

right to enter a competition conferred by the issuer of trading-coupons on the holders thereof constituted redemption within the meaning of the Act. The legal position in this connection has now been made clear by a Wellington Magistrate's decision in a case in which the holders of coupons (obtained in the purchase of a certain brand of tooth-paste and vanishing cream) were given the right to enter a slogan competition, and, although the prizes offered were in cash, the Magistrate held the view that "the defendant company had given by way of redemption not money but the chance of winning a prize consisting of money." He further stated, "I think that by giving in return for the coupon a right to take part in the competition and the chance of winning a prize the defendants have redeemed the coupons, and that as such redemption was not for money a breach of the statute has been committed."

Another action was taken under this Act against a country store exchanging for coupons to the value of 5s. and 1d. in cash certain goods which were greatly below the usual selling-price of such goods. Redemption not being unconditionally and only for money, a conviction was recorded. A further scheme which involved some legal argument arose in connection with the redemption of coupons for cash or, as an alternative, the owner was given the opportunity of directing that the redeemable cash value of the coupons be utilized in the purchase of a glass-cloth. The Magistrate held that in those cases where the owners of the coupons directed that glass-cloths be purchased with the cash value of the coupons had been redeemed otherwise than for money, and a conviction had to be recorded.

MOTION-PICTURE INDUSTRY.

Representations by picture-theatre proprietors have been made at various times during the past few years to the Government regarding the alleged unfair and unreasonable conditions imposed by the film exchanges in film-hiring contracts. Petitions were also presented to the House of Representatives during the last session of 1933 on similar lines and urging an inquiry to be made into the industry.

A further matter which is considered important by some exhibitors is the clause in the contract requiring the exhibitor to charge not less than 1s. for admission. In this connection a Bill, sponsored by a private member of the House of Representatives, was introduced last session seeking statutory power to over-ride any restriction regarding admission charges imposed in film-hiring contracts. The Bill was referred to the Industries and Commerce Committee of the House for consideration and report. This Committee, after hearing evidence, made the following recommendations:—

"That in the opinion of the Committee an exhaustive inquiry into the film industry in all its bearings should be undertaken at the earliest possible date.

"That in view of the amount of evidence offering and the limited time at the disposal of the Committee it is impossible to undertake such inquiry during the present session.

"The Committee therefore recommends such inquiry be made by the Government, and, pending same, that the Hire of Films Bill be not allowed to proceed this session."

Taking all these circumstances into consideration the Government felt justified in appointing a Committee empowered with an order of reference that would cover a wide field of inquiry.

A Committee of ten members of Parliament representing all parties in the House of Representatives, with Mr. A. Harris, M.P., as Chairman, was selected to undertake the inquiry and submit the results of its deliberations and recommendations to the Right Hon. the Prime Minister. The Committee sat on twenty-one days hearing evidence and drafting their report. A total of twenty-seven witnesses appeared before the Committee, seventeen representing exhibiting interests, representatives of six Film Exchanges, and four other interests. In addition, the Committee had placed before it a considerable volume of written evidence. The findings of the Committee and recommendations have been made the subject of a special report, and copies may be obtained by those interested. A brief summary of the recommendations is as follows:—

"That it be made a condition of the issue of a renter's license under the Cinematograph Films Act, 1928, that the licensee shall use for his business only such standard form of contract as may be approved by the Minister, such approval to be given in any case for a period of not more than two years.

"That no film-renting contract shall be approved by the Minister which provides for a higher minimum charge than 6d. for admission to a picture-theatre, except under certain conditions, and that before approval of any contract-form by the Minister consideration shall be given to a report of the Advisory Committee under the Cinematograph Films Act, 1928, with respect to such contract-form.

"That section 39 of the Cinematograph Films Act, 1928, and section 50 of the Finance Act, 1930, be repealed, and that in lieu thereof statutory provision be made for a right of rejection by the exhibitor of 25 per cent. of all films 'block booked,' a 'block' to be defined as not less than four films, which are the subject-matter of one or more contracts between a renter and an exhibitor, entered into at the same time, or in respect of films acquired by the renter in any year or film-renting season, with the proviso that such statutory right of rejection shall be included in and not be additional to any rights of rejection provided in the written terms of the contract or contracts.

"That statutory provision be made for the prevention of monopoly of film-supplies.

"That provision be made for the control of the issue of licenses for picture-theatres, subject to recommendations.

"That the Cinematograph Films Act, 1928, be amended to permit of the exhibition by film societies of films which have not been approved by the Censor, subject to certain conditions.

"That the technical details of legislation recommended in this report be submitted to an Advisory Committee appointed under section 41 of the Cinematograph Films Act, 1928, for consideration and report to the Minister."