempts to commit any such offence, or who aids, abets, or procures the commission of any such offence, shall be liable on summary conviction to a fine not exceeding *one hundred* pounds in the case of a first offence and to imprisonment for any term not exceeding *three* months in the case of a second or any subsequent offence against this section, whether of the same or of a different kind. Where the defendant is a body corporate the penalty shall be a fine not exceeding *two hundred* pounds in the case of a first offence, and a fine not exceeding *one thousand* pounds for a second or any subsequent offence. 35 40

No licensing poll to be taken after carrying of proposal of national prohibition with compensation.

22. No licensing poll shall at any time be taken in any district after the carrying of national prohibition with compensation.

Compensation if National Prohibition with Compensation is carried at the Special Licensing Poll.

23. In sections *twenty-four to thirty-seven* of this Act, and in Part II of this Act, if not inconsistent with the context,—

5 “Brewer” means any person who at the commencement of this Act is the owner of a “brewery” as defined by section thirty-three of the Finance Act, 1915, in New Zealand, and is the holder of a brewer’s license granted under the authority of the said Finance Act, 1915 :

10 “Hotel” means premises in respect of which a publican’s license or an accommodation license issued under the Licensing Act, 1908, is in force at the commencement of this Act :

15 “Hotel licensee” means the holder of a publican’s license or an accommodation license :

“Winemaker” means a person who at the commencement of this Act is the holder of a winemaker’s license issued under the Licensing Amendment Act, 1914 :

20 “Brewer’s servant” means a person whose regular course of employment, for a period of not less than three years before the commencement of this Act, was manual work done in or upon a brewery, and who was on the first day of October, nineteen hundred and eighteen, so employed, or, alternatively, was on that date out of employment but had been employed in or upon a brewery for a period of at least three months during the year preceding the first day of October, nineteen hundred and eighteen, but does not include persons employed in clerical work, or agents, managers, or other officials not engaged in actual manual labour :

30 “Hotel servant” means a person (other than a hotel licensee) whose regular course of employment for a period of not less than three years before the commencement of this Act was work done in or upon a hotel, and who was on the first day of October, nineteen hundred and eighteen, so employed, or, alternatively, was on that date out of employment but had been employed in or upon a hotel for a period of at least three months during the year preceding the year nineteen hundred and eighteen ; including barmen and barmaids, but not including persons employed in clerical work, or agents, managers, or other officials not engaged in actual manual labour.

24. (1.) If the majority of votes at the special licensing poll held under the foregoing provisions of this Act is in favour of national
45 prohibition with compensation, then the persons and classes of persons named in the *next succeeding* section (but no others) shall be entitled to compensation, to be assessed in the manner and subject to the limitations defined in this Part of this Act by a Court constituted as hereinafter provided, and to be paid by the Minister out of moneys
50 to be appropriated by Parliament for that purpose.

Compensation to be paid out of Liquor Trade Compensation Account.

(2.) If national prohibition with compensation is carried at the special licensing poll as aforesaid, the Minister of Finance may at any time thereafter borrow, on the security of and charged upon the public revenues of New Zealand, such sums of money, not exceeding

Authority to Minister of Finance to borrow £4,500,000 for purposes of compensation.

in the whole the sum of four million five hundred thousand pounds, as he thinks fit.

(3.) The sums so raised shall bear interest at such rate as the Minister of Finance prescribes :

(4.) This section shall be deemed to be an authorizing Act within the meaning of the New Zealand Loans Act, 1908, and the moneys herein authorized to be raised shall be raised under and subject to the provisions of that Act accordingly. 5

(5.) All moneys raised under the authority of this section shall be paid by the Minister of Finance into a special account of the Public Account to be known as the "Liquor Trade Compensation Account." 10

(6.) All moneys standing to the credit of the Liquor Trade Compensation Account may, without further appropriation than this section, be expended for any of the following purposes :— 15

(a.) For the payment of compensation as herein provided for the event of a determination in favour of national prohibition with compensation :

(b.) For the payment of interest and other charges in respect of moneys borrowed under the authority of this section. 20

Compensation to brewers.

25. (1.) Brewers shall be entitled to claim and to have assessed compensation in respect of the following subject-matters, but not in respect of any other subject-matter :—

(a.) Depreciation of the value of the lands and buildings occupied and used as a brewery, including lands adjacent to the brewery and used in connection therewith. 25

(b.) Depreciation of the value of machinery, plant, and fittings in and upon a brewery or land adjacent to a brewery used in connection with a brewery.

(c.) Termination of trade. 30

Compensation to owners and lessees of hotel premises.

(2.) Owners of the freehold of hotel premises, and lessees of hotel premises, and sublessees from a lessee or sublessee of hotel premises, but not lessees or sublessees by way of mortgage, shall be entitled to claim and to have assessed compensation in respect of the following subject-matters, but not in respect of any other subject-matter :— 35

(a.) Depreciation of the value of the estate or interest owned by the claimant in the land and buildings constituting the hotel premises.

(b.) Depreciation of the value of plant, fixtures, and fittings in and upon the hotel premises according to the interest of the claimant therein. 40

Compensation to owners of furniture on hotel premises.

(3.) Owners of the furniture in and upon hotel premises may claim and have assessed compensation for depreciation of the value of such furniture. 45

Compensation to hotel licensees.

(4.) Hotel licensees shall be entitled to claim and have assessed compensation in respect of termination of trade of the hotel premises, but not in respect of any other subject-matter.

Compensation to owners of wholesale licenses.

(5.) Holders of wholesale licenses issued under the Licensing Act, 1908, shall be entitled to claim and have assessed compensation in respect of the termination of trade, but not in respect of any other subject-matter. 50

Compensation to chartered clubs.

(6.) Chartered clubs shall be entitled to claim and have assessed compensation in respect of the termination of right to sell alcoholic liquor, but not in respect to any other subject-matter. 55

(7.) Winemakers shall be entitled to claim and have assessed compensation in respect of the following subject-matters, but not in respect of any other subject-matter :—

Compensation to winemakers.

