

Mr. McCallum.

STATE CONTROL OF LICENSES.

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A BILL INTITULED

AN ACT to amend the Licensing Act, 1908, by providing for State Control of the Liquor Traffic, ending Monopoly, and providing Security of Tenure, or Compensation to every Licensee who conducts his Business creditably. Title.

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

1. This Act may be cited as the State Control of Licenses Act, 1922, and shall be read together with and deemed part of the Licensing Act, 1908 (hereinafter referred to as the principal Act). Short Title.

2. (1.) In this Act the expression "the Minister" means the Minister of Licenses hereinafter referred to. Interpretation.

(2.) All references to the Minister in the principal Act or any amendment thereof shall, after the coming into operation of this Act, be deemed to refer to the Minister of Licenses, and not to the Minister of Justice.

3. This Act shall come into force on the first day of January, nineteen hundred and twenty-three. Commencement.

Saving.

4. Nothing in this Act shall be construed to prevent the taking of the licensing poll in the manner provided by the said Act on the day appointed for the next ensuing general election for the return of members of Parliament as varied by section fifty-six of the Licensing Amendment Act, 1918.

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*Administration.*Appointment of
Minister of Licenses.

5. The Governor-General may from time to time appoint a Minister of the Crown (being a member of the Executive Council) to be Minister of Licenses, who shall be charged with the administration of this Act and the licensing laws generally.

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Appointment of
Controller of
Licenses.

6. There shall be a Controller of Licenses appointed from time to time by the Governor-General in Council, who, under the direction of the Minister, shall have the control of all matters relating to the sale of alcoholic liquor or in any manner connected therewith.

Appointments of
Deputy Controllers
and other officers.

7. The Minister may appoint as many Deputy Controllers and other officers as may be found necessary for the proper and complete administration of this Act and the said licensing laws. These Deputy Controllers and officers shall receive such salaries and allowances only as Parliament from time to time directs.

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Governor-General
may make
regulations.

8. The Governor-General may from time to time, by Order in Council, make regulations, not inconsistent with the provisions of this Act, for the administration of this Act and for the conduct of all persons concerned in or connected in any way with such administration and generally for the purpose of carrying this Act into effect.

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Ministers power of
veto.

9. All powers and authorities conferred by the principal Act or any amendment thereof on Licensing Committees shall from the date of the coming into operation of this Act be deemed to be subject to the veto of the Minister; and such powers and authorities shall not in any way restrict or limit the powers and authorities conferred by this Act.

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Minister may obtain
advice of Licensing
Committees.

10. The Minister may from time to time obtain the advice and guidance of any Licensing Committee as to any matter arising within its district, but such advice and guidance shall not be binding on the Minister, who shall be solely responsible to Parliament for carrying out the provisions of this Act.

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*Control.*Consent of Minister
required before
dealing with licensed
premises.

11. (1.) From and after the coming into operation of this Act no transfer, conveyance, lease, or other dealing of any kind affecting licensed premises shall be made, entered into, or registered without the consent of the Minister.

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Sanction of
Licensing
Committee to be
first obtained.

(2.) Before applying to the Minister for such consent every applicant shall first obtain the sanction or approval of the Licensing Committee of the district:

Provided always that the Licensing Committee shall in every case where it declines to sanction and approve any proposal report to the Minister such modifications and suggestions as it sees fit to make:

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Provided further that in matters of urgency the Chairman of any Licensing Committee may, with the concurrence of two members of the Committee, act provisionally for the whole Committee.

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12. The Minister shall upon receiving such consent or report as aforesaid deal with the matter in the manner most conducive to the public interests by consenting, or refusing consent, or giving consent with such variations and modifications as he thinks fit to impose.

Minister may sanction transfers, &c., as he thinks fit.

13. From and after the first day of July, nineteen hundred and twenty-five, the fees hitherto paid as the annual license fees for publicans', accommodation-house, and packet licenses shall be abolished, and the fees to be paid for such licenses respectively shall be as follows: The fee shall be equal to the sum of six pounds per centum of the gross amount (including any duties thereon) paid or payable for all liquor which during the twelve months ended on the last day of June preceding the date of the application for the grant or renewal of the license was purchased for the premises or (in the case of a packet license) the vessel in respect of which such grant or renewal is sought.

Fees for publicans', accommodation-house, and packet licenses.

14. From and after the first day of July, nineteen hundred and twenty-five, the fees hitherto charged for brewers' and wholesale licenses shall be abolished, and the following substituted therefor, viz:—

Fees for brewers' and wholesale licenses.

(a.) For a brewer's license one pound per annum and a further fee equal to the sum of four pounds per centum of the gross amount (including any duties thereon) paid or payable for all liquor which during the twelve months ended on the last day of June preceding the date of the application for the grant or renewal of such license was sold or disposed of under such license to persons other than persons licensed to sell liquor; and

(b.) For a wholesale license one pound per annum and a further fee equal to the sum of four pounds per centum of the gross amount (including any duties thereon) paid or payable by the licensee for all liquor which during the twelve months ended on the last day of June preceding the date of the application for the grant or renewal of such license was sold or disposed of under such license to persons other than persons licensed to sell liquor.

15. In the event of no-license being carried in any district, then every licensee therein shall be entitled to compensation for the reduction in the value of his premises, and such compensation shall be assessed as between the Minister and the ex-licensee in a similar manner to that set out in the Licensing Amendment Act, 1918.

