

PART III.—COMMERCE DIVISION

SECTION 1.—INTRODUCTORY

The functions of the Commerce Division of the Department were set out on page 23 of the 1947 report. Matters of considerable importance in overseas trade have engaged the attention of the Division during the year, and, where necessary, full co-operation and collaboration have been maintained between this and other Departments.

SECTION 2.—COMMERCIAL POLICY

(a) INTERNATIONAL TRADE ORGANIZATION

Three members of the Department's staff were included in the New Zealand delegation to the second session of the Preparatory Committee of the United Nations Conference on Trade and Employment, held in Geneva from April to August, 1947. (The first session had been held in London in October and November, 1946.) At Geneva the Committee completed the drafting of a Charter proposing the establishment of an International Trade Organization which was to have as its purpose the achievement, through international co-operation, in the fields of trade and employment, of peaceful and friendly relations among nations. The Preparatory Committee's draft Charter was submitted to the nations invited by the United Nations to attend the International Trade Conference at Havana in November, 1947. The Department was also represented at the Havana Conference, which did not complete its task until March, 1948, when a Charter, based substantially on the Geneva draft, was accepted by fifty-four of the fifty-eight nations attending the Conference for submission to and acceptance by their Governments.

Concurrently with, and subsequent to, the discussions on the proposed ITO Charter at Geneva, negotiations were undertaken there to complete a multilateral agreement among the members of the Preparatory Committee on tariffs and directly related subjects. The results of these negotiations are incorporated in the General Agreement on Tariffs and Trade, which, before coming into effect in so far as New Zealand is concerned, requires Parliament's approval. If New Zealand adheres to the Agreement, we shall grant, on the one hand, and shall be accorded, on the other, tariff concessions which it is anticipated will be to the advantage of all concerned.

(b) TRADE RELATIONSHIPS WITH OTHER COUNTRIES

Both in its own right and as a member of Inter-departmental Committees this Department has continued to be closely concerned with the development of New Zealand's trade relationships with other countries. Particular concern has arisen from the necessity to make the best possible use of such dollars and other "hard" currency as was available and to encourage to the maximum exports to these areas.

(c) RELATIONS WITH JAPAN

On the 1st September, 1947, private trade with Japan was reopened. Of the four hundred businessmen who were permitted after 15th August to enter Japan, if sponsored by their Governments, a revolving quota of six was allotted to New Zealand. Only five local businessmen have, however, so far taken the opportunity to obtain permission to make business trips to Japan. Only very limited trade has been possible as Japan is regarded as a "hard" currency country, and there is, as yet, only a limited range of goods available from that source. Negotiations have been proceeding with the Supreme Commander for the Allied Powers regarding the sale, on a Government