5 (a.) Depreciation of the value of the lands and buildings occupied by the claimant for winemaking, including adjacent lands and buildings used in connection therewith.

(b.) Depreciation of the value of plant, machinery, and fittings used by the claimant for winemaking within a period of one year preceding the commencement of this Act.

10 (c.) Termination of trade if the winemaker has manufactured wine for sale within a period of one year preceding the commencement of this Act.

(d.) Depreciation of the value of all stocks of wine owned or held by the winemaker at the time when his license lapsed by reason of the proposal for national prohibition being carried at the special licensing poll.

15 (8.) Maltsters and owners of hop-kilns in New Zealand shall be entitled to claim and have assessed compensation in respect of the following subject-matters, but not in respect of any other subject-matter :—

Compensation to maltsters.

20 (a.) Depreciation of buildings, plant, and machinery actually owned by them and used for the manufacture of malt or the drying of hops for mercantile purposes within a period of two years preceding the commencement of this Act.

25 (b.) Termination of trade.

(9.) Owners of vineyards, the grapes produced on which have been used wholly for the purposes of the manufacture of wine within the period of two years preceding the commencement of this Act, shall be entitled to claim and have assessed compensation only in respect of depreciation of the value of the freehold of the vineyard.

Compensation to owners of vineyards.

30 (10.) Brewers' servants and hotel servants shall be entitled to claim and have assessed compensation only in respect of loss of opportunity of occupation.

Compensation to servants.

35 26. The limitation by the *last preceding* section of subject-matters for assessment of compensation to each class of persons shall not operate to prevent persons of one class separately claiming and being allowed compensation as being also persons of another class or classes. For example: a brewer who is also the owner of hotel premises may claim and be allowed compensation in respect of the subject-matters defined for brewers, and may also (but by separate claims) claim and be allowed compensation in respect of the subject-matters defined for owners of hotel premises.

Claims may be made by claimants in several capacities.

40 27. (1.) A Court hearing a claim by a brewer for assessment of compensation in respect of depreciation of the value of the land and buildings occupied and used as a brewery, including lands adjacent to the brewery and used in connection therewith, shall determine the same according to the following rules :—

Rules for determination of claims by brewers in respect of depreciation of value of lands and buildings.

50 (a.) The Court shall determine to what extent (if any) the freehold of the land and buildings together is reduced in selling-value by reason of the buildings being no longer capable of being used for brewery purposes. The Court for this purpose shall take into consideration the extent (if any) to which the land without the buildings may be

increased in value by the removal of the brewery plant therefrom.

(b.) The Court may award and allow in respect of such depreciation of the value of the freehold such sum as it considers just and reasonable, not exceeding in any case one-half of the capital value of the freehold land and buildings ascertained by the Government valuation roll in force at the time of the commencement of this Act. 5

(c.) If the whole or any part of the brewery premises are held upon lease to, or have been let by, the brewer, the Court shall determine in such manner as it deems just and equitable what part of the sum awarded and allowed should be paid to others than the brewer, and shall make its award accordingly. 10 15

(2.) A Court hearing a claim by a brewer for compensation in respect of depreciation of the value of machinery, plant, and fittings in and upon a brewery or land adjacent to a brewery used in connection with a brewery shall ascertain, in such manner as it deems just and equitable, and shall award and allow the amount by which such plant, machinery, and fittings are depreciated in value by reason that the same cannot be further used for the manufacture of beer in New Zealand. The Court shall take into consideration to what extent (if any) such plant, machinery, and fittings may be used or sold for other purposes or be exported from New Zealand. 20 25

28. A Court hearing a claim by an owner of the freehold of hotel premises shall determine the same according to the following rules:—

(a.) If claims are also made by a lessee from such owner or by sublessees, or by a lessee and also by sublessees, the claims of the owner and of all lessees and sublessees in respect of the same hotel premises shall be heard together as if all such claims constituted one claim. 30

(b.) The Court shall determine to what extent (if any) the freehold of the land and buildings together is reduced in selling-value by reason of the determination of the license and by reason that the hotel premises cannot in future be licensed premises. The Court for this purpose shall take into consideration the extent to which the land and buildings can be profitably used for other purposes, and the extent (if any) to which the land without the buildings may be increased in value by the removal of the buildings. 35 40

(c.) The Court may award and allow in respect of such depreciation of the value of the freehold such sum as it considers just and reasonable, not exceeding in any case one-half of the capital value of the land and buildings, ascertained by the Government valuation roll in force at the time of the commencement of this Act. 45

(d.) Where by reason of the existence of a lease or by the existence of a sublease or subleases there are more claimants than one in respect of hotel premises, the Court shall by its award distribute, in such manner as it 50

Rules for
determination of
claims by owners of
freehold of hotel
premises.

deems just and equitable, among the several claimants the amount awarded as the depreciation of the value of the freehold.

29. A Court hearing a claim or claims in respect of the depreciation of the value of the plant, fixtures, and fittings in and upon hotel premises shall hear together all claims made in respect of the same plant, fixtures, and fittings, and shall treat the same as one claim. The Court shall ascertain, in such manner as it deems just and equitable, and shall award and allow the amount by which such plant, fixtures, and fittings are depreciated in value by reason that the hotel premises cease to be licensed premises and by reason that the same cannot be used upon other licensed premises in New Zealand. The Court shall take into consideration to what extent (if any) such plant, fixtures, and fittings may be used or sold for other purposes or be exported from New Zealand. Where there are more claimants than one in respect of the same plant, fixtures, and fittings, the Court shall by its award distribute in such manner as it deems just and equitable among the several claimants the amount awarded as the depreciation of the value of the plant, fixtures, and fittings.

Claims in respect of depreciation of plants, &c., on hotel premises.

