

has continued to be drawn from the New Zealand Embassy, Washington, with some change in committee representation occasioned by the departure of Mr G. R. Powles towards the end of 1948. It is, however, necessary to record that, largely because of the general deterioration in the international situation, the Commission now yields only diminishing returns from its exhaustive and protracted discussions. The more significant developments in Japan have been sponsored by the Supreme Commander for the Allied Powers (SCAP) operating within the wide framework of earlier FEC policy decisions, while the United States Government has retained its freedom to issue interim directives on matters of urgency.

Although about ten policy decisions have been adopted by the Commission in the period under review, a number of these have dealt with purely technical problems, such as patent rights and access to scientific information. Of broader significance are the policy decisions on attendance at inter-governmental conferences, travel outside Japan of commercial representatives, conduct of trade with Japan, and principles for Japanese farmers' organizations.

At the end of the year the most important outstanding question before the Commission (and one with security implications for New Zealand) was the problem of reparations and the level of economic life, on which a declaration of United States views was still awaited. Other questions under discussion were the review of the Japanese constitution, labour policy in Japan, the dissolution of the great industrial combines, civil aviation, and the policy to be adopted towards Japanese aquatic industries. The New Zealand delegates have continued to concentrate particularly on the encouragement of democratic tendencies and the security aspects of current Allied policy towards Japan.

4. ALLIED COUNCIL FOR JAPAN

The Allied Council, which it was intended should advise SCAP on implementation of policy, has virtually ceased to fulfil a useful function and, on the infrequent occasions when its meetings are other than purely formal, discussion generally consists of a series of sharp exchanges between the United States and Soviet representatives. Mr Patrick Shaw continues to be the joint representative of the United Kingdom, Australia, India, and New Zealand.

In April, 1948, and in January, 1949, respectively there were discussions on the security aspects of the maritime Safety Authorities Bill and the size of the Japanese Police Force. In August the National Public Service Law was considered. The Commonwealth member stressed the need for caution in curtailing employees' rights by long-term legislation, and the importance of drawing a clear distinction between Government servants proper and employees in Government enterprises, and of establishing an equitable arbitration system.