members of this informal regional group had come to realize increasingly that they had common practical interests cutting across political differences. Consequently, when Lord Killearn visited New Zealand the Government found it valuable to discuss with him the implications of his work for New Zealand. Lord Killearn gave many examples of the way New Zealand's special experience could be shared to advantage with the emergent countries of Southeast Asia.

Shortly afterwards, in August, 1947, a Social Welfare Conference for the South-east Asian region was held at Singapore. It was attended by the countries mentioned above, together with observers from the United Nations, the Food and Agriculture Organization, the Economic Commission for Asia and the Far East, and the World Health Organization. The Government arranged for the attendance at the Conference of a New Zealand observer, who was able to report upon many of the welfare, food, and nutrition problems of the area and who was greatly impressed by the marked co-operative regional spirit. The New Zealand observer, who had practical experience of New Zealand social welfare problems, was able to contribute usefully to the discussions.

It is possible that this Social Welfare Conference will be the forerunner of further regional conferences, and there is little doubt that the trend towards regional co-operation in South-east Asia will continue, assisted by the activities of several of the specialized United Nations agencies. The Department has felt it important to consider the place of New Zealand in such a development.

EUROPE

1. GENERAL

The Department has closely followed political developments in Europe and has attempted to assess the implications for New Zealand of such outstanding occurrences of the past year as the integration of the Czechoslovak and Hungarian States into the Soviet sphere of influence, the political tug-of-war preceding elections in Italy, the establishment of a series of alliances between the Soviet Government and the governments of Eastern Europe, the new political and economic cohesiveness developed by France, Great Britain, and the Benelux group, the preparations by the sixteen countries which are to receive aid under the E.R.P. programme, and the continued failure of the Council of Foreign Ministers to reach agreement on the terms of the German and Austrian peace treaties.