30. A Court hearing a claim by owners of the furniture in and upon hotel premises shall ascertain, in such manner as it deems just and equitable, and shall award and allow the amount (if any) by which the selling-value of such furniture is depreciated by reason that the hotel premises cease to be licensed. The Court shall take into consideration to what extent the furniture is still available for use upon the premises, notwithstanding that the premises are not licensed.

Claims in respect of furniture in hotel premises.

31. A Court hearing a claim by a brewer for compensation in respect of termination of trade shall determine the same according to the following rules:—

Rules for determination of claims by brewers in respect of termination of trade.

(a.) The Court shall require the Commissioner of Taxes to produce returns made by such brewer and by any previous owner of the same brewing premises as required by the Acts in force for the time being relating to income-tax so far as such returns show the net income derived by the brewer from the trade or business of brewer carried on by him, excluding therefrom rent of land and interest on mortgages and premiums or foregifts on the grant of leases of hotel premises.

(b.) The returns so to be required and produced shall be the returns for each of the five years of the period commencing on the first day of April, nineteen hundred and thirteen, and ending on the thirty-first day of March, nineteen hundred and eighteen.

(c.) The Court shall ascertain the average net income of the said period of five years by dividing by five the sum of the net incomes of the whole period as shown by the five several returns, excluding the matters required to be excluded by paragraph (a) of this section.

(d.) The Court shall award and allow to the brewer as compensation for termination of trade a sum equal to but not exceeding twice the average income as ascertained.

Rules for
determination of
claims by hotel
licensees in respect
of termination of
trade.

32. A Court hearing a claim by a hotel licensee for compensation in respect of termination of trade shall determine the same according to the following rules:—

- (a.) The Court shall require the Commissioner of Taxes to produce returns made by the hotel licensee, and by any previous hotel licensees of the same hotel premises, as required by the Acts in force for the time being relating to income-tax so far as such returns show the net income derived from the trade or business of hotel licensee carried on upon the hotel premises of which the claimant is licensee. 5
- (b.) The returns so to be required and produced shall be the returns for each of the five years referred to in paragraph (b) of the *last preceding* section.
- (c.) The Court shall proceed to ascertain and award compensation to the hotel licensee in respect of termination of trade in the same manner and to the same extent as is provided in the case of brewers by paragraphs (c) and (d) of the *last preceding* section. 15
- (d.) In any case where the hotel premises have not been licensed during the whole of the said period of five years the Court shall require production of income-tax returns for that part of such period (if any) during which the premises were so licensed, and shall proceed to assess and award compensation for termination of trade in such manner as it shall deem just and equitable, having full regard to the limit of compensation which could not have been exceeded had the hotel premises been licensed during the whole of the said period of five years. 20
- (e.) No hotel licensee shall be entitled to claim or be allowed compensation for termination of trade unless a publican's or an accommodation license in respect of the hotel premises was in force prior to the first day of January, nineteen hundred and eighteen. 25

Rules for
determination of
claims by holders of
wholesale licenses.

33. A Court hearing a claim for compensation by a holder of a wholesale license shall determine the same according to the following rules:— 35

- (a.) The Court shall require production of income-tax returns made by the wholesale licensee for the same period and in the same manner as is provided in the case of brewers by paragraph (b) of section *thirty-one* hereof. 40
- (b.) The Court shall ascertain the average net income derived by the wholesale licensee from trade in alcoholic liquor in the same manner as is provided in the case of brewers by paragraph (c) of section *thirty-one* hereof. 45
- (c.) The Court shall allow and award as compensation to the holder of the wholesale license for termination of trade a sum equal to but not exceeding twice such average net income.

Rules for
determination of
claims by chartered
clubs.

34. A Court hearing a claim by a chartered club for termination of right to sell alcoholic liquor shall determine the same according to the following rules:— 50

- (a.) The Court shall ascertain by such means as it deems just and equitable the actual profit derived by the club from

395

sales of alcoholic liquor during such number, not exceeding *five*, of consecutive years ending with the thirty-first day of March, nineteen hundred and eighteen, as the Court in each case deems just.

5 (b.) The Court shall ascertain the average net income so derived by the club from the sale of alcoholic liquor in the same manner as is provided in the case of brewers by paragraph (b) of section *thirty-one* hereof.

10 (c.) The Court shall allow and award as compensation to the chartered club a sum equal to but not exceeding twice such average net income.

15 35. (1.) A Court hearing a claim by a winemaker for depreciation of the value of plant, machinery, and fittings shall determine the same in the manner and according to the rules defined in the case of similar claims by brewers in subsection *two* of section *twenty-seven* hereof. Determination of claims by winemakers.

(2.) A Court hearing a claim by a winemaker for termination of trade shall determine the same according to the rules defined in the case of similar claims by brewers in section *thirty-one* hereof so far as 20 such rules are applicable.

36. (1.) A Court hearing a claim by a maltster or the owner of a hop-kiln in respect of depreciation of buildings, plant, and machinery shall determine the same subject to the limits and according to the rules defined in the case of similar claims by brewers in subsection 25 *two* of section *twenty-seven* hereof so far as such rules are applicable.

(2.) A Court hearing a claim by a maltster or the owner of a hop-kiln for termination of trade shall determine the same subject to the limits and according to the rules defined in the case of wholesale licensees in section *thirty-three* hereof so far as such rules are appli- 30 cable.

37. A Court hearing a claim by a brewer's servant or a hotel servant for compensation for loss of opportunity of occupation shall ascertain and determine by such means as it thinks fit to what extent the claimant may be unable in the immediate future to obtain other 35 employment at equivalent remuneration to that which he received as a brewer's servant or as a hotel servant. The Court in any such case may allow and award to the claimant as compensation such sum as it deems just, but not exceeding in any case a sum equal to one-half of the annual salary or wage of which such brewer's servant or hotel 40 servant was in receipt as such brewer's servant or hotel servant on the first day of October, nineteen hundred and eighteen, or at any time during the year ending on the first day of October, nineteen hundred and eighteen :

45 Provided that if such brewer's servant or hotel servant on the first day of October, nineteen hundred and eighteen, had board and lodging from his employer in addition to salary or wage the limit of compensation shall be a sum not exceeding the whole year's salary or wage at the rate actually received in money.

