

SECTION 5.—REPARATIONS

(a) GERMANY

146. The responsibility for determining the nature and value of German assets available for reparations, and the time at which they are to be made available for allocation, has been finally vested in the Allied Control Authority in Germany. In order to implement this policy, the Inter-Allied Reparations Agency (IARA) composed of the delegates of the eighteen allied nations, including New Zealand, was established at Brussels early in 1946.

147. Each claimant nation was allocated a proportion of the total German reparations based on the loss suffered or war effort expended by each nation. Under category A, which is the basic group of those reparations not included in category B, New Zealand's share is 0.4 per cent. Under category B, which covers industrial and other capital equipment, merchant ships, and inland water transport, the share of New Zealand has been fixed at 0.6 per cent. New Zealand has been allocated one merchant ship of approximately 1,418 tons under category B. The allocation of machine tools under category A has been very small to date, and some delays in this direction can be expected. No allocations of consumer goods and materials will be available as reparations.

148. The internal distribution of reparations machinery and tools is handled by the War Assets Realization Board through the Mechanical Plant Advisory Committee, and manufacturing and trade interests in New Zealand have been kept informed of all developments.

(b) JAPAN

149. Certain aspects of Japanese reparations are under consideration by the Commerce Division, in conjunction with the Department of External Affairs. It is currently proposed that the Far Eastern Commission should determine the categories of Japanese assets available for reparations, but that the selection of available industrial facilities and equipment should be the responsibility of the Supreme Commander of the Allied Powers, who should also provide all claimant countries with inventories and valuations, with the opportunity to inspect that equipment in which they are interested, and with facilities to lodge claims in respect of specific plants and equipment.

150. The New Zealand Government Trade Representative in Japan is acting also as Reparations Representative, and will provide information and undertake any inquiries regarding reparations. He is provided with general information as to New Zealand's possible requirements by way of reparations, and, as inventories of available plants and equipment are received, he will be advised of particular requirements, so that inspection may be undertaken and a full technical report obtained before a decision is made to lodge claims for any particular items.

SECTION 6.—MISCELLANEOUS

(a) CONTROL OF EXPORTS

151. While it is an important function of the Department to develop and encourage export trade, there is also a responsibility to New Zealand consumers, including the industrial users of raw materials, to ensure that the local supply position is not prejudiced by the export of goods required locally. In making recommendations to the Customs Department on applications for permits to export goods under the Export Prohibition Emergency Regulations, the Department has endeavoured to maintain a fair balance between the objective of maximizing export trade and the necessity of safeguarding the local supply position. In this connection consideration has also to be given to New Zealand's obligations to the International Emergency Food Council (IEFC) and to our commitments for the supply of products to the United Kingdom.

152. With regard to the IEFC the Commerce Division also co-ordinates the information required by the Council as to New Zealand's requirements and production of those foodstuffs and materials which are subject to IEFC allocations. This is supplied through the External Affairs Department to the New Zealand member of the Council (the New Zealand Trade Commissioner, Washington).