

SCHEDULE 7—AGREEMENT SETTING UP THE FILM INDUSTRY BOARD

AN AGREEMENT made this 8th day of June, one thousand nine hundred and thirty-nine, between New Zealand Motion Picture Exhibitors Association Incorporated a Society incorporated under the Incorporated Societies Act 1908 and having its registered office in the City of Wellington and the Film Exhibitors Association Incorporated a Society incorporated under the said Act and having its registered office in the City of Auckland (the two Societies before named being hereinafter referred to as "The Exhibitors Associations") of the one part and The Film Exchanges Association of New Zealand Incorporated a Society duly incorporated under the said Act and having its registered office in the City of Wellington (hereinafter referred to as "the Exchanges Association") of the other part:

Whereas the Members of the Exchanges Association are corporate bodies carrying on separately in New Zealand the business of film renters or distributors of cinematograph films and comprise nearly all the persons or corporate bodies engaged in such business in New Zealand And whereas the members of the Exhibitors Associations are persons or corporate bodies who hire the said films from the Renters or distributors for exhibition in New Zealand and constitute in the aggregate all or nearly all of the persons or corporate bodies engaged in the business of exhibitors of such films And whereas the business carried on as aforesaid by the members of the Exhibitors Associations on the one hand and the Members of the Exchanges Association on the other hand are to a large extent interdependent as constituting the one industry and matters of common interest to both sides of the said industry are frequently arising not only as between individual members or groups of members of the said respective organizations but also as between the general body of members of all such organizations and outside authorities And whereas there is a general desire on the part of the members of all the said organizations for co-operation between the two sides of the industry with regard to such matters in order to bring about a degree of voluntary regulation of the domestic affairs of the industry and to afford a means of promoting and safeguarding the common interests of the industry And whereas the Exhibitors Associations as representing the said exhibitors and the Exchanges Association as representing the said renters have after consultation between themselves agreed upon the setting up of a Board of Internal Control within the said industry having equal representation from both sides thereof and in the course of their negotiations in the matter have disclosed the whole of their proposals to the Government Authorities which are concerned with the administration of the various statutes and regulations affecting the said industry with the intention that the said Board of Internal Control should be constituted not only with the knowledge and approval of the said Authorities but on such a basis that such Board will obtain the recognition of the said Authorities And whereas it is expedient that these presents should be entered into for the purpose of setting out the constitution and functions of the said Board Now therefore it is agreed by and between the parties hereto as follows—

(1) There is hereby constituted a Board of Internal Control (hereinafter referred to as "The Board") in respect of the industry carried on in New Zealand for the distribution and exhibition of cinematograph films and the Board shall consist of nine persons of whom four shall be appointed by the Exhibitors Associations as they may mutually agree and four by the Exchanges Association and the parties mutually agree to make such appointments and to maintain their full respective representation on the Board by filling any vacancies as they arise from time to time. The Board may continue to function notwithstanding any casual vacancy. The remaining member who shall be a Stipendiary Magistrate or retired Magistrate and Chairman of the Board, shall be appointed by the Minister of Internal Affairs. Each party hereto undertakes to notify the Minister of Internal Affairs within six weeks from the date of signing of this Agreement the name of its appointees to the Board and upon the appointment of a Chairman by the said Minister the Board shall be deemed to be constituted.

(2) The functions of the Board shall be—

- (a) To act as a tribunal for the settlement of disputes arising out of the contractual relationships between renters and exhibitors,
- (b) To act as an advisory body on matters touching the welfare of the said industry,
- (c) To consider any matter referred to it by the Minister of Internal Affairs or other Government Authority,
- (d) To arbitrate on any question submitted to it by the voluntary agreement of the parties to a dispute within the industry.

(3) Upon the death, resignation, absence from New Zealand or incapacity to act of any member of the Board (apart from the Chairman) the Association or Associations which appointed such member shall appoint another person in his place and stead. Any appointment of a member of the Board (apart from the Chairman) may be revoked at any time by the Association or Associations which made the appointment and upon such revocation or upon any other vacancy such Association or Associations shall appoint another member in place of the one whose position has become vacant. The Minister of Internal Affairs shall have the like powers with regard to the Chairman.

(4) The members of the Board may meet together for the despatch of business, adjust or otherwise regulate their meetings and proceedings as they think fit and may appoint any person to act as Secretary on such terms as they think fit. Any remuneration attached to the office of Secretary and any expense incurred in connection with the carrying out of the duties of the Board shall be defrayed as to one half by the Exchanges Association and as to the other half by the Exhibitors Associations.