50 38. Wherever in this Part of this Act a Court is required or empowered to require returns of income-tax to be produced the Commissioner of Taxes is hereby authorized and required to produce such returns to such Court, anything in any other Act to the contrary notwithstanding. Production of income-tax returns by Commissioner of taxes.

Authority to export stocks of liquor held on coming into force of national prohibition and to receive refund of Customs duties.

39. No holder of a license or charter of any description except the holder of a winemaker's license as hereinbefore provided shall be entitled to compensation in respect of the stock of alcoholic liquor held by him at the time when his license lapsed by reason of the proposal for national prohibition being carried at the special licensing poll ; but every such licensee and every chartered club shall be entitled to export from New Zealand such stock so held or any part thereof, and shall also be entitled in respect of any such stock so exported within six months after such lapse of the license or charter to receive from the Minister a refund of all duties of Customs previously paid, whether by the licensee or club or by any other person, in respect of the import of such stock into New Zealand. 5 10

Settlement of Claims for Compensation.

Mode of recovery of compensation from the Crown.

40. The compensation provided for by the foregoing provisions of this Act shall be recoverable from the Crown in accordance with the following provisions, and not otherwise. 15

Governor-General may establish Courts of Compensation.

41. (1.) For the purpose of the hearing and determination of claims for compensation under this Act, other than claims by brewers' servants and hotel servants, there shall be established such number of Courts of Compensation as the Governor-General from time to time thinks necessary. 20

(2.) Each such Court shall be distinguished by such distinctive name as the Governor-General thinks fit.

Constitution of Courts of Compensation.

(3.) Each such Court shall be a Court of record, and shall consist of a President and two Assessors to be appointed by the Governor-General and to hold office during his pleasure. 25

(4.) In each Court the President shall be a Stipendiary Magistrate.

Temporary appointments to Courts of Compensation.

42. (1.) In the event of the sickness or other incapacity of the President of a Court of Compensation, the Governor-General may appoint any other Stipendiary Magistrate to act in the place of the President during his incapacity. 30

(2.) In the event of the sickness or other incapacity of an Assessor, the Governor-General may appoint any other person to act in the place of that Assessor during his incapacity. 35

(3.) No such appointment and no act done in pursuance thereof shall be questioned on the ground that the occasion therefor had not arisen or had ceased, and no act done by any member of a Court of Compensation shall be questioned on the ground that an acting member of the Court was then in office. 40

Registrar to be appointed for each Court of Compensation.

43. There shall be appointed by the Minister of Justice in respect of each Court of Compensation a Registrar and such other officers as the Minister thinks necessary, who shall hold office during the pleasure of the Minister.

Remuneration of members and officers of Courts.

44. The members and officers of Courts of Compensation shall be paid out of moneys appropriated by Parliament such remuneration and allowances as the Minister of Justice thinks fit. 45

Members and officers of Courts not to be public servants by virtue of their appointment thereto.

45. The members and officers of a Court of Compensation shall not in respect of their appointment as such be deemed to be permanent officers of the Public or Government Service within the meaning of any Act, or be subject to the Public Service Act, 1912. 50

397

46. (1.) A Court of Compensation shall sit at such times and places as may be determined by the President. Sittings of Courts
- (2.) The Court shall not hear or determine any matter save at a sitting at which all the members are present.
- 5 47. The determination of any two members of a Court shall be deemed to be the determination of the Court, but if on the hearing of any claim for compensation no two members of the Court agree on any determination, the determination of the President shall be deemed to be the determination of the Court. Determination of the Court.
- 10 48. The procedure of Courts of Compensation shall be in accordance with regulations to be made by the Governor-General in Council in that behalf, and, subject to such regulations and so far as they do not extend, the procedure of each Court shall be such as that Court thinks fit. Procedure of Courts to be governed by regulations in that behalf.
- 15 49. The determinations of Courts of Compensation shall be final, and no appeal therefrom shall lie to any other Court, nor shall the proceedings of any such Court be removed into the Supreme Court by writ of certiorari or otherwise. No appeal from determination of Court of Compensation.
- 20 50. (1.) If any question of law arises on the hearing of a claim for compensation the Court of compensation may, if it thinks fit, state a case for the determination of that question of law by the Supreme Court. Court of Compensation may state case for determination of questions of law by Supreme Court.
- (2.) From any such determination by the Supreme Court the Crown or the claimant may appeal to the Court of Appeal.
- 25 (3.) The determination of the Supreme Court or of the Court of Appeal shall be binding on the Court of Compensation.
- 30 51. (1.) A claim for compensation under this Act shall be instituted by transmitting to the Under-Secretary of Justice at Wellington a notice of the claim in the prescribed form and containing the prescribed particulars. Institution of claims.
- (2.) Every such claim shall be instituted within six months after the day on which the claim first accrued, and any claim which is not duly instituted within the time so limited shall be absolutely barred and extinguished.
- 35 52. (1.) Every claim so instituted shall be referred by the Minister of Justice to such Court of Compensation as he thinks fit, and the Court to which any claim has been so referred shall thereupon have jurisdiction to hear and determine the same. Reference of claims to Courts of Compensation.
- (2.) Notwithstanding any such reference to a Court of Compensation, the Minister of Justice may, at any time before the Court has commenced the hearing of the claim, transfer the claim to any other Court of Compensation which in his opinion may more conveniently hear and determine the claim, and the Court to which the claim is so transferred shall thereupon have jurisdiction to hear and determine the same accordingly.
- 40 53. (1.) Any sum awarded by a Court of Compensation as compensation under this Act shall be payable without further appropriation than this Act out of the Liquor Trade Compensation Account constituted by this Act : Payment of compensation awarded by Court.
- 50 Provided always that if the aggregate amount of the sums so awarded shall exceed the sum of four million five hundred thousand pounds authorized to be borrowed by section *twenty-four* of this Act,

then each of the sums so awarded shall be reduced proportionately so that the aggregate amount of the sums actually paid by way of compensation shall not exceed the said limit of four million five hundred thousand pounds.

