

basis, of wool, hides and skins, and seeds to Japan, but no arrangements have been completed. Close collaboration with the Governments of the United Kingdom and other Commonwealth countries is being maintained regarding trade with Japan, and it is possible that arrangements of a comprehensive nature may be made to permit of some two-way trading with that country on a commercial basis. Economic aspects of the proposed Japanese Peace Settlement, which entailed a study of the Japanese economy as well as of the proposals of the Far Eastern Commission (FEC) for the future levels of economic life of the Japanese and the restrictions necessary to ensure Japan's complete industrial disarmament, have also engaged attention during the year.

SECTION 3.—TRADE PROMOTION

Normally, one of the major tasks of the Commerce Division would be the development and expansion of New Zealand's export trade, for which purpose it is closely linked with the overseas trade representation service, but, because at present New Zealand's main export products are either committed to the United Kingdom or are finding a ready sale in well-established markets, trade promotion work is limited. There are many opportunities for the sale overseas of a variety of manufactured goods which New Zealand industry could produce at competitive prices, but, under existing conditions, shortages of certain materials, as well as of labour, prevent the full exploitation of these opportunities. Unfortunately, it is sometimes necessary to discourage exports as is done in cases where the immediate or possible future effect would be to cause a shortage on the local market either of the goods themselves or of some essential raw material from which they are made. Nevertheless, the service offered by the Commerce Division, through the Trade Commissioner Service, to assist manufacturers or their agents to find markets in other countries for their surplus production has been increasingly availed of during the year.

Assistance, too, is accorded to traders generally by disseminating commercial information and by passing on to appropriate firms or organizations the many overseas trade inquiries received. The Trade Commissioner Service has also rendered valuable assistance to importers and manufacturers in locating sources of supply of materials and in facilitating their release and shipment.

SECTION 4.—TRADE COMMISSIONER SERVICE

The reorganization and strengthening of the Trade Commissioner Service has proceeded during the year. Continued reduction in the amount of procurement work required of Trade Commissioners has led to a corresponding reduction in the staffs employed in some overseas offices, but in India the Acting New Zealand Supply Liaison Officer has been replaced by a Trade Commissioner and an Assistant Trade Commissioner, while a permanent Trade Commissioner has been appointed in Melbourne and an Assistant Trade Commissioner in Sydney. The present overseas representatives of the Department are as follows:—

United Kingdom Representative	..	..	..	London.
New Zealand Trade Commissioner in U.S.A.	..	..	..	Washington.
New Zealand Trade Commissioner in Canada	..	..	..	Montreal.
New Zealand Senior Trade Commissioner in Australia			..	Sydney.
Assistant New Zealand Trade Commissioner	..	..	..	Sydney.
New Zealand Trade Commissioner	..	..	..	Melbourne.
New Zealand Trade Commissioner in India	..	..	..	Bombay.
Assistant New Zealand Trade Commissioner	..	..	..	Bombay.
Temporary New Zealand Trade and Reparations Representative				Tokyo.