

# Supplementary Order Paper.

## HOUSE OF REPRESENTATIVES.

Tuesday, the 15th day of November, 1927.

### LICENSING AMENDMENT BILL.

Mr. ELLIOTT, in Committee, to move the following amendments:—

Clause 3: To omit all words after the words "licensing district" in line 24, and substitute the following words: "in lieu of the questions defined by section fifty-six of the Licensing Amendment Act, 1918, 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 the said section fifty-six of the Licensing Amendment Act, 1918."

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

(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:

(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 liquors.

(c) The question (hereinafter referred to as corporate control) whether the ownership of licensed premises and the manufacture, importation, and wholesale distribution of alcoholic liquors in the Dominion be exclusively vested in a Corporation as hereinafter defined, such Corporation to be instituted and maintained without any appropriation of public money, and such Corporation thereafter being alone entitled to manufacture, import, and sell wholesale alcoholic liquor and derive profit from such trade.

(d) Such three questions shall be submitted in the form set forth in the Schedule hereto and in the manner prescribed by the Licensing Act, 1908, and its amendments.

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

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

(5) Section fifty-nine of the Licensing Amendment Act, 1918, is hereby amended by substituting for the words "State purchase and control" in the third line of subsection one thereof and in the third line of subsection two thereof, the words "corporate control."

(6) The provisions of this Part of this Act hereinafter contained apply only in the event of the determination at the next general licensing poll being in favour of corporate control. Such determination is hereinafter in this Part of this Act referred to as the determination. Such determination shall come into force on such date, being not later than *six* months after the poll, as the Governor-General in Council may declare.

(7) Immediately upon the coming into force of the determination a Corporation shall be constituted as hereinafter provided in which there shall be exclusively vested by force of this Act:—

(a) 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:

(b) 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:

(c) 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 or a wholesale license is held, and all stocks of alcoholic liquor owned or held by brewers and by the holders of licenses of any description:

(d) All the aforesaid assets are hereinafter referred to as the said assets.

(8) The value of the said assets 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. The process of valuation and all other expenditure whatsoever incurred in connection with the institution of corporate control shall be paid for by, and be a charge against, the Corporation.

(9) The capital of the Corporation (hereinafter called the capital) shall be an amount equivalent to the aggregate amount of the valuations as ascertained under and in pursuance of the *last preceding* section hereof, including in such amount in consideration of the transfer of businesses connected with the said assets as going concerns, a sum equal to the net profits actually earned by such businesses during the three years immediately preceding the coming into force of the determination.

(10) The capital shall be divided into "A" and "B" shares, which shall be deemed to be fully paid up to the amount of the nominal value thereof, *twenty* per centum of the capital being "A" shares and the remaining *eighty* per centum thereof being "B" shares.

(a) The "A" shares shall, upon the taking over by the Corporation of the said assets, be allotted to the Government of New Zealand without any payment in cash, and shall have an earning-power equal to that of the "B" shares:

Provided that all dividends accruing upon such "A" shares shall from time to time be applied towards payment of the nominal value thereof, and upon completion of payment of such nominal value all dividends thereon shall be the property of the Government of New Zealand.

- (b) The said "B" shares shall, on the taking over by the Corporation of such businesses, be allotted to the owners of the said assets in proportion to the ascertained value of such assets respectively. The profits accruing upon the "A" shares shall be payable to the vendors in like proportion as and when declared in satisfactory *pro tanto* of the nominal value of the said "A" shares.
- (c) The profits on the business of the Corporation shall in each year be divided among the shareholders by the declaration of such dividend as such profits may in each year warrant, but such dividends shall be limited to *ten* pounds per centum per annum.
- (d) All profits over and above *ten* per centum shall be applied to such national purposes as the Government shall from time to time determine.
- (e) The Corporation shall be under the sole direction of a Board consisting of nine members, of whom the Government shall have the right to nominate a Chairman and four other members, and the "B" shareholders shall have the right to elect the remaining four members.
- (f) The Corporation shall be the sole authority for the issue and continuance of permits to sell alcoholic liquors, subject always to the right of appeal to a Stipendiary Magistrate by any person affected. For this purpose the Corporation shall set up District Licensing Boards as may, by regulation made by Order in Council gazetted, be determined.
- (g) The Corporation shall have no power to alter by increase or reduction the total number of licenses for the sale of liquor in licensed premises, nor the hours provided by statute for the sale of liquor, for the time being in force in the Dominion.
- (h) The Corporation shall have power, on the termination of any lease of premises in respect of which a license to sell alcoholic liquors exists, to grant a permit instituting the cafe system for the sale of light wines and beer only where it may be deemed advisable to restrict the sale of spirits.
- (i) The powers of the Corporation shall not apply to chartered clubs.
- (j) The Corporation shall be empowered to grant special licenses for the manufacture of wines within New Zealand:  
 Provided that the product of such manufacture shall be sold exclusively to the Corporation.
- (k) Upon the adoption by the electors of the above proposal, no further poll upon the subject shall be taken until *nine* years have elapsed from the carrying of such issue. Should the issue of prohibition be carried at any subsequent poll no compensation of any kind shall be payable to the Corporation.
- (11) The Governor-General may from time to time, by Order in Council gazetted, make regulations:—
- (a) Declaring by what persons or classes of persons and in what manner the valuations before referred to shall be made:
- (b) Setting up and appointing District Licensing Boards for the purpose of this Act:
- (c) And generally for carrying out the purposes of this part of this Act.
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To omit the First Schedule, and substitute the following Schedule:—

Schedule.

FIRST SCHEDULE.

1. I vote for National Continuance.
2. I vote for Corporate Control, to be instituted and maintained without appropriation of public money.
3. I vote for National Prohibition.

DIRECTIONS.

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 voting-paper out of the polling-booth:

Electoral District of.....