(2.) No costs shall be awarded or allowed by a Court of Compensation to the claimant or to the Crown, or to any other person or party. 5

Offences with respect to claims.

54. (1.) Every person who in respect of any claim to compensation under this Act (whether made or to be made by himself or by any other person) wilfully deceives or attempts to deceive, or does any act with intent to deceive, a Court of Compensation or any member or officer of any such Court, or corruptly gives or offers or does any act with intent to give or offer any bribe or other inducement or reward to any member or officer of any such Court or to any other person, and every person who corruptly accepts or offers or agrees to accept or does any act with intent to obtain any such bribe, inducement, or reward, shall be guilty of an indictable offence, and shall be liable to imprisonment with hard labour for any term not exceeding five years or to a fine not exceeding *one thousand* pounds, or to both such imprisonment and such fine. 10 15 20

(2.) Nothing in this section shall be so construed or shall so operate as to bar a prosecution for any offence committed under any other Act, save that no person shall be twice punished for the same offence.

Magistrate to hear claims for compensation by brewers' servants and hotel servants.

55. (1.) Claims for compensation by brewers' servants and hotel servants shall be heard and determined by a Magistrate alone without assessors, and in respect of such claims a Magistrate shall constitute the Court of Compensation. 25

(2.) The provisions of sections *forty-eight* to *fifty-four* inclusive of this Act shall apply in respect of such claims and the determination and satisfaction thereof. 30

PART II.

RESULT IF NATIONAL CONTINUANCE IS CARRIED AT THE SPECIAL LICENSING POLL.

Proposals to be submitted at next Licensing Poll. 35

If national prohibition with compensation is not carried, issue of State purchase and control to be submitted at next general licensing poll (in addition to issues of national prohibition and national continuance).

56. (1.) If at the special licensing poll taken as provided by Part I of this Act the majority of votes is recorded in favour of national continuance, then at the licensing poll to be taken in the manner provided by the Licensing Act, 1908, on the day appointed for the then next ensuing general election for the return of members of Parliament (hereinafter referred to as the next general licensing poll), there shall be submitted for the determination of the electors of each licensing district, in lieu of the question defined by section fifteen of the Licensing Amendment Act, 1910, the questions defined by this section of this Act (hereinafter in this Part of this Act referred to as the questions), and the provisions of this section shall have force and operation in lieu of the provisions of subsections 40 45

one and two of the said section fifteen of the Licensing Amendment Act, 1910.

(2.) Three questions shall be so submitted, namely:—

5 (a.) The question (hereinafter referred to as national continuance) whether the trade in alcoholic liquors should be continued in New Zealand under the provisions of the Licensing Act, 1908.

10 (b.) The question (hereinafter referred to as national prohibition without compensation) whether all licenses of any description then existing shall, unless sooner forfeited or determined in due course of law, continue in force for the respective periods for which they were granted, and then lapse, and shall not be renewed, and no new licenses granted; and that no compensation shall be paid to any owners of property or to licensees or to any persons engaged or employed in the trade in alcoholic liquor.

15 (c.) The question (hereinafter referred to as State purchase and control) whether the Government of New Zealand shall acquire, purchase, and take over the properties, and businesses of the manufacturers of alcoholic liquor, and every property in respect whereof a publican's license or an accommodation license is held, paying full compensation therefor; the Government of New Zealand thereafter being alone entitled to manufacture, import, and sell
25 alcoholic liquor, and derive profit from such trade.

(3.) Such three questions shall be submitted in the form set forth in the Form No. 2 in the Schedule hereto, and in the manner prescribed by the Licensing Act, 1908, and its amendments.

30 (4.) Subsection three of section fifteen of the Licensing Amendment Act, 1910, shall apply in respect of the voting-papers to be used.

(5.) No vote shall be valid unless the voter strikes out two of the three proposals.

35 57. (1.) No question relating to local no-licence shall be submitted at the next general licensing poll, and accordingly sections three to five inclusive of the Licensing Amendment Act, 1910, shall have no application at that poll.

District no-licence abolished.

40 (2.) Sections seventeen, eighteen, and nineteen of the Licensing Amendment Act, 1910, shall have no application in respect to the next general licensing poll.

45 (3.) In no-licence districts the questions relating to local restoration may be submitted at the next general licensing poll in the form and subject to the provisions of sections eight and nine of the Licensing Amendment Act, 1910, and in the event of a determination by the majority required by the said section nine in favour of restoration of licenses in any no-licence district, sections ten and eleven of the Licensing Amendment Act, 1910, shall take effect accordingly in respect of such districts.

50 58. (1.) Subsections one, two, four, and five of section sixteen of the Licensing Amendment Act, 1910, shall apply in respect of the said next general licensing poll.

Returning officers to transmit statements as to numbers of votes recorded to the Minister.

(2.) As soon as the Minister has received the statements from

the Returning Officers of all the licensing districts he shall ascertain the total number of votes recorded in favour of each proposal.

Result of poll, how to be determined.

59. (1.) If the total number of votes notified by the Minister as having been ascertained by him to have been recorded in favour of either of the proposals for State purchase and control or for national prohibition without compensation does not amount to more than one-half of all the valid votes recorded at the poll, then the proposal for national continuance shall be deemed to have been carried, and the Minister shall notify in the *Gazette* such result as the determination.

(2.) If the total number of votes notified by the Minister as having been ascertained by him to have been recorded in favour of either of the proposals for State purchase and control or national prohibition without compensation amounts to more than one-half of the valid votes recorded at the poll, then such proposal shall be deemed to have been carried, and the Minister shall notify in the *Gazette* such result as the determination.

