

for Government Departments and 75 per cent. for local industries, from which tenders are invited. Trade and manufacturers' associations are kept advised of the position, and so far there has been a steady demand for the equipment received. Further allocations are expected to be made to this country from time to time.

(b) JAPAN

In conjunction with the Department of External Affairs, this Department has maintained a close watch over the development of plans for Japanese reparations which are being worked out by the Far Eastern Commission in Washington and being implemented by the Supreme Commander for the Allied Powers in Japan, in conjunction with the Reparations Technical Advisory Committee in Tokyo, of which the New Zealand Government Trade and Reparations Representative in Japan is a member. A small number of countries whose properties were devastated by the Japanese have received allocations under the advanced transfer programme, and this equipment, amounting to approximately 30 per cent. of the estimated total available for reparations, is being removed by these countries, which include China, United Kingdom, Netherlands, and Philippines. The Supreme Commander of the Allied Powers is proceeding with the preparation of inventories and valuations of the remaining equipment. All claimant countries will have the opportunity to make inspection and to lodge claims for what they desire when policy decisions are made by the Far Eastern Commission.

SECTION 7.—MISCELLANEOUS

(a) CONTROL OF EXPORTS

In carrying out its function of making recommendations to the Customs Department on applications for permits to export certain goods as required by 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. Important factors taken into account include New Zealand's obligations to the International Emergency Food Committee (IEFC), our commitments for the supply of products to the United Kingdom, and our desire to encourage exports to "hard" currency countries.

(b) INTERNATIONAL EMERGENCY FOOD COMMITTEE

The co-ordination of information required by the IEFC as to New Zealand's requirements and production of those foodstuffs and materials which are subject to IEFC allocations, and which include cereals (including rice), fats and oils, pulses, cocoa, animal foodstuffs, grass and clover seeds, and fertilizers has continued to be carried out by this Department and supplied through External Affairs Department to the New Zealand member of the Committee in Washington.

(c) INTERNATIONAL WHEAT AGREEMENT

Work done locally in connection with New Zealand's participation in the negotiations for an International Wheat Agreement at a special session of the International Wheat Council in Washington from 27th January to 6th March, 1948, was carried out by this Department. The three main wheat-exporting countries and the thirty-three importing countries were represented at the session, at which a draft agreement was negotiated. New Zealand signed the agreement on 25th March, 1948. Both in preparing the instructions to the New Zealand delegation, and in considering the draft Agreement, close liaison was maintained with the Wheat and Flour Controller, the Economic Stabilization Commission, and the Department of Agriculture to ensure co-ordination of the views of the various Government agencies concerned with the production and importation of wheat in New Zealand.