Compensation if no-license carried.

16. For the purpose of establishing a fund for the purpose of meeting the claims for compensation as in the last section provided the Minister shall, after paying fifty per centum of all fees received by way of percentage from hotelkeepers and accommodation-house keepers to the local authorities entitled to the same, pay the remaining fifty per centum into an account to be known as "The Compensation for Lost Licenses Account," and shall from time to time cause to be paid out of the said account the amounts ascertained as payable by way of compensation for lost licenses.

Establishment of compensation fund.

17. It shall not be lawful for a licensee to receive any sum by way of bonus or premium for goodwill of a lease. Every owner or

Payment of bonus or premium prohibited.

proprietor of any interest may only be granted permission to lease on obtaining a fair rent distributed evenly over the whole term.

Trafficking in licenses prohibited.

18. Trafficking in licenses shall be deemed an offence, and any person found guilty by a Magistrate of buying and selling licensed premises with a view towards making profit out of such trafficking shall have any license held by him forfeited and be for ever debarred from holding a license or any interest whatever in one. 5

Limitation of interests in licensed premises.

19. No person or company shall be the owner of any interest in more licensed premises than one, and all persons and companies holding interest in more licensed premises than one shall, within three years from the date of the coming into operation of this Act, divest themselves by absolute alienation of all interests except in one only. 10

Tied houses prohibited.

20. It shall be an offence and the license shall be liable to forfeiture at the absolute discretion of the Minister if a licensee binds the trade of his house for the purchase of anything whatever. 15

Owner to conduct premises except in certain circumstances.

21. All licensed premises shall be conducted by the owner of the same, and the consent of the Licensing Committee and Minister to a lease at a fair and reasonable rent and on fair terms shall only be granted in cases where through ill health or the happening of unforeseen circumstances such owner cannot himself conduct such license. 20

Transfer of licenses.

22. No license shall be transferred until it has been held for a period of at least three years.

Minister to have control of employees.

23. All persons engaged in or about the bars of licensed premises shall be under the direct supervision and control of the Minister and his officers, and the complaints of any employee shall, after having been submitted to the licensee for his comment, be recorded and minuted by the Department. 25

Licensees may form guild.

24. The licensees may form themselves into a guild or association for the following purposes:— 30

- (a.) Eliminating abuses on licensed premises;
- (b.) Securing the refusal of the granting or renewal of a license to an unworthy person;
- (c.) Advising the Minister as to the manner in which reforms for the elimination of drunkenness or the waste of money on alcoholic liquors may be brought about; and 35
- (d.) Any other purpose deemed necessary for the improvement of the trade.

Liquor to be analysed.

25. The Minister shall from time to time take steps to have samples of all alcoholic liquor stocked by licensees analysed, and shall forthwith order prosecutions for the punishment of offenders. 40

Strength of liquor.

26. (1.) No licensee shall "reduce" the strength of any liquor purchased by him for sale by way of retail.

(2.) The Minister shall make and gazette regulations for the reduction of the strength of alcoholic liquor sold by wholesale licensees or imported direct into the Dominion and fixing the reduced price at which, in consequence of such reduction, the said liquor may be sold. 45

Minister may fix hours bars are to remain open.

27. The Minister may, after conferring with the Licensing Committee or in pursuance of a request from the Licensing Committee, arrange the hours during which the bars of licensed premises 50

may remain open throughout the district, but so that the hours shall not be reduced to less than six on any day when it is permissible to keep open the full number of hours and not more than nine hours.

28. The Minister may by Order in Council, from time to time, make, alter, and revoke regulations for the following purposes:— Minister may make regulations

- (a.) For the better carrying-out of the intent and meaning of this Act :
- (b.) For the establishment, management, and control of station or tourists' hotels (without open bars) by the Railway or the Tourist Departments :
- (c.) For the supervision and analysis of all alcoholic liquor intended for the use of the public or held by any wholesale or retail licensee :
- (d.) For the control and supervision of all persons engaged in or about the bars of hotels :
- (e.) To prohibit the sale of liquor at any bar or in the presence of more than a certain number of people :
- (f.) To empower the selling of alcohol liquor by certain licensees in the continental manner and so that liquor is only supplied openly :
- (g.) To restrain certain licensees from selling liquor of any kind other than light wines or ale :
- (h.) To do any act, matter, or thing that will, whilst affording the public full liberty of conduct to behave as decent responsible citizens, render it extremely difficult to yield to the temptation or abuse of liquor :
- (i.) To establish rewards for those employed in hotel bars and who conduct the same so that those addicted or becoming addicted to intemperance will be restrained or reformed :
- (j.) Making provision for the investment of such portion of the funds lying to the credit of the Compensation for Lost Licenses Account as may not be immediately required ; for supplementing the said fund by interest, receipts, subsidies, donations, and otherwise, and for making advances to the said account to meet obligations in excess of the amount lying to the credit of the same.

29. From and after the coming into operation of this Act a further national poll shall only be taken at every second general election for members of Parliament, commencing in nineteen hundred and *twenty-two* (or the first succeeding general election after the first day of January, nineteen hundred and *twenty*), a local-option poll shall be taken in each electorate in the same manner as obtained formerly, for the purpose of determining whether licenses shall or shall not be granted in all districts where the same are now granted, and for the purpose of determining whether restoration shall or shall not be carried and licenses granted in present no-license districts.

National poll abolished, local-option poll to be taken.