Effect of national prohibition.

60. (1.) If the determination is in favour of national prohibition without compensation, then such determination shall come into force on the thirtieth day of June next after the date of the taking of the next general licensing poll.

(2.) If the determination is in favour of State purchase and control, then—

(a.) Such determination shall come into force throughout New Zealand on such date (not being more than one year after the notification of such determination by the Minister in the *Gazette*) as the Governor-General shall by Proclamation gazetted appoint.

(b.) All licenses existing at the date of the poll shall, unless forfeited, continue in force until the date so appointed by the Governor-General, and it shall not be necessary to apply to any Licensing Committee for the grant of any renewal of any such license :

Provided, nevertheless, that every licensee shall pay on the date when in ordinary course a renewal of his license would have been granted the same fee as would in such ordinary course have been required to be paid in respect of such license on its renewal.

Effect of National Prohibition without Compensation.

Lapse of licenses if national prohibition without compensation carried.

61. (1.) On the coming into force of a determination in favour of national prohibition without compensation all licenses of any description then existing in New Zealand shall lapse, unless sooner forfeited or determined in due course of law.

(2.) It shall not be lawful to grant or renew in any part of New Zealand any publican's license, New Zealand wine license, accommodation license, packet license, wholesale license, conditional license, charter of any club, winemaker's license, license to sell liquor at a railway refreshment-room, or any other description of license.

(3.) At all times while by virtue of any such determination no licenses exist in New Zealand no Licensing Committees shall continue to exist or shall be constituted.

62. (1.) At all times while no licenses exist in New Zealand by virtue of the determination in favour of national prohibition without compensation, it shall be unlawful for any person to have in his possession for the purposes of sale, or to import into New Zealand, 5 or to manufacture or sell, intoxicating liquor of any description.

Offences with respect to manufacture, importation, or sale of liquor while determination in favour of national prohibition in force.

(2.) Nothing in this section shall extend or apply to the importation, manufacture, or sale, in accordance with regulations made by the Governor-General in Council in that behalf, of intoxicating liquor for medicinal, scientific, sacramental, or industrial purposes 10 exclusively.

(3.) Nothing in section two or section three of the Licensing Act, 1908, shall be so construed as to restrict in any manner the meaning and operation of this section.

(4.) Any person who in breach of this section imports into New Zealand, manufactures, sells, or has in his possession for the purpose of sale, any intoxicating liquor, or who attempts to commit any such offence, or who aids, abets, or procures the commission of any such offence, shall be liable on summary conviction to a fine not exceeding *one hundred* pounds in the case of a first offence and to 15 imprisonment for any term not exceeding *three* months in the case of a second or any subsequent offence against this section, whether of the same or of a different kind. Where the defendant is a body corporate the penalty shall be a fine not exceeding *two hundred* pounds in the case of a first offence, and a fine not exceeding *one* 25 *thousand* pounds for a second or any subsequent offence.

63. No person shall be entitled to compensation for any loss occasioned to his property, trade, or business by reason of the effect of the determination in favour of national prohibition without compensation.

No compensation for loss of property or business arising from national prohibition under this Part.

64. No licensing poll shall at any time thereafter be taken in any district.

No licensing polls to be taken while national prohibition in force.

Effect of State Purchase and Control.

65. The provisions of this Part of this Act hereinafter contained apply only in the event of the determination at the next 35 general licensing poll being in favour of State purchase and control. Such determination is hereinafter in this Part of this Act referred to as the determination.

Application of this and following sections.

66. The Governor-General may appoint a person to be Controller of the Trade in Liquor; such person shall after his appointment be 40 an officer of the Department of Justice. The expression "the Controller," where hereinafter used, means the Controller of the Trade in Liquor. The Governor-General may also appoint such other officers as he thinks fit to be officers of the Controller's Branch of the Department of Justice. The salaries of the Controller and of all 45 other officers of the Controller's Branch shall be paid out of moneys to be appropriated by Parliament. The powers conferred by this section may be exercised at any time after the notification by the Minister of the determination and before the coming into force of the determination.

Appointment of Controller of the Trade in Liquor and of necessary officers.

67. Immediately upon the coming into force of the determination—

Effect of determination in favour of State purchase and control.

- (a.) All licenses granted under the Licensing Act, 1908, and its amendments, shall lapse and become void :
- (b.) No person other than the Controller or servants of the Controller's Branch of the Department of Justice shall manufacture or sell or import into New Zealand alcoholic liquor : 5
- (c.) Every brewery, and all brewery plant, machinery, fittings, and fixtures, and all land whereon a brewery plant is erected, including all land adjacent to a brewery and used for brewery purposes, shall by force of this Act be absolutely vested in the Controller free from encumbrances for and on behalf of His Majesty : 10
- (d.) All freehold land and premises in respect of which a publican's license, or an accommodation license, or a winemaker's license respectively, issued under the Licensing Act, 1908, and its amendments, was in force immediately before the coming into force of the determination shall by force of this Act be absolutely vested in the Controller free from encumbrances for and on behalf of His Majesty the King : 15
- (e.) All furniture, plant, and fittings in and upon a brewery, and all furniture, fittings, and fixtures in and upon hotel premises, and all plant, machinery, and fittings in and upon premises in respect of which a winemaker's license is held, and all stocks of alcoholic liquor owned or held by brewers and by the holders of licenses of any description shall be purchased by and become the property of the Controller for and on behalf of His Majesty. The purchase-moneys shall in every case be ascertained by valuations to be made by such persons or classes of persons, and in such manner in all respects as the Governor-General in Council by regulations under this Act prescribes. 20 25 30
- (h.) The Controller, and all servants of the Controller's Branch of the Department of Justice licensed in that behalf by the Controller, may carry on the manufacture of and the wholesale and retail trade in alcoholic liquor at such places in New Zealand as the Minister from time to time approves, and in such manner and subject to such conditions as the Minister directs : 35 40
- (i.) The Controller may purchase in his own name, but for and on behalf of His Majesty, all such lands, premises, stock, furniture, fittings, goods, and chattels as may from time to time be required for the purpose of the manufacture of and trade in alcoholic liquor and as may be approved by the Minister : 45
- (j.) No person other than His Majesty shall, except by way of salary or wage, derive any profit, advantage, or benefit from the manufacture of or trade in alcoholic liquor :
- (k.) The net profits derived from the manufacture of and trade in alcoholic liquor shall be paid into the Consolidated Fund and be appropriated as Parliament from time to time directs. 50

