

from political to economic matters. The progress of the Commission in the economic field has been slow, and although a great deal of work has been done on reparations, and particularly upon the level of economic life, no policy decision has yet emerged. Some decisions have, however, been reached, including decisions on the reduction of industrial war potential, sources of Japanese imports, and the destination of Japanese exports. Nevertheless, the accumulating difficulties standing in the way of joint determination of policy are exemplified by the fact that during the last six months of the period under review only two policy decisions were passed by the Commission; the first dealt with the prohibition of military activity in Japan and the disposition of Japanese military equipment, the second with the supply of food for civilian consumption in Japan.

4. ALLIED COUNCIL FOR JAPAN

New Zealand has continued to be represented jointly with the United Kingdom, Australia, and India on the Allied Council for Japan.* In September Mr. W. Macmahon Ball was replaced by Mr. Patrick Shaw. Although serving as a useful source of information concerning activities in Japan, the Allied Council has proved ineffectual in the absence of any desire by SCAP to make real use of its advisory functions. Subjects under discussion in the Council have included matters such as land reform, public health, stabilization of wage and price relationships, the establishment of a foreign exchange-rate for Japan, repatriation, and fundamental changes in the Japanese educational system.

5. JAPANESE AFFAIRS GENERALLY

(a) *Antarctic Whaling Expedition*

Last year's annual report noted that, in view of certain unsatisfactory features of the 1946 "emergency" whaling expedition, the United States would be informed of New Zealand's opposition to an expedition in the coming season. The Far Eastern Commission had not completed its consideration of the future of the Japanese pelagic whaling industry at the time when, in early May, 1947, SCAP was about to take a decision upon Japanese participation in the 1947-48 Antarctic whaling season. The New Zealand Government, along with other Allied Governments, therefore made known at Washington their opposition to further expeditions from Japan pending an over-all settlement. The United States, however, maintaining that it was essential for the purposes of the occupation,

* Composition and powers summarized in annual report for 1946-47 (A-11, 1947).