

is transferred merely by a transfer of shares in the company. There is also in existence the Cinematograph Films Emergency Regulations (Serial number 1946/93), whereby provision is made for preference to servicemen as a matter of rehabilitation when competing applications for licences are received. The major representations made to the Committee on the question of licensing were those of the Film Industry Board itself (annexed to the departmental report as Schedule 8) and of independent exhibitors as to setting up an appeal authority to deal with disputes concerning licences and questions such as film-supplies, film hire, &c.

66. Up to the present time the licensing officer under the Cinematograph Films Act has been the holder of the office of Chief Inspector under that Act, who is, however, more immediately concerned with his other duties concerning public safety and with the regulations relating to storage, &c., of film. He is an officer of the Internal Affairs Department, whereas the bulk of the controversial matters that have arisen over licensing in the film industry have to do with the Department of Industries and Commerce, which is directly concerned with the administration of the Board of Trade Act.

67. The Committee considers that one of the first necessary steps to be taken in connection with the future licensing of the industry is to separate the functions of the licensing officer from those of the Chief Inspector. The licensing of theatres should be under the control of the Department of Industries and Commerce and the licensing officer should be a responsible officer of that Department, whilst matters of public safety should continue to be the responsibility of the Inspector of the Internal Affairs Department.

68. The Film Industry Board proposal involves the setting-up of a licensing tribunal consisting of three members, the Chairman being a departmental officer, and the other two persons men who have no financial interest in the industry and who are appointed by the Minister from a panel of four names submitted by the Film Industry Board out of names submitted to them by the Distributors' Association, the Exhibitors' Association, and the Independent Cinemas Association.

69. The proposal involved a right of appeal from that tribunal to a Judge or Magistrate. Mr. Girling-Butcher took the view that on any such tribunal a departmental officer should not be the Chairman, and that if such a tribunal were set up the Chairman should be a person of judicial experience. The Committee feels that, while there is merit in Mr. Girling-Butcher's suggestions if such a tribunal were to be set up, it prefers to see a licensing officer as at present but, as suggested above, working directly under the Industries and Commerce Department. The Committee is of the opinion that so long as the Film Industry Board continues to function as satisfactorily as witnesses from all branches of the industry claim it has functioned there is no need for an appeal authority, but that if it became necessary in the future to replace the Film Industry Board (either upon its ceasing to exist or upon its ceasing to function satisfactorily) by a legally constituted body, then it might well be that such a body as part of its functions should act as an appeal authority.

70. In order to strengthen the hand of the licensing authority, provision must be made making it necessary for his consent to be obtained to any transfer of a licence and enabling him to refuse a transfer of a licence on any of the grounds which would have enabled him to refuse a licence or a renewal of a licence when applied for by the existing holder or upon the ground that monopolistic control is increasing. As has been mentioned above, this involves his ability to deal with the effective transfer of control by