68. Nothing in this Act relative to State purchase and control shall authorize the sale of or trade in alcoholic liquor within a district which is a no-license district at the commencement of this Act until local restoration has been carried in such district in the manner
5 provided by sections eight and nine of the Licensing Amendment Act, 1909, or at any time within a proclaimed area in contravention of sections two hundred and seventy-two and two hundred and seventy-three of the Licensing Act, 1908.

Determination in favour of State purchase and control not to be deemed to authorize sale of liquor in no-license district.

69. (1.) The persons and classes of persons defined in sub-
10 sections *eight*, *nine*, and *ten* of section *twenty-five* of this Act are not entitled to compensation under this Part of this Act, inasmuch as their trade or occupation is not affected.

Assesment of compensation and definition and limits of compensation.

(2.) All the provisions of sections *forty* to *fifty-four* inclu-
15 sion of this Act shall apply in respect of claims and the deter- mination of claims for compensation under this Part of this Act.

(3.) The persons and classes of persons defined in subsections
20 *one*, *two*, *four*, *five*, *six*, and *seven* of section *twenty-five* of this Act, and no others, are entitled to claim and have assessed compensation under this Part of this Act in respect of the subject-matters herein defined for each class, but not in respect of any other subject-matters, that is to say—

(a.) Brewers—in respect of the value of the land and buildings,
25 plant, machinery, fittings, and fixtures vested in the Controller, the full value thereof, to be ascertained in such manner as the Court of Compensation deems just and equitable; and in respect of termination of trade, a sum to be ascertained in the manner provided by section
30 *thirty-one* of this Act:

(b.) Owners of the freehold of hotel premises and lessees of
35 hotel premises, and sublessees from a lessee or sublessee of hotel premises, to be ascertained and distributed in such manner as the Court of Compensation deems just and equitable. The provisions of paragraphs (a) and (d) of section *twenty-eight* hereof shall apply and be applied by the Court in all such cases:

(c.) Hotel licensees—in respect of termination of trade, a sum to
40 be ascertained in the manner provided by section *thirty-two* of this Act:

(d.) Holders of wholesale licenses (whether their trade or busi-
45 ness is exclusively or as to any part thereof the trade or business of dealing in alcoholic liquor)—in respect of termination of trade, a sum to be ascertained in the manner provided by section *thirty-three* of this Act:

(e.) Winemakers—in respect of the value of the land, buildings,
50 plant, machinery, fittings, and fixtures vested in the Controller, the full value thereof, to be ascertained in such manner as the Court of Compensation deems just and equitable; and, in respect of termination of trade (if the winemaker has manufactured wine for sale within a period of one year preceding the commencement of this Act), a sum to be ascertained in the manner provided by subsection *two* of section *thirty-five* of this Act.

Power to borrow moneys not exceeding ten million pounds.

70. (1.) The Minister of Finance may, at any time after the determination in favour of State purchase and control, borrow, on the security of and charged upon the public revenues of New Zealand, such sums of money, not exceeding in the whole the sum of *ten million pounds*, as he thinks fit.

(2.) The sums so raised shall bear interest at such rate as the Minister of Finance prescribes.

(3.) This section shall be deemed to be an authorizing Act within the meaning of the New Zealand Loans Act, 1908, and the moneys herein authorized to be raised shall be raised under and subject to the provisions of that Act accordingly.

(4.) All moneys raised under the authority of this section shall be paid by the Minister of Finance into a special account of the Public Account to be known as "The State-purchase Compensation Account."

(5.) All moneys standing to the credit of the State-purchase Compensation Account may, without further appropriation than this section, be expended for any of the following purposes:—

(a.) For the payment of compensation as herein provided for in the event of a determination in favour of State purchase and control;

(b.) For the payment of interest and other charges in respect of moneys borrowed under the authority of this section.

71. The following provisions of the Licensing Act, 1908, and its amendments shall cease to have operation after the coming into force of the determination, that is to say:—

The Licensing Act, 1908,—

Part II: Sections eleven to forty-one inclusive, relating to licensing polls, except so far as the same relate to a local restoration poll in a no-license district and to national prohibition and national restoration polls held as directed by the Licensing Amendment Act, 1910.

Part III: Sections forty-two to sixty-nine inclusive, relating to Licensing Committees.

Part IV: Sections seventy to one hundred and thirty-eight inclusive, relating to licenses; sections one hundred and thirty-nine to one hundred and forty-three inclusive, relating to fees, fines, forfeitures, and penalties; sections one hundred and forty-four and one hundred and forty-five, relating to increase of licenses.

Part V: Sections one hundred and forty-eight to one hundred and fifty-seven inclusive, relating to licensed premises; sections one hundred and fifty-eight to one hundred and seventy-one inclusive, relating to duties and liabilities of licensees and others; sections one hundred and seventy-two to one hundred and seventy-six inclusive, relating to protection of lodgers, guests, and licensees; sections one hundred and seventy-seven to one hundred and seventy-nine inclusive, relating to tied houses; sections one hundred and

Lapse of certain provisions of Licensing Act on coming into force of determination in favour of State purchase and control.

