

33. Prints are made on 16 mm. film of most of the more popular features and shorts, and these offer most of the advantages of the larger film. They require a less expensive plant and do not entail the same fire risk. They are easier to transport and handle. The small film, however, has a shorter life, and the size of the screen on to which it can be satisfactorily projected makes it unsuitable for large audiences.

34. The Committee heard two classes of submissions concerning sub-standard film. One was made by film societies and similar organizations, who wished to have as few restrictions as possible on their operations. On the other hand, commercial exhibitors of sub-standard film were concerned lest they should lose business through competitive screenings by those who could operate at lower cost and without heavy capital expenditure, or whose activities would not be governed by the licensing regulations.

CINEMATOGRAPH FILMS ACT AND REGULATIONS

35. The Cinematograph Films Act, 1928, provided for the censorship of films and posters, the registration of films before exhibition, the making of regulations regarding the storage, transport, and projection of films, and for the British quota (in which connection provision was made for the licensing on a yearly basis of renters and exhibitors). There were also certain provisions governing film contracts, and general matters, among which section 41 provided for the appointment of an Advisory Committee by the Minister.

36. The present system of licensing, under which licences can be refused on economic grounds, was first introduced in 1932 by regulations under the Board of Trade Act, 1919, but after operating for about twelve months these regulations were held by the Court of Appeal to be repugnant to the Cinematograph Films Act, 1928, and *ultra vires*. The 1934 Committee recommended the reintroduction of restrictive licensing, and appropriate legislation was passed in 1934 as an amendment to the Cinematograph Films Act. This empowered the making of regulations under the Board of Trade Act to govern the licensing of theatres.

37. The Cinematograph Films (Issue of Exhibitors' Licences) Regulations 1937 authorized the licensing officer to refuse to issue additional licences where he was satisfied that the existing theatre or theatres provided adequately for the requirements of the locality or where the granting of further licences would cause undue hardship, or was not in the public interest. The licensing officer was also empowered to refuse a licence if he were not satisfied that certain standards were being observed in the conduct and amenities of a theatre.

38. These regulations were amended in 1938 by Amendment No. 1, under which there could be attached to exhibitors' licences conditions specifying, amongst other things, the maximum quantity or proportion of first-run film which could be exhibited during the currency of the licence. A theatre which previously had screened second or third-release films could thus be prevented from changing its policy and screening first-class films. (It will be obvious that such a change of policy would be equivalent to the establishment of an additional first-release theatre.)

39. The Cinematograph Films Emergency Regulations, 1946, gave the Licensing Officer power to extend preference to discharged servicemen in considering applications for new licences or transfer of licences.

FILM INDUSTRY BOARD

40. Objections by renters and exhibitors to the application of Amendment No. 1 (*vide* departmental report, paragraph 26) led to discussions which resulted in the establishment of a board of internal control being set up between the parties within the industry. This body became known as the Film Industry Board. Its constitution and