

The issue decided, another struggle began. Two petitions were sent to Parliament, one asking for municipal control, the other for the restoration of licensed hotels as in other centres. The Government agreed to neither. It set up the Invercargill Licensing Trust, a body with six members—two nominated by the Invercargill City Council, one by the South Invercargill Borough Council, and three by the Minister of Justice. The Governor-General appoints the Chairman—at present Mr. Hugh Ritchie, the secretary of the Southland Building Society, of which he is also a director.

"The first annual report of the Trust, presented to the Licensing Commission on August 4, showed that the total turnover for the nine months to March 31 was £114,568. The net balance in the account was £23,485. After providing £16,082 for taxation there was a working balance of £6,277. The Chairman of the Trust, in evidence, said "we will have a net profit of from £10,000 to £15,000 a year."

Thus when the Trust began its operations public opinion was divided. One section opposed restoration altogether and was prepared for the worst; another was angered by what was considered interference with private enterprise and the beginnings of State control; the third—and probably the largest—was mildly interested in a social experiment. War conditions also brought problems—short supplies of liquor and restrictions on building. In such circumstances the Trust has "made haste slowly" too slowly for its critics.

The aims of the Trust are—

(1) To build and equip two or three really modern hotels furnished and equipped in the most modern way.

(2) To alter and modernize as far as possible three or four existing hotels that have been taken over—the newest is twenty-eight years old—and to re-equip and refurbish them.

(3) To take over or build one or two hotels which will provide bed only, but will include a cafeteria for cheap but good meals with a bar attached.

(4) To modernize and improve the Brown Owl restaurant and, if necessary, to open one or two more similar restaurants where liquor can be supplied on the "sit down" system.

(5) To establish suburban taverns where there will be no boarding accommodation but where teas and liquor will be provided.

The Trust, in the words of the chairman, is "no more State control than it is private ownership." The Government has made no requests of the Trust and has not directed it in any way. In finance the choice was left open—through the Government or through the bank, and the Trust chose the bank. The first £50,000 was borrowed from the Treasury and the balance financed through the Bank of New Zealand on current account.

It has been suggested that membership of the Trust would be better by election than by appointment. Election, however, would probably bring every three or four years a struggle between the liquor and anti-liquor factions. The existing method ensures a continuous policy—and that policy to-day is the middle course between the desires of the heavy drinker and the ambitions of the prohibitionist, to provide a place where a man may take his wife and family, sit in comfort, and have either drink or food with no jostling and crowding at a bar.

Necessarily, in the average hotel turnover and profit are the main considerations. These have no place in Trust policy. Takings on opening day in Invercargill were £1,262, which, if maintained, would have meant a revenue of £300,000 a year, but the day was a Saturday and they were swollen by the novelty of the occasion. The gross revenue is actually about £150,000 a year, and so far the Trust is not in full operation, having only a few premises open. According to the Chairman, the Trust is not likely for some time to show large profits. It started with no capital and, although profits go back to the community, it is more interested in giving good accommodation than in paying dividends.

The Trust began from scratch. It had no precedent to follow, no premises, no