

73. The Committee recommends that regulations should classify the exhibitor rather than the film. A commercial exhibitor, whether of 35 mm. or 16 mm. film, should in general be subject to the whole of the licensing regulations. A non-commercial exhibitor should in general be exempt, save in respect of the three matters set out above.

74. The licensing officer should be the one to decide the question of whether a commercial use is being made of a film, and if under the relaxation of the regulations now proposed an exhibitor's activities resulted in his being classified as an exhibitor of commercial film, he would then be required to comply with all the regulations relating to the exhibition of commercial film.

75. The Committee cannot recommend the adoption of the suggestion that all licensing restrictions should be removed from non-commercial exhibition of sub-standard film, but feels that with the limiting of the restrictions suggested above, bodies such as the Film Institute and Library film groups will be able to carry out their work with a minimum of difficulty whilst the public is still protected in respect of the premises on which the exhibition is held, the industry will be protected against unfair competition, and the necessities of censorship will be preserved.

ORDER OF REFERENCE No. 5

Whether any legislation is desirable regulating the relationship of landlord and tenant either as affecting picture-theatres or generally.

76. Almost all the representations made to the Committee under this head were designed to protect the tenant from the possibility of being harshly dealt with by his landlord at the expiration of a lease during the term of which the tenant (personally holding an exhibitor's licence but entitling him only to exhibit films at premises owned by another) had built up the goodwill of the business in his landlord's theatre. The Committee is satisfied, particularly by the illustration given by the Rangiora Borough Council, that this is a problem which works both ways, and that there may be many cases where the landlord, who has provided the premises that have enabled the exhibition of pictures to take place, may require protection both against lack of zeal in the public interest on the part of the tenant and against the removal of the licence to other premises when the tenant has become independent of the landlord's premises. Quite a number of problems arise. At the present time the provisions of the Tenancy Act, 1948, and the restrictions upon procuring building permits and materials for theatres tend to protect the tenant from eviction and the owner from carrying out improvements which might otherwise be required of him. Each party is thus in some position of advantage in avoiding what might otherwise be required of him by the licensing officer.

77. Regulation 4 of the 1937 regulations (Serial number 1937/182) also tends to entrench the exhibitor-tenant in a position of advantage. The regulation reads as follows :—

4. If any application is received by the licensing officer for a licence for an existing licensed theatre from any person other than the existing holder or, in the case of an expired licence, the previous holder, he may refuse to issue such licence where he is satisfied that the issue would involve an unreasonable hardship on such existing or previous holder, or where in his opinion the issue is not in the public interest, having regard to the conditions existing in the industry.

The exhibitor-tenant at the end of his lease is able to use the weight of this regulation, combined with the protection of the Tenancy Act, to force the landlord to accept terms for a renewal of lease which may not be reasonable or even to grant a renewal which would otherwise be withheld. The landlord, on the other hand, may (as in the case of the Rangiora Borough Council) have formerly been the licensed exhibitor and desires to resume exhibition; part of his desire may relate to the fact