405

eighty to one hundred and eighty-eight inclusive, relating to offences against public order; sections one hundred and eighty-nine to two hundred and ten, relating to illicit sales:

5 Part VII: Sections two hundred and eighteen to two hundred and thirty-two, relating to inspection of licensed premises; subsection three of section two hundred and thirty-three and sections two hundred and thirty-four and two hundred and thirty-five, relating to

10 adulteration by licensed persons:
Part VIII: Sections two hundred and forty-one to two hundred and fifty-eight, relating to legal proceedings.

The Licensing Amendment Act, 1910,—

15 Part I: Sections three to seven, relating to local no-license; sections ten and eleven, providing for Licensing Committees in a no-license district after local restoration; section thirty, relating to new publicans' licenses.

The Licensing Amendment Act, 1914,—

Section eleven, relating to winemakers' licenses.

20

PART III.

RESULT IF THE DETERMINATION AT THE NEXT GENERAL LICENSING POLL IS A DETERMINATION IN FAVOUR OF NATIONAL CONTINUANCE.

72. This Part of this Act applies only if—

25 (a.) The determination at the special licensing poll is in favour of national continuance; and

(b.) The determination at the next general licensing poll is also in favour of national continuance.

30 73. Sections three to five inclusive of the Licensing Amendment Act, 1910, are repealed, and no questions relating to local no-license shall be submitted at any licensing poll.

(2.) Sections seventeen, eighteen, and nineteen of the Licensing Amendment Act, 1910, are repealed, and at every licensing poll to be taken after the next general licensing poll the majority required for the determination of national prohibition, and the time of coming into force of any such determination, shall be as provided by this Part of this Act.

(3.) Sections twenty-two to twenty-eight inclusive of the Licensing Amendment Act, 1910 (relating to national restoration) are repealed.

40 (4.) Subsections one and two of section fifteen of the Licensing Amendment Act, 1910, are repealed, and the questions to be submitted shall be as defined by this Part of this Act.

45 74. At the licensing poll to be taken next after the next general licensing poll there shall be submitted for the determination of the electors of each licensing district the three questions defined in section *fifty-six* of this Act, and sections *fifty-six* to *fifty-nine*

Events in which this Part applies.

National prohibition to be only issue and to be carried by bare majority.

Questions at subsequent general licensing polls.

inclusive of this Act shall apply in respect of such poll and of every subsequent licensing poll, unless and until at a licensing poll the determination is in favour of either national prohibition without compensation or State purchase and control.

Result if at any subsequent poll national prohibition carried.

75. If at the first licensing poll taken after the next general licensing poll, or at any subsequent poll, the determination is in favour of national prohibition without compensation, then such determination shall come into force on the thirtieth day of June next after the poll at which such determination is made, and sections *sixty-one* to *sixty-four* of this Act shall have effect on the coming into force of such determination. 5 10

Result if at any subsequent poll State purchase and control carried.

76. If at the first licensing poll taken after the next general licensing poll, or at any subsequent poll, the determination is in favour of State purchase and control, then—

(a.) Such determination shall come into force throughout New Zealand on such date (not being more than one year after the notification of such determination by the Minister in the *Gazette*) as the Governor-General shall by Proclamation gazetted appoint : 15

(b.) All licenses existing at the date of the poll shall, unless forfeited, continue in force until the date so appointed by the Governor-General, and it shall not be necessary to apply to any Licensing Committee for the grant of the renewal of any such license : 20

Provided, nevertheless, that every licensee shall pay on the date when in ordinary course a renewal of his license would have been granted the same fee as would in such ordinary course have been required to be paid in respect of such license on its renewal : 25

(c.) Sections *sixty-five* to *seventy-one* inclusive of this Act shall have effect on the coming into force of such determination : 30

(d.) At the licensing poll to be taken at the general election for the election of members of Parliament next after the poll at which a determination in favour of State purchase and control is made, and at every subsequent poll, two questions only shall be submitted—namely, the questions defined in paragraphs (b) and (c) of subsection *two* of section *fifty-six* hereof, and the question relating to national continuance shall not thereafter be submitted, and the ballot-paper in the Form No. 2 in the Schedule to this Act shall be altered accordingly. The determination of the electors upon the two questions so submitted shall be in accordance with the majority of the total valid votes recorded at the poll; and other such determination shall have effect accordingly in the same manner in all respects as is provided by this Part of this Act for the event of the same determination at a licensing poll at which all three of the questions defined by section *fifty-six* of this Act were submitted. 35 40 45 50

407

77. At every licensing poll taken in pursuance of the provisions of this Part of this Act there shall be submitted for the determination of the electors of every no-license district the question whether licenses shall be restored in that district, and in respect of every such poll relating to local restoration the provisions of sections eight to eleven inclusive of the Licensing Amendment Act, 1910, shall apply.

Question to be submitted at every licensing poll.

SCHEDULE.

Schedule.

Electoral District of.....

[Form No. 1.

VOTING-PAPER ON ISSUE OF NATIONAL PROHIBITION WITH COMPENSATION.

I vote for National Continuance.

I vote for National Prohibition with compensation.

Directions.

The voter must strike out the proposal for which he does not wish to vote. If the voter strikes out both or fails to strike out one of the proposals the voting-paper will be void, and his vote will not be recorded. The voting-paper so marked is to be placed by the voter in the ballot-box prepared for it. The voter is not allowed to take this voting-paper out of the polling-booth.

Electoral District of.....

[Form No. 2.

VOTING-PAPER ON ISSUES UNDER PART II OF THIS ACT.

- 1. I vote for National Continuance.
2. I vote for State Purchase and Control.
3. I vote for National Prohibition.

The voter must strike out two proposals. The vote will be recorded in favour of the proposal not struck out. If the voter strikes out all, or only one, or none of the three proposals, the voting-paper will be void, and his vote will not be recorded. The voting-paper so marked is to be placed by the voter in the ballot-box. The voter is not allowed to take this ballot-paper out of the polling-booth.